

UGA University Council
Proposal from the Human Resources Committee
March 20, 2014

MOTION: Request for a study on faculty salary issues at UGA.

We request that a comprehensive study be conducted on faculty salaries at UGA. This study should include both issues external to UGA (namely, the competitiveness of average salaries across our peer and aspirational institutions over a number of years), and issues internal to UGA, namely gender equity, salary compression and salary inversion. The student should include both University-wide and discipline-specific analyses (e.g., Law, English, Engineering, etc). The report will be presented to University Council at the final meeting of the Fall 2014 semester. The goal of this report is to facilitate data-driven discussions with decision-makers.

Information item: *Attached Comparison of Average Faculty Salaries for the University of Georgia*

Background Information: A member of the Human Resources Committee brought up the issue of salary stagnation and the impact of years of no raises on our institutional competitiveness in relation to other peer and aspirational institutions. While we are encouraged that a small raise pool has apparently been obtained for this year, we feel that further discussions on needed salary adjustments would be better informed by additional data, which we believe should properly be shared with the university community. The attached information item (Comparison of Faculty Salaries) is a good starting point for data-driven discussions on how we can improve our institutional reputation in terms of competitiveness and fairness in salaries, across ranks and across disciplines. Our request for a comprehensive study dovetails with a motion passed by our committee last year (which to our knowledge has not yet been enacted) requesting regular analysis of issues of gender equity in salaries. We believe that the issues addressed in this motion should be examined on a regular basis, by individuals with the relevant mathematical and statistical expertise, and reported back to the University Community via University Council. This will assist unit heads, deans, and higher administrators in lobbying more effectively for our salaries going forward.

**Comparison of Average Faculty Salaries for the University of Georgia
and its Peer Institutions**

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4/12/13

It is no secret that the financial difficulties facing the State of Georgia have had a negative impact on faculty compensation. What may not be apparent, though, is how severe the effects have been. Compensation is needed to help institutions attract and retain the best and brightest faculty members, which in turn help to attract and retain the best and brightest students, make significant contributions to their respective fields through research, bring in research dollars from funding agencies, and give back to their communities through public service.

In 2007, I presented information to the Georgia legislature regarding the compensation levels of faculty in the state's public institutions. At the time, I showed that the state made substantial progress in raising faculty salaries during the mid 1990s, thanks in large part to the efforts of Governor Zell Miller and the legislature to increase funding to its public institutions. Unfortunately, I also reported that these gains had been eroded through the first half of the 2001-10 decade, and that significant investments would be needed to help make the state's public colleges more competitive with peer institutions.

I have continued to follow this situation after joining the faculty at the University of Georgia, and am sorry to report that the situation has become even worse in the last five years. During the last four years, while faculty salaries have been frozen at the University of Georgia, salaries for our competitors have continued to rise. The AAUP recently released its annual report on faculty compensation (*Academe*, March/April 2013). The figures in Table 1 were taken from this report, and they show that during the last four years, average faculty salaries (not adjusted for inflation) have increased by 1.2%, 1.4%, 1.8%, and 1.7% respectively. The average percentage increases in continuing faculty salaries (i.e., only those who were employed in the previous year by their institutions, and thus represent annual raises) grew even faster.¹

Table 1: Average Percentage Increases in Faculty Salaries, 2008-09 to 2012-13

Year	All Faculty	Continuing Faculty
2008-09 to 2009-10	+1.2%	+1.8%
2009-10 to 2010-11	+1.4%	+2.5%
2010-11 to 2011-12	+1.8%	+2.9%
2011-12 to 2012-13	+1.7%	+3.2%
Cumulative Increase	+6.2%	+10.8%

Source: AAUP annual report, Table A. Faculty include individuals at the Full, Associate, Assistant and Instructor ranks.

¹ Salary increases for all faculty are typically smaller than for continuing faculty because retiring faculty, who are at the top of the respective pay scales, are often replaced with junior faculty at the lower end of the pay scale.

The average salary increases for continuing faculty show that while salaries at UGA were held fixed over these four years, on average they increased by 10.8% at other institutions.

The growth in faculty salaries was not restricted to private institutions. The AAUP report further showed that in the last year, average salaries at public doctoral-level institutions grew at rates ranging from 1.9% to 2.6% for all faculty members, and by 2.7% to 3.5% for continuing faculty members (see Table 2):

Table 2: Average Percentage Increases in Faculty Salaries at All Public, Doctoral Institutions, 2011-12 to 2012-13

Rank	All Faculty	Continuing Faculty
Full Professor	+2.1%	+2.7%
Associate Professor	+1.9%	+3.3%
Assistant Professor	+2.6%	+3.5%

Source: AAUP annual report, Table 1.

