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The University of Michigan-Flint

The Committee on the Economic Status of the Faculty

Annual Report to the Regents

June 2006

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The University of Michigan-Flint

Regents Communication

Items for Information

Subject: Committee on the Economic Status of the Faculty

Executive Summary

This year, the Committee has focused on the following issues:

- a) Salary compression within faculty ranks,
- b) UM-Flint faculty salaries in comparison to salaries at peer institutions, especially the University of Michigan-Dearborn,
- c) The faculty at the University of Michigan-Flint were the only faculty at a public university in Michigan to not receive a salary increase in the year 2003-2004.

Not surprisingly, the lack of salary increase in 2003-04 has had three, predictable effects:

- a) The effect of inflation on UM-Flint faculty salaries has worsened.
- b) The effect of salary compression with faculty ranks has worsened.
- c) UM-Flint faculty salaries, relative to salaries at peer institutions, are worse.

Date: May 31, 2006

Submitted by: Stephen W. Turner, Chair

Introduction

The committee again would like to thank Chancellor Mestas for permitting Fawn Skarsten of Institutional Analysis to contribute her extremely valuable assistance to the committee. The committee is very grateful for the continuing concern about faculty salary issues shown by Chancellor Mestas.

UM-Flint faculty salaries were compared with data from American Association of University Professors (AAUP) and College and University Professional Association (CUPA). The Committee, with guidance of the Office of Institutional Analysis, developed a state and national peer institutions comparison list and used various other CUPA and AAUP pre-set comparison groups in its review of the data. The Committee reviewed discipline-specific data, did not make comprehensive discipline based comparisons, focusing instead on the comparisons by rank included in this report. However, the Committee did note, with concern, **sixteen** disciplinary clusters in which some or all UM-Flint faculty salaries fared poorly when compared to CUPA All Public averages: ERS – Natural Resources; Area, Ethnic, Cultural and Gender Studies; Computer Science; Education; Foreign Language; Biology; Mathematics; Chemistry; Physics; Psychology; Social Work; Economics; Political Science; Theater; Physical Therapy; and History.

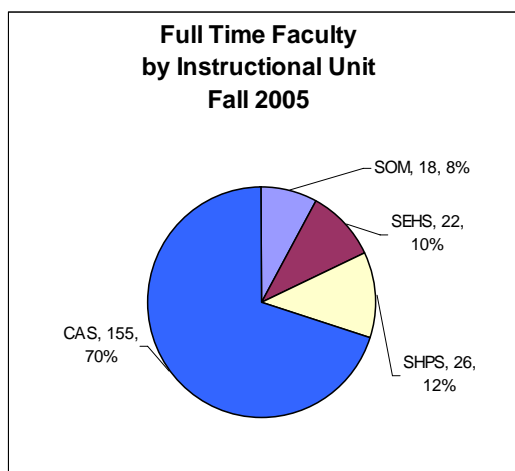


Figure 1

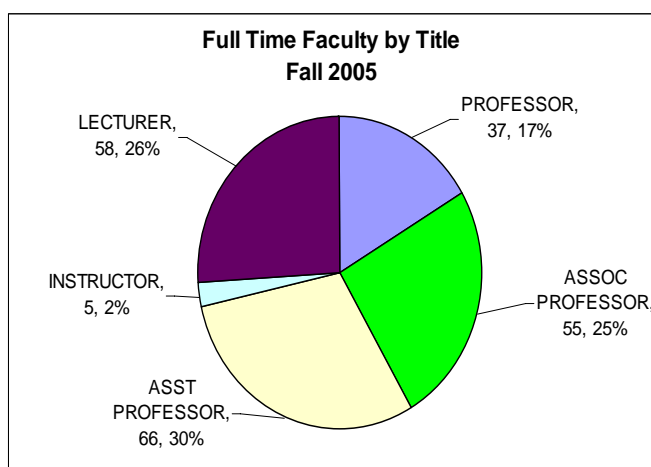


Figure 2

CAS = College of Arts and Sciences
SOM = School of Management
SHPS = School of Health Professions and Studies (Nursing, Physical Therapy, Medical Technology, Radiation Therapy, Health Care)
SEHS School of Education and Human Services (Education and Social Work)

As can be seen in figures 1 & 2, the College of Arts and Sciences (CAS) is the major academic unit on the Flint campus. CAS is composed of the traditional liberal arts departments and programs, plus programs in computer science and engineering. The other three instructional units are essentially professional degree programs with both undergraduate and graduate programs. Due to continued growth in graduate programs, it has become increasingly important to attract and retain high quality faculty members through competitive salaries. As UM-Flint

Librarians are members of the faculty, the Committee examined salaries of this discipline by comparisons with starting salaries at public libraries within Genesee County as well as peer institutions. The Committee's work this year builds upon the previous three years' reports in an effort to present a clear picture of economic status of the faculty.

How Have UM-Flint Faculty Salaries Performed Relative to Inflation?

