Academic Job Search: Negotiating Your Faculty Startup Package

Negotiating Your Faculty Compensation and Startup Package

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Agenda

• Part 1: Negotiation *items*
  – Salary/compensation and other personal benefits
  – Departmental or institutional items
  – Start up funds and space

• Part 2: Negotiation *process*
  – Review of samples
  – Step-by-step strategies
  – Tips for the negotiation conversation
Part 1: Negotiation items

Salary/compensation and other personal benefits

Faculty Salaries in the US may vary

-Doctoral Institutions
-Masters Institutions
-Baccalaureate Institutions

-Chronicle of Higher Education/AAUP Survey  chronicle.com
-Medical School faculty salaries - AAMC Faculty Salary Survey
-State institution employee salaries – individual salaries public information
-See major city newspaper websites for publication of salaries
Part 1: Negotiation items
Salary/compensation and other personal benefits

Salary structure may be very complex!

• 9-month vs. 12-month structure
• Base salary may vary widely in large univ system
  – Scale, rank, step
• Plus add-ons at many institutions

Part 1: Negotiation items
Salary/compensation and other personal benefits

Salary structure may be very complex!

• At UC, for example:
  – “X factor” = base salary depends on dept’ s “scale”, may be the same for all in dept at rank and seniority

  – “Y factor” = compensation paid in addition to the base salary; negotiated depending on such factors as the quality, scope, and volume of a faculty member’ s teaching, research, clinical and administrative activities

  – “Z factor” = incentive compensation or bonus; based on service to dept, outside income, etc
Part 1: Negotiation items
Salary/compensation and other personal benefits

• Personal items that might be requested:
  – Salary and compensation
  – Moving expenses
  – Housing loan assistance
  – House-hunting visit
  – Day care
  – Tuition assistance – Self? Family?
  – Summer salary support
  – Parking
  – Salary advance
  – Spouse/partner appointments or other dual-career couple issues
  – Individual institutional issues

Part 1: Negotiation items
General items for your success

• Release time
• Teaching load requirements
  – Teaching assistants?
  – Lab or lecture?
  – Postpone for initial year(s)?
  – Small class vs large class?
  – Loaned lecture materials?
  – Weekdays without teaching?
• Service requirements
• Timing: Tenure clock, contract renewal dates, start date
• Graduate program affiliations
• Sabbatical
• Unrestricted account in your name
Negotiation items: 
Start-up Funds and Space

Start-up funds: 
How are they structured?

- Lump sum?
- Funded exactly from your submitted detailed list?
- Is your salary included in the package or separate?
- Typically 4 categories: reagents, equipment, staff, research support
- Key: Enough to cover your costs until you generate another revenue stream
Start-up funds: How are they structured?

- **Key:** *Enough* to cover your costs *until* you generate another revenue stream
  - *Enough*:
    - Reagents
    - Equipment – expensive one time cost; you may be pushed to share
    - Staff – recurring cost, so most difficult to negotiate;
      - one PhD student, one postdoc, one technician could exceed $230,000/year including benefits
  - *Until*:
    - How long will funds be available? 3 yrs? 5 yrs?
    - Do you have discretion on the per-year amount that you will spend? Can funds be carried forward year-to-year?
    - If you get a grant, do you immediately lose your startup funding?
    - Find out about the institution’s indirect cost policies

General Research Support from Department or Institution

- Administrative/clerical support – grant writing support, other writing support, dealing with new hires
- Students/postdocs on departmental training grants
- Core facilities and shared research equipment/resources
- Office space, support, photocopying
- Computers and software
- Travel support
- Submission and publication fees (can add up)
Lab Space

- Space is money
- Quantity, quality and location are all important
- Ask about:
  - Condition of lab space
  - Fit to your program
  - Renovations needed
  - Location/neighbors
- Space in animal facilities
- “400 – 1000 sq ft” – Boss & Eckert – Sciencecareers.org

Part 2:

The Negotiation Process
Review of samples

Offer letter info:
http://www.bwfund.org/career-tools/academic-tenure-track-offer-letters
Sample Offer Letter
Office of the Chairman

Dear [Name]:

It is with great pleasure and excitement that we offer you the position of Assistant Professor in the Department of ___ at the University [a medical school]. This is a twelve-month appointment on the tenure track. The date of your appointment will be determined by mutual agreement with the chair, although we anticipate a starting date of ___ or ___ 2017.

Salary. Initially, you will receive a salary of $___,000 per fiscal year derived from the general revenue budget of the department. This amount is guaranteed by the department until such time that you will be able to generate salary contributions from your grant support. Salary increases are awarded through the annual budget cycles of the university and are determined by local as well as legislative decisions. It is expected that 30% of your salary should ultimately be derived from grant funds. Should you successfully recover greater than 30% of your salary, we will negotiate several options to adjust your salary with the approval of the university.