As a result, the University of Georgia is becoming less competitive with its 17 peer institutions. Table 3 shows how average faculty salaries for Full Professors at the University of Georgia and its designated peer institutions have changed from 1991-92 through 2012-13. The peer institutions are those identified by UGA for the purpose of comparisons on a range of measures. For each of the years in the table, I show the average Full Professor salary for each institution, and its ranking among the set of peers (1=highest, 17=lowest). The bottom of the table shows the median average salary for the peers (excluding UGA), and the difference between average salaries at UGA and the median, in both dollars and percentages.

From this table, it can be seen that UGA made progress in raising faculty salaries relative to its peers during the 1990s, at one point coming within two percentage points of the median for its peers (and ranking 11th out of 17 institutions). However, UGA's competitiveness has eroded substantially in the last decade. In fact, UGA is now ranked dead last among its peer institutions in terms of average salaries for Full Professors, with an average salary level that is about 12% below the median for its peers. Although the Georgia economy is often blamed for this situation, it is interesting to note that Georgia Tech has managed to maintain its top relative position among UGA's 17 peer institutions during the same period.

Given the importance of faculty compensation in attracting and retaining top faculty members, it is important for the University of Georgia to find a way to raise average faculty salaries and thus become more competitive in academic labor markets. It is unlikely that the state legislature will substantially increase appropriations to UGA in the near future that would enable the institution to provide the type of salary increases needed to make it more competitive with its peers. Perhaps another approach that the university could consider is to work with the Board of Regents and/or the state legislature to obtain permission to set its own faculty compensation levels. Because the other peer institutions are also located in states that have experienced financial difficulties over the same period of time, it is quite likely that they have been able to fund salary increases through internal resource reallocations.

Comparison of Average Salaries for Full Professors for UGA and Peers, 1991-92 to 2012-13

Institution Name	1991-92		1996-97		2001-02		2006-07		2011-12		2012-13	
	Average	Rank	Average	Rank	Average	Rank	Average	Rank	Average	Rank	Average	Rank
Georgia Institute of Technology	\$66,614	3	\$86,140	1	\$108,791	1	\$123,913	1	\$140,978	1	\$142,600	1
University of Maryland	\$68,602	1	\$78,491	3	\$105,581	2	\$121,106	2	\$136,359	2	\$138,100	2
University of California-Davis	\$67,531	2	\$79,503	2	\$95,698	4	\$111,216	4	\$125,527	7	\$133,000	3
University of Iowa	\$65,011	5	\$77,144	4	\$97,144	3	\$109,838	7	\$130,025	3	\$132,200	4
Indiana University	\$63,886	8	\$75,906	6	\$94,168	6	\$109,048	8	\$128,391	5	\$132,000	5
Michigan State University	\$62,433	11	\$71,332	12	\$89,755	9	\$110,233	6	\$128,561	4	\$131,200	6
University of Colorado Boulder	\$62,162	12	\$73,286	9	\$89,707	10	\$106,724	10	\$123,152	9	\$127,800	7
Arizona State University	\$60,160	13	\$70,363	14	\$89,179	11	\$113,701	3	\$123,755	8	\$124,800	8
Texas A & M University	\$65,473	4	\$73,909	8	\$93,390	7	\$108,972	9	\$126,949	6	\$122,200	9
Virginia Polytechnic Institute	\$64,931	6	\$70,056	15	\$94,536	5	\$110,788	5	\$121,660	10	\$122,100	10
North Carolina State University	\$63,903	7	\$76,801	5	\$92,779	8	\$103,886	11	\$116,832	12	\$120,600	11
Iowa State University	\$63,759	9	\$74,041	7	\$87,431	14	\$99,661	15	\$117,494	11	\$119,300	12
University of Kansas	\$54,087	15	\$64,504	16	\$84,458	16	\$103,663	12	\$115,480	13	\$118,300	13
University of Missouri	\$52,965	16	\$73,037	10	\$88,947	12	\$100,589	13	\$114,060	14	\$117,200	14
University of Nebraska	\$62,915	10	\$71,256	13	\$86,604	15	\$98,547	16	\$113,339	15	\$116,000	15
University of Oregon	\$52,870	17	\$60,270	17	\$76,703	17	\$88,476	17	\$112,724	16	\$110,900	16
University of Georgia	\$58,738	14	\$72,334	11	\$88,684	13	\$99,879	14	\$107,808	17	\$109,400	17
Median (w/o UGA) =	\$63,823		\$73,598		\$91,267		\$109,010		\$123,454		\$123,500	
Salary deficiency UGA (\$) =	-\$5,085		-\$1,264		-\$2,583		-\$9,131		-\$15,646		-\$14,100	
Salary deficiency UGA (%) =	-8.0%		-1.7%		-2.8%		-8.4%		-12.7%		-11.4%	

Notes: Average salary data were obtained from IPEDS for all years prior to 2012-13. Data for 2012-13 were obtained from AAUP annual report.