Salary changes over the past ten years, relative to the annual February-to-February Consumer Price Index (CPI) for the Detroit-Ann Arbor-Flint area, were examined, and the committee found the following: by subtracting the ten-year CPI increase from the nominal ten-year salary increases, the real income decreased by 0.8% for the average Full Professor, while it increased for all other ranks.

Is There Evidence of Significant Salary Compression within Ranks?

In past years, this Committee has focused on the salary compression within the ranks at the University of Michigan, Flint. During the ten years prior to this past year, faculty salaries generally had slightly lagged increases in the CPI. Also, compensation increases for Assistant Professors and Lecturers have exceeded compensation increases for Associate Professors, which in turn, have consistently exceeded compensation increases for continuing Full Professors. The effect of this trend has been a continuing compression of salaries across faculty ranks. However, since no faculty received salary increases in 2003, the salary compression problems that existed on campus have only worsened.

How Do UM-Flint Faculty Salaries Compare to Peer Institutions?

The Committee followed the peer institution rationale articulated in the previous three years' reports. Expanding the comparisons lists the committee maximized the use of additional data available in this year's CUPA Faculty Survey. The Committee reviewed information available from both AAUP and CUPA.

AAUP Comparisons

For AAUP comparisons, the committee considered two peer sets. Table I compares UM-Flint salaries with a set of schools identified as Michigan Peers. Table II compares UM-Flint salaries with a nationwide and regional list of Category IIA institutions. AAUP Category IIA institutions are characterized as having diverse post-baccalaureate programs, but they do not engage in significant doctoral-level education. This category specifically includes institutions not considered specialized schools, in which the number of doctoral-level degrees granted is fewer than thirty or in which fewer than three unrelated disciplines are offered. Furthermore, these institutions must grant a minimum of thirty post-baccalaureate degrees and either grant degrees in three or more post-baccalaureate programs or, alternatively, have an interdisciplinary program at the post-baccalaureate level. The Michigan Peers list contains most, but not all, Michigan Category IIA institutions, since some of them do not participate in the annual AAUP survey (e.g.

Saginaw Valley State University). Otherwise, the schools were those identified by the committee as being most appropriately considered to be peer institutions with UM-Flint.

Table I
Michigan Peer Institution Ranked Faculty Salaries (in \$1,000s)

Assistant Professor		Associate Professor		Full Professor	
Institution		Institution		Institution	
UM-Dearborn	63.1	Western Michigan Univ.	68.1	Western Michigan Univ.	89.8
Oakland University	57.7	UM-Dearborn	67.9	UM-Dearborn	87.1
Eastern Michigan Univ.	55.9	Oakland University	66.3	Oakland University	86.3
UM-Flint	55.3	Central Michigan	64.9	Central Michigan Univ.	84.1
Western Michigan Univ.	53.7	Eastern Michigan Univ.	64.3	Grand Valley State Univ.	80.2
Ferris State University	53.0	UM-Flint	61.9	Eastern Michigan Univ.	79.9
Central Michigan Univ.	52.3	Grand Valley State	61.6	Ferris State University	76.0
Grand Valley State Univ.	48.3	Ferris State University	61.3	UM-Flint	75.0
Northern Michigan Univ.	47.1	Northern Michigan	56.2	Northern Michigan Univ.	72.8
AVERAGE:	54.0		63.6		81.2

Table I shows that, relative to last year, UM-Flint has slipped (down 1) in its relative position among its peer institutions at the Assistant and Full Professor levels and gained (up 1) at the Associate Professor level. The gain at the Associate Professor level can be attributed to the recent implementation of a higher (dollar value) raise for promotion cases, as well as the fact that the number of faculty promoted from Assistant to Associate far outnumbered the promotions from Associate to Full. As with last year (and for many years past), UM-Flint’s Associate and Full Professor compensation levels are among the lowest compared with Michigan peers.

Table II
National and Regional Comparisons

Institution	Lecturer		Assistant Professor		Associate Professor		Full Professor	
	In \$1,000's	% difference *	In \$1,000's	% difference *	In \$1,000's	% difference *	In \$1,000's	% difference *
UM-Flint	41.6		55.3		61.9		75.0	
National Category IIA Public	43.2	-3.8%	52.9	4.3%	62.7	-1.3%	78.9	-5.2%
North Central East	38.7	7.0%	51.3	7.2%	60.9	1.6%	76.3	-1.7%

* Percent differences from UM-Flint average salaries were calculated by subtracting UM-Flint average salary from the national or regional average and then expressing this difference as a percentage of the UM-Flint average salary. Negative percent differences indicate the regional or national comparative was higher than UM-F.

Table II compares UM-Flint faculty average salaries with those of category IIA public universities, both nationally and regionally. The regional comparison is to the north-central east region, which includes the states of Michigan, Illinois, Indiana, Wisconsin, and Ohio. The table shows that average salaries of faculty at UM-Flint were above the national averages only at the Assistant Professor level, while they were below the regional average only at the Full Professor level.

