



University of California  
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# Compensation Negotiation Skills for Industry Scientist Positions

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# Seminar Goals

- Talking about compensation *during the interview*
- What to say *at the time of the job offer*
- Typical job offer content
- Negotiation *options*: What might I ask for after the offer is made?
- Negotiation *process*: How do I ask for it?



# Talking About Compensation During the Interview

- “So if we were to move forward to the job offer stage, what would be your salary requirements?”
- Best scenario: This never comes up
- Second best: Don’t quote an actual figure
- Third best: Quote a range based on your research

# Initial Response

“I am very interested in this position (state why), and if we were to move forward to an offer, I simply hope that an offer will be made for a salary amount that is competitive for my background and experience.”

# If Pressed to Name a Figure

“Well, for me, the most important thing is to be able to accept a position where I can (name factors that are important to you) and these issues are more critical to me than the exact salary figure. But from what research I have been able to do, it seems like salaries are falling in the mid-to-upper 90’s for a position like this, with a major employer and for someone with my general background.”

# When You Get the Job Offer

- Usually the company calls you
- Listen carefully
- Express enthusiasm *and* appreciation
- Ask for everything in writing
- **Important!** Do not accept the offer or any terms during this phone call
- **Important!** If it's clear that something important is missing, don't ask about it during this phone call

# What to Say—Enthusiasm & Appreciation

“Well, this is really great news. I also felt like there was a great potential fit when I was visiting (X company name) last week, and I really appreciate everything you’ve done to coordinate this process so far...”



# What to Say—Get it in Writing

“...Would it be possible to send everything you’ve just described to me in a quick email? It would be really helpful if I could take a look at all of the details together, and then I’ll be able to organize any questions I might have and I’ll respond by (specific day), as you requested.”

# A Typical Entry-Level Job Offer Letter Contains:

- Job title and classification
- Start date
- Supervisor
- Salary
- One-time bonus/signing bonus
- Explanation of annual bonus structure
- Stock options or stock grant
- Benefits – overview
  - Healthcare
  - Vacation
  - Retirement investment plan
  - Relocation package

# Entry-Level Non-Academic Salaries

- Range within classification
  - Example: At company X, all employees with the Scientist 1 classification are paid \$80-\$90,000
- Often a target starting point within the range
- Equity issues can affect salary offer

# How are salaries determined?

- Benchmarking surveys within biotech employment markets
- Tight salary brackets
- Employers are not out to take advantage of you
- But why not ask for more?
  - Often +3-7% increase if requested

# How do stock offers work?

- Option to purchase stock? Or stock grant?
- “Vesting” over a period of years
  - Typically 25% over 4 years
- Consider:
  - What is the strike price?
  - How many shares outstanding?
  - What is the probable IPO or buyout timeline?

# How do one-time cash bonuses work?

- Taxable income
- May include moving expense bonuses
- Questions to ask:
  - When is it being given to you?
  - Is it tied to length of stay at the company?
  - Is there a deadline attached to the bonus offer? (“exploding” bonus)

# What might be negotiable? (in bold)

- Job title and ***classification (rarely)***
- ***Start date***
- Supervisor
- ***Salary***
- ***Signing bonus***
- ***Stock option or grant, if pre-IPO company***
- Benefits
  - Healthcare
  - Vacation
  - Retirement investment plan
  - ***Relocation package***
- ***What else do you need?***

# Negotiation Process

- Call on phone
- Negotiation typically begins with the person who signed your job offer letter



# How do I ask?

## 1. Start positive

- How much you like some aspect of position

## 2. Transition/agenda statement:

- “I have two items to discuss after reading over the job offer letter that you sent.”

## 3. Mention leverage:

- Best leverage - competing offer
- Next-best leverage - stats or competing interviews or anecdotal information
- “Why-not-try” leverage - your own needs

# How do I ask?

4. Ask for what you want in general terms, not specific number!
5. End encouragingly
6. Summarize verbally; follow up by email
7. Express appreciation and thank the other person for the extra effort

# Decide if You Want the Job

- Be honest with yourself about what you want
- Be confident: it's *normal* to ask for something
- Do not negotiate to boost your ego

# Prepare for the Negotiation

- Review job offer letter
- Prioritize questions and requests
- Write out discussion bullets for major requests
- Practice out loud, with a partner

# Typical List of Prioritized Items

1. Start date – one month vs two weeks?  
Clarify?
2. Salary – target was \$90k vs \$86k, was hoping to start at \$90k based on benchmark data
3. Signing bonus – request \$4k for car and rent to bring total up to original target for first year
4. Ask for explanation of stock plan

# How to Initiate the Conversation

- Start positive:

*“First of all, I wanted to say again how thrilled I am to have received this offer...”*

# Transition to Discussion & Requests

*“...I do have a number of questions. These questions run the gamut from salary issues, to start date.”*

**OR**

*“...I’ve outlined two main points, along with a couple of clarification questions, concerning the items presented in the email you sent to me.”*

*“...Is this a good time to discuss these, should we set a time later, or do you prefer to do this by email?”*

# Mention Leverage & Ask for What You Want

*“...Well, my first question is about the salary. The letter you sent specified a salary of \$90,000. I’ve done some information gathering online and through colleagues in similar positions, and it seems as if the going rate for this sort of position, in the Bay Area and for someone with my background, is more in the range of the mid-90’s. Is there any flexibility in the salary level for this position that might bring it closer to this level?”*



# End Encouragingly, Summarize, & Express Appreciation

*“...I understand now why we are locked into the start date and that it needs to remain as it is in the letter you sent. And...I really appreciate your willingness to check on the flexibility around salary for this position, especially since (some reference to earlier conversation) I know it requires circling back to Bob to check on equity issues within the group. I’ll be prepared to respond quickly when I hear back from you...I’m really excited about wrapping this up too and appreciate your help in getting together the information that I need to finalize my decision. Is there anything else you need from me at this point?”*

# Wait for the Counter-Offer

- Always ask for final agreement in writing
- Wait for counter-offer email
- Generally, only one major negotiation conversation for entry-level jobs
- Accept the counter offer or politely turn it down

# Suggested Resources on Negotiations

- “Getting to Yes: Negotiating Agreement without Giving In.”  
*Fisher R, Ury W, Patton B. Penguin Books*
- Center for the Advancement of Women’s Leadership at Stanford University

<https://womensleadership.stanford.edu/negotiation>

# Principles to Follow

- Maintain the relationship
  - Open and close each conversation with appreciation and enthusiasm
- Avoid miscommunication when negotiating
  - Clarify it in conversation, then get it in writing or write it yourself
- Negotiate with integrity
  - Balance satisfaction with relationship issues