Negotiating

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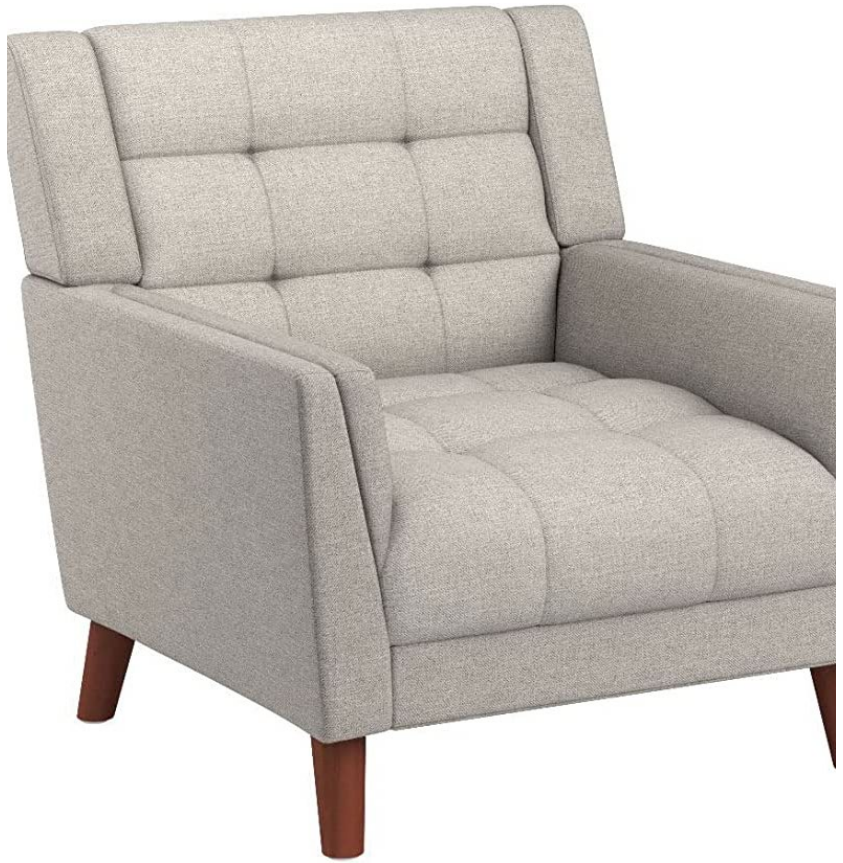

Overview

HAVING A GOOD APPROACH

STRATEGIES TO CONSIDER

Q&A

Have a good approach

Know what your rights are

Faculty Handbook is explicit, helpful

Prepare – don't go in cold

Know what the AAMC salary benchmarks are for your position

Know the UHC/AAMC wRVU benchmarks are

Know the expected amount of grant support

Draw up a letter summarizing your accomplishments and contributions- might send ahead of time

'the art of letting the other person have your way"

Find *<u>shared interests</u>*; the other party's position/response is virtually <u>always</u> based on their interests- i.e. meeting their goals finance wise and productivity wise

The trick is to frame your interests in terms of the interests of the other party.

Negotiation Errors

- Assuming things you think you know about the other party
- Cornering the other party- my way or the highway
- Issue fixation on something that might not be in their ability to change
- Confusing authority and power
  - The power of dept chairs and division chiefs isn't what it used to be
- Talking too much
  - “some of the best negotiating you’ll ever do is when you’re not talking”
- Failing to appreciate the nature of the other party’s needs/interests