AAUP UM Campus Comparisons

Figures 3-5 show recent average faculty salaries, by rank and campus, for the three campuses of the University of Michigan. Each contains raw data (obtained from the AAUP web site) from the annual AAUP faculty salary survey, as well as trend lines for each rank and campus.

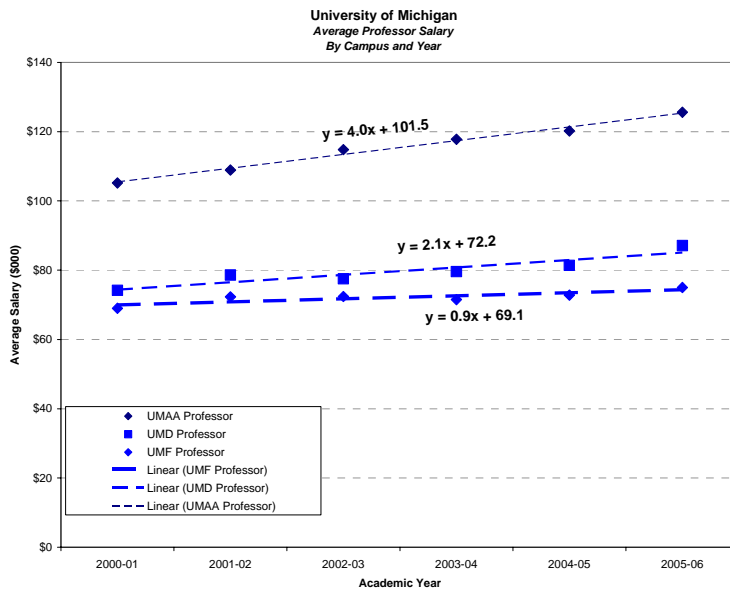


Figure 3

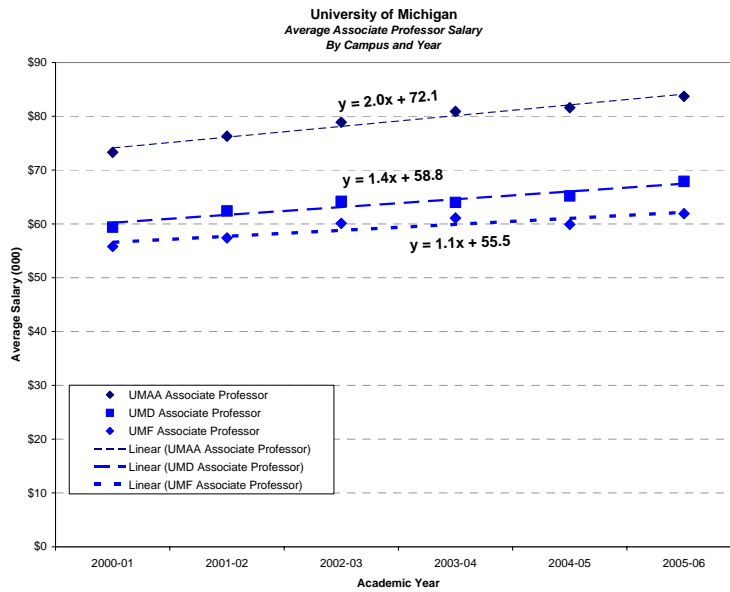


Figure 4

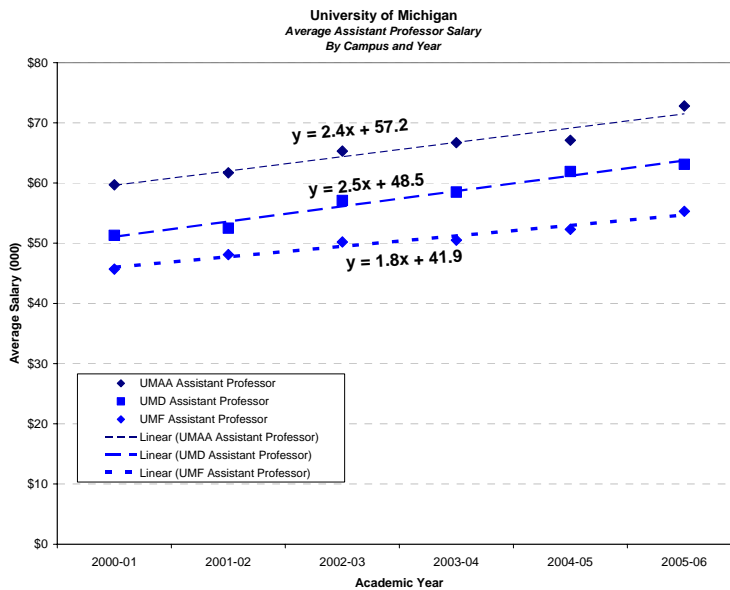


Figure 5

As expected when contrasting a Research I university with two Master's I institutions, UMAA compensation levels dominate those at UMD and UMF. Comparisons between UMD and UMF are more relevant and pertinent. The Committee notes with deep concern, two facets of those comparisons:

- I. UMD average salary trends dominate UMF trends at each rank.
- II. UMD average salaries dominate UMF rates at each rank.