Benefits. Your appointment comes with a variety of benefits that are described in [a web site]. These benefits include premium sharing towards health insurance for faculty and family. There are dental, vision, accident and life insurance programs, and a [401k] retirement plan. The department will reimburse you for out-of-pocket expenses for health coverage from your start date until the university becomes active (typically 90 days from start).

Moving Expenses. You are reimbursed up to one month's gross salary for your household move.

Laboratory/Office Space. You will be provided approximately 1000 square feet of office space. This space will be conditioned to accommodate any anticipated growth of your research program. The office will be furnished with a desk, chair, and other necessary equipment. The department will provide access to a shared office and reception area. As a member of the department, you will have access to all departmental core facilities.

Personnel. As discussed, we will pay for a Postdoctoral Fellow for up to two years to conduct research during the three-year start-up period. The person in this position will be compensated at the appropriate NIH pay level and will be full benefits of the position. If so desired, a graduate student or technician can be hired in place of the Postdoctoral Fellow. We will also provide you with a full-time technician for up to two years to conduct any time during the three-year start-up period. For the Postdoctoral Fellow and technicians, we cannot guarantee support after the first three years of your appointment. If you are successful in securing grant funds prior to the end of any one or both of these individuals, then, in addition to the front office, you will have access to an assistant shared with a subset of your colleagues.

Equipment/supplies. The department will equip your lab in accordance with the list you provide. The dollar figures for the items are estimates and it is the equipment list that is guaranteed. Should we have items in our inventory of adequate capability and condition at the time of mutual agreement, we will substitute for items on the list.

Teaching/service. You will be excused from teaching for your first year although it is recommended that you become involved in graduate teaching as soon as possible for exposure to prospective graduate students. After this grace period, you may be called upon to give select lectures in the Medical and Dental Physiology courses. Every effort will be made to excuse you from service on committees for your first year, although your membership on select departmental committees will be requested since your input as new faculty member of the department is considered invaluable.

Promotion and Evaluation. As per department policy, you will be evaluated yearly by the departmental Promotion and Tenure Committee, as well as the chair. Promotion and tenure decisions will be based on a balanced consideration of your research program (funding, publications), service (department, institution, and national peer review appointments), and teaching. Additional information regarding tenure policy and procedures can be found on the university website in the [university's handbook of operating procedures].

Final appointment is contingent upon the approval of the President of the [university]. If you agree to accept this offer, please sign below and return by ___ 2016.

___, we are absolutely thrilled that you are considering joining our faculty in ___ or [insert name]. I am pledged to do whatever is necessary to make the initiation of your independent career as smooth and productive as possible. Your new colleagues here are extraordinarily excited about the assets that you will bring to the department and are committed to the development of your academic prospects in our midst. As you know, we are in a growth phase and I look forward to your input in shaping the future of our department.
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Joe Smith, Startup Package

Dear Joe,

As you requested I have outlined my desires for a startup package and a rough estimate of my lab's budget for the first 3 years at Major University. I realize that some things may need to be adjusted and that there will be some overlap.

1. Startup $240k/year. 3 yrs. Lab supplies, lab supplies $320k/year, on-site lab supplies, lab supplies $300k/year.
2. In addition, I believe that $100k/year should be guaranteed for my lab regardless of receiving new grants. That is, I don't think one should be penalized for getting grants given that the startup is supposed to help launch a lab.
3. The $240k/year is supposed to be spent on equipment.
4. Departmental support for equipment.

5. My salary, $250k/year.
6. Office and supplies.
7. Lab.
8. Lab equipment/lab space, square footage in writing.
9. Parking pass at the Main Parking Deck.
10. Pilot project funds at $120k/year with high priority initial support.
11. Students' salaries as per current expectations.
12. No mandatory charges for teaching or office.
13. We would like to have access to the hospital for my daughter, without being put on a lengthy waiting list.
14. The $240k/year is supposed to be spent on equipment and other grants pertaining to salary; this money should be matched back into my research program.
15. Temporary, part-time research/teaching assistants.
16. Shared administrative assistant.

Additional equipment/supplies that are not already provided.

1) Dissection scopes
   a) 2 for lab
   b) 1 for surgery
   c) lab dissecting + imaging system
2) Multichannel plate microscope
3) Surgery lab equipment
4) Human specimens for histology and protein
5) Laboratory equipment (urgent)
6) 7 sets of (10L, 15L, 50L, 100L)
7) Mass spectrometry
8) Electron microscope, system for whole animals
9) Books, Refs, and protocols: Molecular Biology, Cell Biology, Cell Culture
10) Lab supplies
11) 2 photon qss plate lasers
12) Software: Adobe Illustrator, Photoshop, Macrolab, humans, excel, stata, software, etc.

I know this is an extensive list and I understand some adjustments will have to be made but I look forward to discussing such items on the list, and I look forward to working towards a startup package that is agreeable to all of us.

Thanks,
Joe Smith
Part 3:
The Negotiation Process
Step 1: Receive the job offer; respond intelligently

- Express enthusiasm
- Ask for basics in writing/email

Possible response:
- “Well, this is great news. I felt there was a great potential fit when I was on campus and I’m thrilled to receive this offer.”
- “It would be really helpful if I could see everything that you’ve just described in writing -- would it be possible for you to send me the basics of what you just offered in an email?”

