



## Faculty Salaries And Issues Related to Recruitment and Retention

A university is built upon its faculty and their engagement with students. The Oregon University System's most important initiatives depend on a corps of dedicated teachers and researchers to foster student achievement, develop new academic programs, pursue groundbreaking research, and contribute to Oregon's economic health. A strong faculty requires both talent and continuity. OUS universities must compete in a national market to attract and retain the expertise needed to advance scholarship and research in the state and to teach a growing student population.

### Current Market Position

All OUS universities rank at or near the bottom of their list of comparator institutions in average faculty salary, and most are at or near the bottom in average total compensation (salary plus benefits). Although this is not a recent development, the need to improve faculty compensation has become urgent in the face of an increasing number of retirements among baby boom faculty, and a declining ability to attract and retain new faculty.

As a result of budget cuts and the inability to offer competitive salaries, the number of regular rank faculty *decreased* by over 7% between 1994-95 and 2004-05. Over the same period, enrollment *increased* by more than 30%, or nearly 19,000 students. Accordingly, OUS universities have turned to part-time and adjunct faculty to meet teaching needs. Even though adjuncts constitute an excellent teaching resource, it is not their role to deliver many of the critical instructional services that regular rank faculty provide outside the classroom, such as student advising and mentoring, thesis guidance, work on extracurricular student projects, or curriculum and course development.

### Recruitment Challenges

OUS offers lower than average faculty salaries, but higher than average benefits – in terms of health care and pension costs – without employee cost-sharing. Oregon also has higher than average cost of living and housing prices, particularly in comparison to the mid-western and southern parts of the nation. Thus, the imbalance on the salary side is a factor in recruiting and retaining a diverse, high quality faculty.

This is evidenced in the percentage of failed or diminished searches and in distressing changes in normal turnover patterns. Nearly 30% of all OUS faculty searches undertaken in recent years have failed, resulting in an unfilled position, or with a diminished result (not filled with the first-choice candidate). At some campuses, the failure rate approaches half of all searches, excluding potential finalists who self-select out after learning about the offered and historical salary levels.

Nationally ranked programs – such as the University of Oregon's College of Education – face the prospect not only of losing faculty to more attractive offers from top universities, but also of being unable to replace departing faculty with faculty of equal caliber because of the inability to compete on salary and other support. UO notes that it takes 4 to 6 years to replace a lost national figure, causing others to be cautious about coming to Oregon. In many professional disciplines – e.g., engineering, technology fields,

University	Salary	Total Compensation
EOU*	11 <sup>th</sup> of 13	8 <sup>th</sup> of 13
OIT	11 <sup>th</sup> of 12	4 <sup>th</sup> of 12
OSU	8 <sup>th</sup> of 8	7 <sup>th</sup> of 8
PSU	10 <sup>th</sup> of 10	10 <sup>th</sup> of 10
SOU*	12 <sup>th</sup> of 13	11 <sup>th</sup> of 13
UO	9 <sup>th</sup> of 9	9 <sup>th</sup> of 9
WOU*	13 <sup>th</sup> of 13	12 <sup>th</sup> of 13

Source: OUS Institutional Research, using 2005-06 data from the American Association of University Professors  
\*On a comparator institutions' list shared by all 3 regional universities

architecture, and journalism – departments encounter stiff competition from private industry in their recruitment of faculty.

### Faculty Turnover and Retention

A study of OUS faculty turnover from 1994-95 through 2004-05 shows that, on average, 5% of regular rank faculty – about 100 – leave the university system each year through resignation, termination, or retirement. OUS universities are finding that too many of the associate professors who might have been expected to be promoted to full professor are instead leaving OUS. Excluding retirements, OUS campuses report that 80% of the faculty who leave do so for reasons related to salary, and they have serious concerns about the larger issue of disinvestment and prospects for future support of their academic work.

In recent years, a greater proportion of senior faculty members who leave OUS are doing so relatively early in their career. Between 1986-87 and 1992-93 (years prior to and just shortly after the adoption of Measure 5), only 13% of professors or associate professors who left OUS did so during their first nine years; but between 1993-94 and 2001-02, that proportion grew to 20%. Moreover, from 1991-92 through 1998-99, 35% of senior faculty left OUS before attaining 20 years of service; from 1999-00 through 2001-02, that proportion increased to 47% – nearly half of those who left.<sup>1</sup>

This development has significantly reduced the percentage of full professors among OUS faculty. Between 1994-95 and 2004-05, the number of full professors declined by 26%, and the number of associate professors dropped by nearly 4%, while the number of tenure-track assistant professors increased by almost 30%.

University	OUS Avg. Faculty Salary	OUS % of Comparator Average
EOU*	\$50,000	85.2%
OIT	\$53,000	87.9%
OSU	\$66,500	84.8%
PSU	\$61,500	83.0%
SOU*	\$49,000	83.4%
UO	\$68,900	81.5%
WOU*	\$48,100	81.8%

Source: OUS Institutional Research using 2005-06 data from American Assoc. of Univ. Professors, March/April 2006  
\*On a comparator institutions' list shared by all 3 regional universities

### Establishing Faculty Salaries

OUS has both unionized (EOU, PSU, SOU, WOU) and non-unionized faculty (OIT, OSU, UO). Campuses with faculty unions employ a pay scale to set or improve faculty salaries, while those with non-unionized faculty determine initial salaries based on academic discipline and market conditions. Public and private sector entities use market data to help establish fair and competitive salaries. Because OUS competes for faculty in a national academic market, it also establishes compensation for faculty through use of market indicators, using a list of comparator universities that was developed by OUS in 1998 and is annually updated. **Each campus operates a merit-based system** as well, in which faculty performance, balanced between teaching and scholarship (including research, published works), contributes most heavily to salary improvements.



Oregon University System

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<sup>1</sup> This trend was interrupted in 2002-03 and 2003-04 with the unusual PERS retirement phenomenon, which resulted in dramatically higher numbers of faculty retiring in 2002-03 and much lower numbers in 2003-04 and 2004-05, as the normal retirement pool had been depleted in 2002-03. Staff estimate that it will take approximately five years to restore this category of faculty to pre-2002-03 levels.