UMD-UMF Trends

Since 2000-01, UMF faculty salaries in every rank increased at the slowest rates on any University of Michigan campus. This is evident in the Figure 3-5 trend line slopes and in the five-year compound annual growth rates (CAGR) shown in Table III.

Table III

Average University Year Salaries by Rank and Campus (\$000)								
Rank	Campus	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	5 year CAGR
Professor	UMAA	105.2	108.9	114.8	117.8	120.2	125.6	3.61%
	UMD	74.2	78.6	77.5	79.6	81.4	87.1	3.26%
	UMF	69.0	72.3	72.4	71.5	72.8	75.0	1.68%
Associate Professor	UMAA	73.3	76.3	78.9	80.9	81.6	83.7	2.69%
	UMD	59.4	62.4	64.2	64.0	65.2	67.9	2.71%
	UMF	55.8	57.4	60.1	61.1	59.9	61.9	2.10%
Assistant Professor	UMAA	59.7	61.7	65.3	66.7	67.1	72.8	4.05%
	UMD	51.3	52.5	57.1	58.5	61.9	63.1	4.23%
	UMF	45.7	48.1	50.2	50.5	52.3	55.3	3.89%

All three campuses have suffered similar unfortunate cuts in state assistance during this period. However, UMAA and UMD have managed consistently to direct proportionally more resources to faculty compensation than has UMF. The Committee notes, with deep concern, the long term adverse impacts of the failure of UMF to keep pace in this critical area. Moreover, the Committee recommends that this deficiency be addressed to bring the UMF trends into parity with those of UMAA and UMD.

UMD-UMF Average Salaries

Using internal university data sources,¹ the committee explored average UMD and UMF salary patterns in more detail. Figure 6 is an aggregate comparison, by rank, for both campuses. Average university year salaries (cross-hatched bars) are shown on the first vertical axis (left), and a summary statistic, the *Dearborn Advantage* = UMD average – UMF average, is shown on the second vertical axis (right). The *Dearborn Advantage* is significant at each professorial rank, essentially negligible at Instructor, and significantly negative for LEO Lecturer.

¹ An Analysis of Salaries Paid to the University of Michigan Regular Instructional Faculty, Lecturers and Graduate Student Instructors 2005-2006. The University of Michigan.