Letter of Accomplishments

- **Grant funding/Research** (I have been *continuously* funded since joining faculty in 2012):
- NIH/NCATS KL2
- ACR RRF K bridge
- NIH K08 (NIAMS)
- ACR RRF R bridge
- NIH R01 (NIAMS) – with more than $600,000 in indirects
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- I have also created new collaborations with investigators at Northwestern, Cleveland Clinic, and here at MUSC, all with projects/grants on-going or planned. I will submit 2 other grants this year: Lupus Research Alliance (Co-I), and a VA Merit (PI).
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- This fiscal year I published 2 manuscripts (co-author) and a 3rd is in preparation (last author).
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- **Teaching (highlights)**
- I precept the Clinical Ethics clerkship (Fundamentals of Patient Care) for Years 3 and 4.
- I facilitated an "Anti-Racism in Medicine" small group discussion (orientation week).
- I precept rotating 3rd year students in my clinic weekly as part of their IM Ambulatory Block
- I am a lecturer for Immunobiology **(MBIM 790*02) and Inflammation & Immunity (MBIM 735)**
- My evaluations from rotating IM residents were 100% "excellent"
- Annual evaluations from the fellows indicate high satisfaction (score 9.97/10 in 2022)
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- Here is a sampling of fellow comments: "Dr. X is an asset to this program. She has immense knowledge and is always willing to teach. I have only worked with her on consults, but these times were filled with teaching opportunities. I have learned a lot from her." "Dr. X is a great advocate for her patients and goes above and beyond for each patient; she is a wonderful role model as a rheumatologist scientist because she is strong, smart, and driven."
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- **Other academic pursuits (highlights) 2022**:
- Director – Dept of Medicine PSTP
- Committee member, MSTP student
- Women Scholar Initiative/ARROW Career Development Program, Committee Member
- Interviewer – College of Graduate Studies, PhD applicants

Best Alternative Strategies

Coming up with options

Make a list of actions you might conceivably take if no agreement is reached.

In the faculty handbook the process of disputing your contract is given

Are you willing to do more clinic time, teaching time, admin time

You should also consider your Chair's alternatives

What are his/her options?

They are given a budget by the Dean's office so they work backwards to fit everyone into that budget

This is a negotiation that rarely ends in everyone getting what they want. Hopefully both parties want to reach an agreement that benefits both

How can you make his/her options easier? Have they been taxed with doing something new that you can help with

Saying “No”

Sometimes you’ll be asked to do something you are not inclined to do – admin role, etc.

Consider time commitments, contributions to your advancement

- Is there a discrepancy between your view of your future path and your chair’s?
  - Again – identify your interests and Chair’s
- If something is a “stop-gap” to cover salary, what is the path for ending it?

If you actually say “yes” instead – make sure you are getting recognition/credit

Timing of budget and contracts for COM

- Budget process begins in February and takes 6-8 weeks
- Budget presentations to the COM through March
- Budget is presented by Department Chair/Vice Chair finances, other finance administrators, Division Chair, Division Administrator and Division Finance Manager
- COM budgets are presented to the Provost in mid to late April. No input by faculty up to this point.
- Contracts are then presented to the faculty in May to June for review and discussion

Calculating RVUs and FTEs

	cFTE	FY 17 wRVUs	FY18 wRVUs	%UHC
Physician 1	0.25	1456	1519	65%
Physician 2	0.25	1177	1740	65%
Physician 3	0.25	928	1872	65%
UT Southwestern	0.25	1125		65%
UAB	0.25	1100		65%
Pitt	0.25	900		50%
SE UHC avg	0.25	1204		65%

Current guidelines at MUSC are 65% of regional average wRVUs for academic institutions in Southeast and overall salaries to be at the 50%.