Your goal is to respond only after having time to prioritize your requests. You cannot prioritize effectively during this initial conversation!
- Never tip your hand about individual items or overall offer during the initial offer conversation!
- Do not commit to anything.
- If it’s clear that something important is missing, don’t mention it yet.
Step 2: Decide if you can succeed in that department. Decide if you MIGHT accept the offer. If so, plan to negotiate.

- The negotiation process is a detailed conversation about how you will succeed.
- “It’s not good for either party to only go back and forth once.”
  
  senior faculty, Medical College of Wisconsin

- “As a rule of thumb you can expect to win roughly four important points of negotiation in your final offer.”
  
  Emory professors Boss and Eckert

Step 3: Re-evaluate and prioritize your negotiation requests.

**Prepare private list:**
- Make a prioritized list of what you want that is not provided in the offer.
- Re-evaluate your list of the deal-breakers without which you will fail

**Prepare public list:**
- If asked to provide a detailed start-up lab budget then “the more detailed the budget, the more credible”
- In some scientific fields: Budget may have been requested prior to offer
Step 4: Begin negotiating.

a. Start out with positive and enthusiastic comment

b. Provide an overview of your requests and ask about how to proceed

c. Make and defend your first request

d. When at a stopping point, find out and/or agree on what happens next; express appreciation

Possible approach:

First of all, I wanted to say again how thrilled I am to have received this offer...
Step 4: Begin negotiating.

b. Provide an overview of your requests and ask about how to proceed

Possible approaches:

...I do have a number of questions. These questions run the gamut from salary issues, to whether or not my husband will find a job there, to how I will access necessary equipment...

OR

...I’ve outlined four main points to discuss with you about the items presented in the email you sent to me.

...Is this a good time to discuss these or would you prefer to do it later or perhaps by email?

---

Step 4: Begin negotiating.

c. Make and defend your first request.

Possible approach:

...As we discussed previously, in order for me to be successful with (project X) I need access to a flux capacitor (expensive equipment), which the department does not currently own. Purchasing a flux capacitor from my startup funds would compromise my ability to hire the research staff I’ll need to move forward. I just don’t see how I can succeed if I have to purchase it from my startup funds...and, I’m wondering if there is any way that item could be covered by other funds?
Step 4: Begin negotiating.

c. Make and defend your first request.

Note:
By email, strategic delays are built in. By conversation, remember that you can ask to stop and continue later.

Possible approach:
You know, I feel like we’re at a point where I need to back up and look at everything we’ve discussed. I’m encouraged by the progress we’ve made so far. Can we agree to move onto the next points later?

d. When at a stopping point, review progress and commitments, find out and/or agree on what happens next; always express appreciation.

Possible approach:
…I really appreciate your flexibility on these three items and I’m aware of how much effort it takes to request an approval for moving me to a salary step 2. I feel like we’ve made a lot of progress already, and I’m looking forward to the possibility of finishing this up. I will re-calculate my reagent budget as you requested and get back to you by tomorrow. What happens from here, on your end?
Step 5: Continue making requests and negotiating until finished.

- Always ask for final agreement in writing.

Principles to follow throughout

- Always re-open and close each step with appreciation and enthusiasm.
- Negotiate with integrity.
  - This is not an ego trip -- give on some points.
  - Balance satisfaction with relationship issues.
- Be sure that points are documented in writing (email or letter) at every stage of the process.
- Avoid miscommunication when negotiating
  - Keep detailed notes of each conversation
  - Follow up each conversation with an email summarizing the agreed-upon points
Principles to follow throughout

• Suggest win-win’s.

Possible approach:

…I’m aware that John Smith and Carol Jones and several others would also benefit from access to this microscope. If you could help find departmental funds to purchase it, I will maintain it and schedule it.

What to do about multiple offers

• Be sincere; it’s a small world
• Notify other institutions with the “good news” of your offer
  – I was thrilled to receive a competitive offer for a faculty position at another university yesterday. While I was honored by that offer, that offer expires a week before the decision date you announced for the position in your department. Everything I’ve learned so far tells me that I’d prefer to accept your position if it was offered. Do you know if your process can be accelerated?
• Convey information in a timely, transparent way
Declining Offers

- Announce in a timely manner
- Keep the conversation or email brief and polite
  - I regret to tell you that I don’t feel this position can provide the ideal fit for me to begin my research program...
  - My partner has not been able to find a suitable job offer in the area...
  - I have accepted another offer that provides a better fit for my overall career and family goals.

Suggested reading

Check out from the OCPD library:

Web articles:
- “Academic Scientists at Work: Negotiating a Faculty Position”, article on ScienceCareers.org by Emory professors Jeremy Boss and Susan Eckert.
- “Be Honorable and Strategic”, article on ScienceCareers.org by Carnegie Foundation Scholar Chris Golde.
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