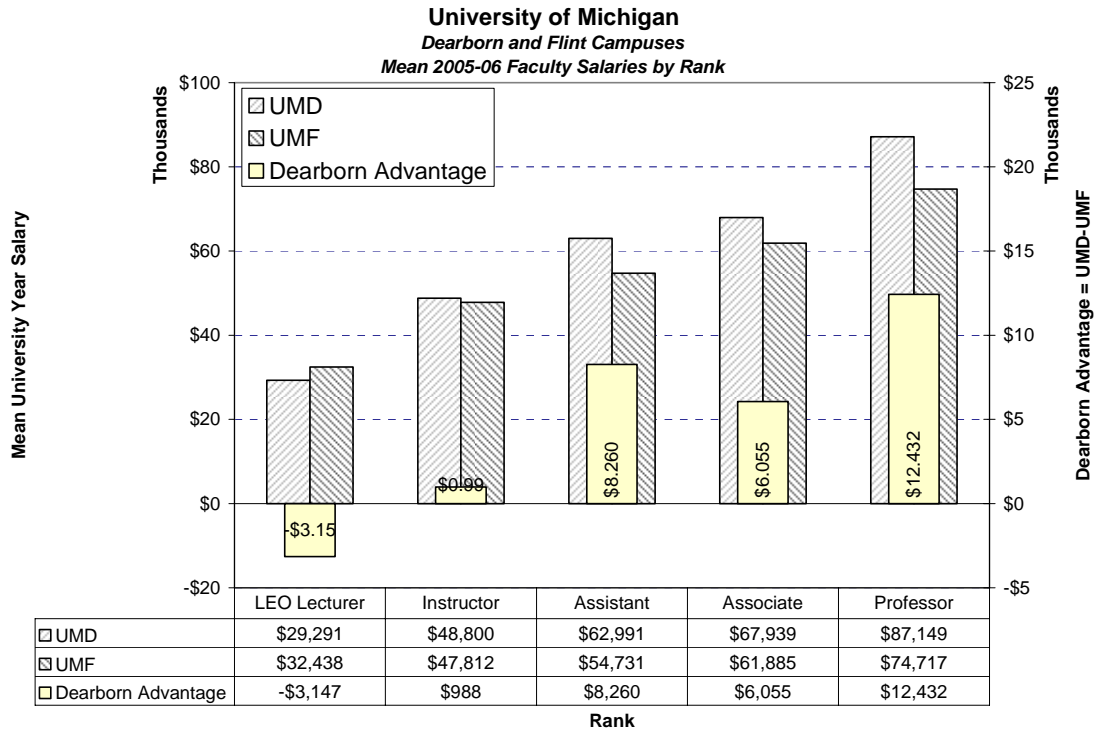


Figure 6

One naturally wonders if disparate disciplinary profiles explain these patterns – highly compensated engineering disciplines comprise nearly a quarter of the UMD faculty. Unfortunately, the respective disciplinary mixes of UMD and UMF faculties *do not explain the significant average salary disparities*. To the contrary, detailed comparisons illustrated below confirm significant disparities between average salaries, by rank and discipline, for virtually all comparable UMD and UMF faculty subgroups. Almost without exception, average UMD faculty salaries, by rank and discipline, significantly dominate those of comparable UMF faculty groups.

The UMD and UMF faculty disciplinary profiles follow their respective organizational structures, shown in Table IV.

Table IV

UMD and UMF Major Academic Units					
UMD Unit	FTE	%	UMF Unit	FTE	%
College of Arts, Sciences and Letters	127.6	52%	College of Arts and Sciences	105.9	69%
School of Education	25.0	10%	School of Education and Human Services	19.5	13%
College of Engineering	60.5	25%	No comparable unit		
No comparable unit			School of Health Professions and Studies	12.0	8%
School of Management	32.0	13%	School of Management	17.0	11%
Totals	245.1	100%	Totals	154.4	100%

In broad outline, the UMD and UMF disciplinary profiles differ in two significant respects:

- I. Engineering disciplines comprise nearly a quarter of UMD faculty and essentially 0% of UMF.
 - II. Health professions disciplines comprise 8% of UMF faculty and essentially 0% of UMD.
- With these differences noted, Figures 7-9 show salary profiles by comparable units.

College of Arts, Sciences, and Letters
UM-Dearborn and UM-Flint
Mean 2005-06 Faculty Salaries by Rank

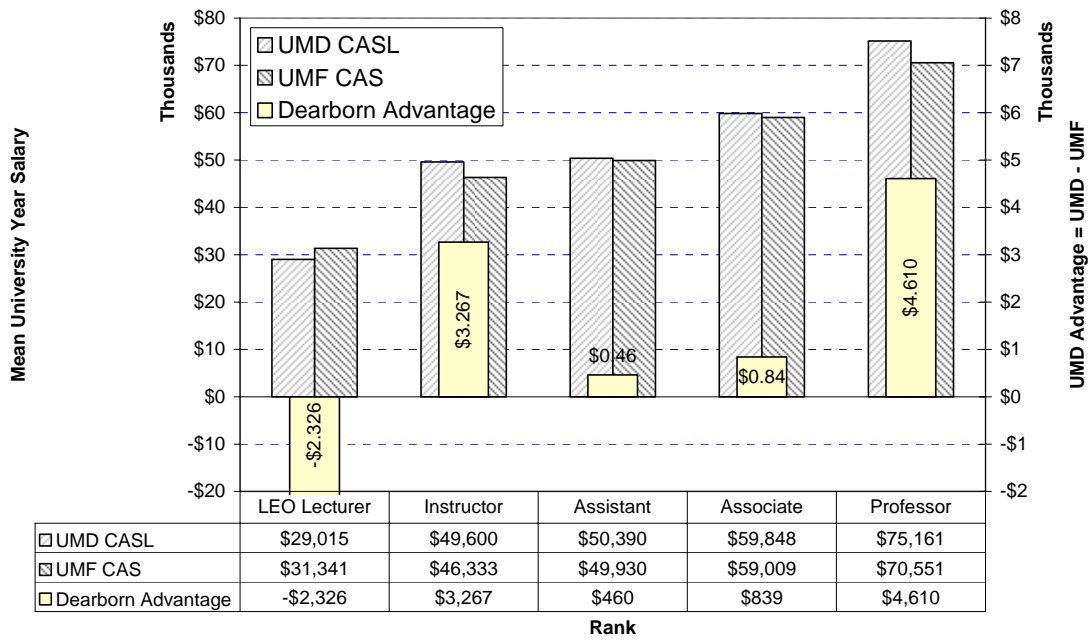


Figure 7

The arts and sciences units (UMD CASL and UMF CAS) exhibit slightly different internal organizational structures and disciplinary mixes. Perhaps most notably, UMF CAS houses computer science faculty (7% of CAS FTE), whereas UMD computer science faculty are found in the College of Engineering. These relatively minor differences notwithstanding, the respective disciplinary mixes are sufficiently similar for meaningful comparison of salary profiles, which are similar to the aggregate university patterns in Figure 6. The *Dearborn Advantage* is more muted – and likely attributable to random error – at the ranks of Assistant and Associate Professor.