The ratio of RVU percent target to Pay percent is likely to change with new contracts. future as the BOT was very unhappy with this set of figures and requested that the differential be decreased to 0. i.e. 50/50 or 65/65

- Salary determinations:
  - A: Guaranteed salary at the Faculty Level
  - B: Income and buy down- educational, research and administrative buydowns
    - cFTE- negotiable
    - cRVUs- national guidelines with ranges- negotiable
    - $ for cRVUs- general specific range for each specialty. $RVU are set based on dollars needed to meet salary $
  - V: Variable compensation- New for FundsFlow 2
    - If you exceed your RVUs, you will receive payments quarterly based on number of RVUs x $RVU. This is where negotiating $RVU makes a big difference.
  - Z: Z funds will be available depending on division/department/college finances. These are distributed by the Chair/Chief based on divisional/department rules set by the faculty. Can be used to bring salaries up to standards

Variable compensation

- The amount one can make from variable compensation is highly dependent on clinical productivity. There is no extra for research and educational productivity that is part of your buy down.
- I am 0.1 (10%) clinical FTE with the other 90% being buydown. If I meet my RVU goal and my expected RVU goal, I will receive an additional $8,000 total paid quarterly
- A colleague of mine in the same division who is 1.0 FTE if they meet their RVU goal and achieve the same RVU numbers they have this year, they will receive an additional $40-50K total paid quarterly. Their $/RVU are likely more than mine
- We are both bottom of the barrel rheumatologists
- Dollars per RVU are determined by rank, FTE, salary needs and divisional needs (absence due to health care or pregnancy or an underperforming faculty

Other pertinent points

- Recent coding changes including the extra charge for complicated patients (G2211) has made a difference in 10-15% range of added billing revenue.
- Your RVUs are determined by your percent FTE. Your buy downs determine your percent FTE. Monies from the Health System for admin support for a division/dept. is determined by number of FTEs.
- The Variable compensation plan is the carrot to compensate for the stick of the hold back if you do not meet your RVU goals.
- This also gives faculty that want to make more to expand their clinical load or take on more inpatient care including weekends.

Special Topics: Salary

Reality of today's financing system:

Educate yourself on how salaries are calculated

Read your contracts carefully and understand it. It is not easy

The more you contribute to multiple missions within the department, the more value you have

- "Two-fer" or "Three-fer"
- Make sure you are being compensated for extras

Opportunities for major salary increases

Promotion/additional responsibility (not a guarantee)

Major achievement (not simply 'doing a good job')

Having other opportunities (i.e., competing offer)

- Beware – it may be okay with them if you leave

Startup packages

- You will almost always get a better package going to a new institution rather than staying at the institution where you trained
- There are no guidelines on when to look, although typically this occurs when you get your first R01/Merit/DOD independent grant or you get a second R01 or your first is renewed.
- The success rate for a K awardee to subsequently get an R01 is 20-24% based on NIH branch. The rate for a first RO1 to be renewed in its first submission is 18%.
- Typically start up packages are for three years though can vary. These three years are typically where you have more protected time

Start up packages continued

- The startup package depend on the type of research you pursue
- Basic science startup includes bench space ?400-600 sq ft, equipment, technical personnel/post docs/graduate students and the amount is highly variable depending on rank and funding.
- Clinical researchers startup would include coordinator support and monies to set up the patient data bases.
- Methodology researchers would have variable needs for support depending on their area
- This where it is useful to see what your market value is via looking at more than one site even if you intend to stay where you are
- The most money is not always the best place

Other considerations

- It is critical to look at the institutional and divisional strengths in your area of research.
- The best way to fail is to be a junior investigator taking a job at an institution with no one to mentor you and no one to collaborate with and no history of strength in their area of investigation.
- One should also look at what are the unique opportunities available at that institution- local population/cores/world class investigators
- An administrator may present you the contract, but for negotiations you should always do it with your chair or chief, not the business/finance administrator

Summary

- No one knows what is going to happen regarding federal funding for grants or Medicare/Medicaid, but best bets are that it will not be good. DOD already big cuts, VA likely will also along with the NIH
- Search for other funding opportunities be it institutional grants, disease related organizations, philanthropy
- Work/life balance is very tough and should be a major decision point early in your career
- I used to believe if you are talented and dedicated enough that you can succeed in academic medicine. I am not so sure now. There are ups and downs, pressures and joys.
- My experience was amazing in people I met, places I went for free, worldwide friends you make and the impact of your success on other peoples lives