Figure 8 shows comparisons for education. Since UMF SEHS houses education and social work while UMD SE houses only education, *Figure 8 contains only education faculty.*

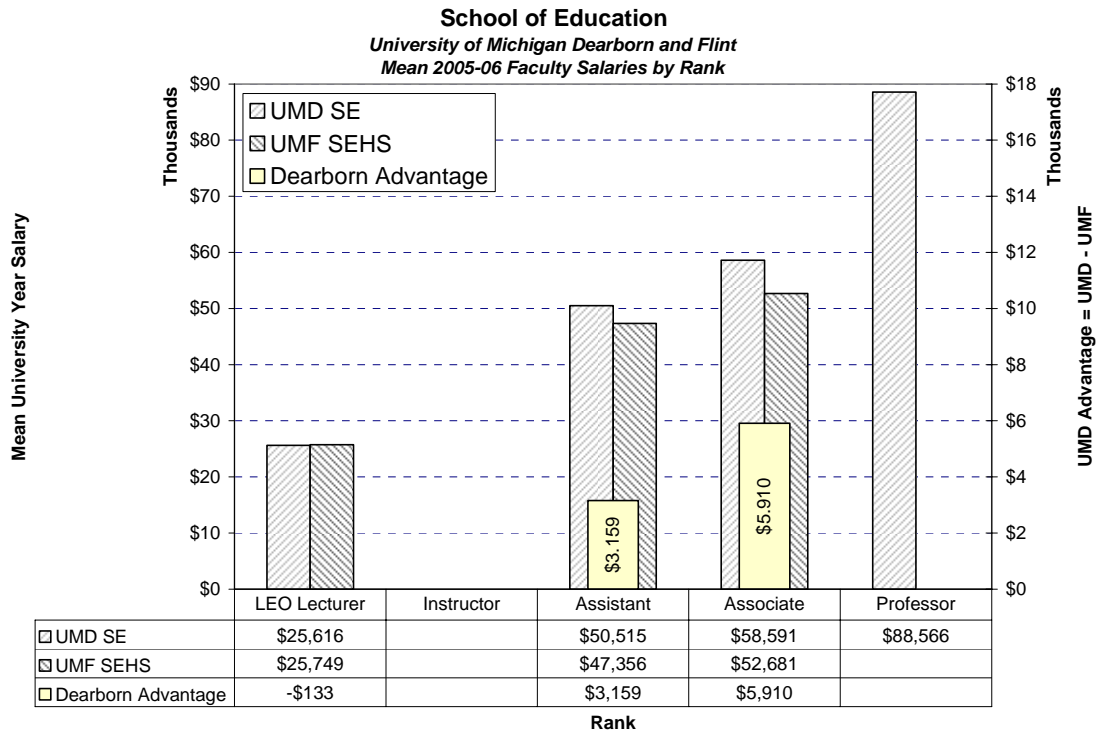


Figure 8

While the detailed magnitudes differ, Figure 8 exhibits the same *Dearborn Advantage* pattern as shown in Figure 6. The education *Dearborn Advantage* is significant and uniform across professorial ranks of Full, Associate, and Assistant. It is essentially random error for LEO Lecturer.

Figure 9 shows comparisons for management. Except for scale, the UMD and UMF management units exhibit very similar disciplinary profiles.

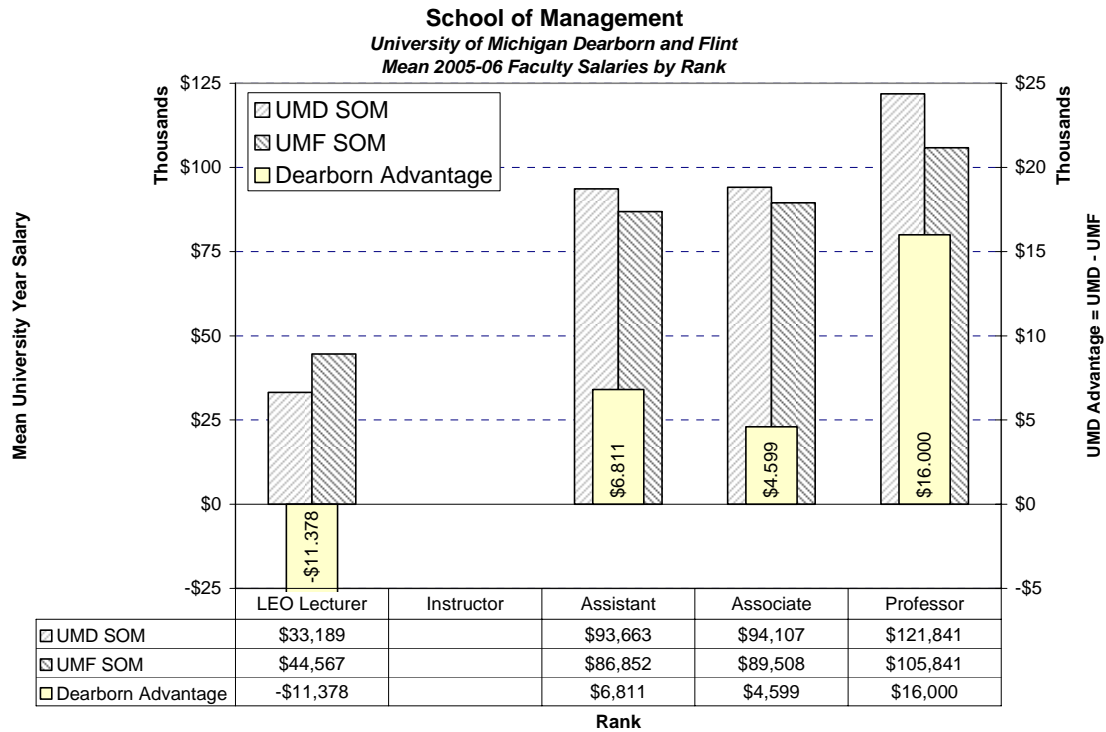


Figure 9

The *Dearborn Advantage* for management faculty is the most pronounced of all comparable major units at the ranks of Full and Assistant and second to education at the rank of Associate. On the other hand, the *Dearborn Advantage* is strongly reversed here for LEO Lecturer.

Figure 10 shows comparisons for Computer Science. The Computer Science *Dearborn Advantage* is clearly the most pronounced of all comparable discipline groups, and it is a source of deep concern.

In summary, detailed comparisons of UMD and UMF faculty salaries confirm the existence of strong, consistent patterns of significant average salary differentials across virtually every comparable disciplinary group. In virtually every case of comparable disciplinary groups, average UMD university year salaries significantly exceed those of comparable UMF faculty. In general, the *Dearborn Advantage* is most pronounced at the rank of Full Professor, second at the rank of Assistant, and third at Associate. Curiously, the *Dearborn Advantage* is actually a *disadvantage* for LEO Lecturer; UMF LEO Lecturers command average university year salaries approximately \$3,150 above their UMD counterparts.

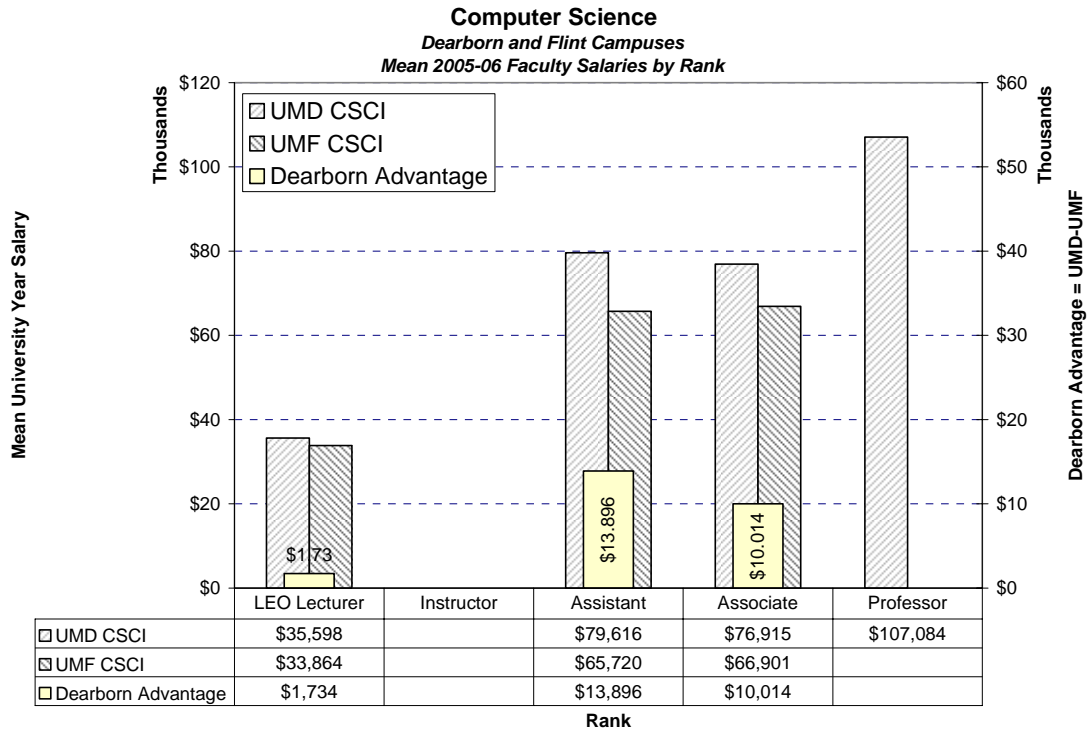


Figure 10

CUPA Comparisons

The CUPA On-Demand feature was used to review various comparison groups, which included: All Institutions, All Public, All Masters, AAUP IIA Michigan Peers, and the AAUP IIA Michigan Peers not including the “Big 3” (UM-Ann Arbor, Michigan State University, and Wayne State University), as presented in Table V.

Table V
Peers Comparisons

Comparison group (4-diget)	N	Overall	Professor	Associate Professor	Assistant Professor
UM-Flint	163	\$ 61,661	\$ 74,323	\$ 61,681	\$ 55,675
All Institutions	84,780	\$ 63,984	\$ 84,560	\$ 63,540	\$ 54,530
All Public	52,659	\$ 64,599	\$ 85,243	\$ 63,806	\$ 55,429
All Masters	36,904	\$ 59,635	\$ 75,289	\$ 59,903	\$ 52,079
Michigan Public	2,929	\$ 72,322	\$ 96,097	\$ 69,875	\$ 62,942
Michigan Public w/o Big 3	1,703	\$ 62,146	\$ 77,434	\$ 61,440	\$ 55,647

The results show that relative to national averages and within Michigan (not including the Big 3 research institutions), UM-Flint has maintained its position at the Assistant Professor rank, reflecting new hires at higher rates. However the Associate Professor and Professor ranks lag

behind in most of the comparison groups. Indeed, only the “All Masters” comparison group had two categories of average salaries lower than those of UM-Flint.

Lecturer Salaries

The Committee compared UM-Flint LEO lecturer salary ranges (university year only) to salary ranges from UM-Ann Arbor and UM-Dearborn.

Table VI
LEO Lecturer Comparisons

Comparison Group	N	Lecturer I	Lecturer II	Lecturer III	Lecturer IV
UM-Flint	207	\$ 29,276	\$ 29,882	\$ 41,225	\$ 46,833
UM-Dearborn	244	\$ 27,395	\$ 28,687	\$ 37,225	\$ 41,076
UM-Ann Arbor	620	\$ 40,428	\$ 45,826	\$ 48,451	\$ 49,994

While mean Flint salaries for LEO lecturers are above those of Dearborn, both campuses are well below the average at Ann Arbor. It is also notable that the percentage of faculty classified as some form of “lecturer” is considerably higher at the Dearborn and Flint campuses. Ann Arbor classifies 14% of its faculty as lecturers, while at Dearborn the percentage jumps to 47.5% and at Flint the percentage is 50.8%. These numbers reflect the total number of lecturers, including full- and part-time positions.

Library Faculty Salaries

The Committee compared UM-Flint librarian salary ranges to salary ranges from local and regional surveys. Minimum and maximum salary for librarians at UM-Flint are well below average:

UM-Flint salaries	\$36,871-55,208
Average salary for librarians in Flint (from salaryexpert.com)	\$49,928 (7 of 9 librarians at UMF earn less)
Midwest area salary range, 2004 (from ALA survey)	\$45,000-57,539

In 2004, if UM Flint had hired a new librarian, her or his salary should have been \$37,257 adjusted for consumer price index. *Several experienced librarians on the Flint campus currently (2006) earn less than the lowest value in the 2004 Midwest area salary range.*

CESF Recommendations for 2005-2006

The Committee identifies ten recommendations, two of which require immediate action and seven of which require long-term attention.

Recommendations Requiring Immediate Action:

1. A one-time salary equity adjustment of 2-3% to compensate for the lack of a salary increase in 2003-2004, which continues to leave us behind peer institutions.
2. An additional faculty salary increase for 2006-2007 comparable to salary increases received by faculty at our peer institutions (which tend to be between 3-5%) to meet this year's inflation.

Recommendations Requiring Long-term Attention:

3. Continue support to the Committee from Chancellor Mestas through the Office of Institutional Analysis.
4. Continue the recent trend of openness in the budget process including salary planning. Openness in the budget process, however, should lead to substantive salary remediation as a high priority in future budget allocations.
5. Continue to address faculty salary compression. In 2005/2006, the faculty raise for promotion cases was increased, which was a good first step in this process. As a next step, annual faculty raises in excess of new-hire starting salaries would eliminate the root cause of the compression, but they would not correct the current state of salary compression. Therefore, it is also recommended that targeted salary equity adjustments be implemented to address salary compression at the Associate and Full Professor levels, especially in the disciplines performing most poorly relative to the All Public CUPA data.
6. Develop a system of multi-year cycles of merit evaluation, tied to salary increments, for Assistant, Associate, and Full Professors, as well as Lecturers.
7. When Full Professors with high salaries retire, instructional units should use some of the salary line funds to improve the economic status of the faculty and not just provide for new program development. Some of these funds should go to offering competitive starting salaries to recruit top-rate faculty as well as toward salary equity adjustments for current faculty.
8. Address the differential between salary levels at UMD and UMF.
9. Address the salary trends of the executive management (administrative) levels as compared to those of faculty at UM-Flint.
10. Address the shrinking percentage of tenure-track faculty members vs. full-time Lecturers. This is based on the premise that a quality educational institution must maintain a high percentage of tenure-track faculty engaged in scholarly and creative activities (i.e., professional development) to attract good students, to improve enrollment over time, to maintain and expand graduate programs, and to foster an environment more conducive to the learning process.