Good morning. I’m here to brief the Diversity Committee on the work of the Faculty Salary Study appointed by Provost John Simon.

My remarks will necessarily be very brief because I am here to update you on the process and I anticipate that I will take a bit more of your time when we release the report from the Study Group. My aim is to report on our progress as well as what this kind of analysis can – and cannot -- achieve.

I want to touch briefly on two main questions: 1) the charge and composition of the study group and 2) the work of the committee to date.

**Charge and composition**

The work of the Faculty Salary Study Group starts from the premise that equitable compensation contributes to the long-term objective of recruiting and retaining an outstanding faculty. The office of the Provost of the University of Virginia, in collaboration with the Office for Diversity and Equity and the Office
of Human Resources, established this faculty task force to conduct a quantitative analysis of faculty salaries at the University of Virginia. The appointment of this group occurred in the fall of 2012 and the work of this group began in earnest in the spring of 2013.

This task force includes a diverse set of academics with expertise in the quantitative social sciences:

- Silvia Blemker (Biomedical Engineering)
- Greg Fairchild (Darden)
- Amalia Miller (Economics)
- Eric Patashnik (Batten / Politics)
- Sara Rimm-Kaufman (Curry School)
- Rip Verkerke (Law)
- Tim Wilson (Psychology)

In addition, Gertrude Fraser, Marcus Martin, Susan Carkeek and Madelyn Wessel have represented administrative / legal units in ex officio capacities. We have met a number of times from the spring of 2013 to the present.

The charge of this group is to measure differences in faculty compensation conditional on field (or academic discipline) and experience. Essentially, the activities of this committee are limited to measurement and forming a base of
information to assist the provost and other academic units in understanding the magnitude of group differences in faculty salaries. The tasks of this group include:

- Propose a methodology and the plan for data collection;
- Following the data acquisition and analyses, review the findings and discuss questions or concerns;
- Review the draft final report and advise the study director and the Office of the Provost of any questions or concerns.

Let me also note that the focus of this group is on tenured and tenure track faculty outside the medical school. [Other groups are certainly important, though starting here is a well-defined point of departure that avoids some data problems that are difficult to resolve in the short term.]

This effort is an attempt to measure systematic differences in salary among faculty with similar areas of work and experience; this is not a group that is charged with looking at fine-grained differences in salary setting at the level of the individual. As such, I want to be clear about the limitations in the scope of the work of this group as noted in the charge:

Because only some of the factors that are known to affect salary can be considered in a quantitative analysis, it is important to note that this
committee will be only responsible for the measurement phase of the overall initiative to assess the extent of demographic differences in compensation. Thus, given the measures at our disposal for all faculty, we will examine the magnitude of group differences but we will not attribute differences – to the extent they exist – to particular mechanisms such as productivity or salary setting processes.

What have we done?

Progress and Accomplishments to Date:

1. A first task of the committee was to agree on the methodology and the key analytics the committee wished to review. Our approach is to use regression techniques to “account for” the role of field of specialization, rank and years at the University in compensation. The Task Force set about exploring two broad measurement questions: (1) How much of the overall difference is attributable to experience in the profession and length of service at the University of Virginia? (2) How much of the overall difference is attributable to differences in the representation of men and women in fields where there are large market-determined differences in compensation?
2. The second step was data acquisition: we have received files from the Office of Institutional Assessment on faculty compensation. We initially received this file for the Fall of 2012 and have subsequently received an update to reflect compensation in the Fall of 2013. The data used in this analysis are based on the administrative and personnel records from the University and include information on primary department, salary, rank, years in rank, type of contract (12 month or 9 month). Not surprisingly, the heterogeneity in faculty employment relationships creates some complications. For example, we convert faculty salaries to a 9-month basis, so that dollars are represented for a common time interval on the assumption that salaries reported on 12-month contracts should be factored by 9/12. Suffice it to say we have spent a good bit of time understanding the data and making sure complicated cases are treated consistently.

3. The study group has reviewed preliminary regression results and has followed up with additional specification checks and revisions to the initial methodology. Overall, the analysis includes salary data for about 910 faculty across the College of Arts & Sciences, the School of Engineering, the Curry School of Education, the School of Architecture, the Batten School of Leadership and Public Policy, the School of Nursing, the Darden
School of Business, the McIntire School of Commerce, and the School of Law.

4. The committee is currently hard at work in synthesizing the results and considering how to present this work to the Provost and the broader University community.

From the outset of its work, the committee has underscored the importance of systematic quantitative assessment of salary differences that takes into consideration observed differences in employment circumstances—particularly rank and field. That said, the committee is also cognizant of the limitations of this type of analysis: It provides a strong frame of reference for identifying differences in compensation among faculty with similar characteristics, but such quantitative analysis does not explain why individuals differ in compensation and such quantitative analysis, as is noted below, cannot account for the many qualitative differences that can affect salary in individual cases.

We are in the process of finalizing the analytic presentation and the write-up of the results and presentation.
Timing

I know that Provost Simon and others at the University expect to receive the report before the end of the term. Indeed, Provost Simon and the BoV can expect to receive work products from this committee in two forms:

A. First, there will be an overview report that provides an overview of the quantitative analysis, discussion of the results and recommendations. [You might think of this as the “required reading.”]

B. Secondly, there will be a more detailed paper – an academic version, if you will – that includes background material, specification checks and some gory discussion of methodological nuance.

My expectation is that the report and its recommendations will be received as the beginning of a process that will lead to further examination of institutional processes that impact compensation and productivity.

It is perhaps worth noting that the delay in producing the report for public distribution is not a function of some great complication, dispute or problem of analysis. Instead, the delay simply reflects the extent to which there are substantial competing demands on faculty time. For the chair, in particular, leadership of the
Economics Department commencing in the summer of 2013 diverted a bit of time away from the Faculty Salary Study. We appreciate your patience.

On whole, I would like to emphasize that this report represents a starting point rather than an ending point for discussions of equitable determination of compensation across the University and in specific academic departments and units.
Appendix A: Charge to the committee

October 31, 2012

Dear XXX,

The University of Virginia recognizes that equitable compensation contributes to the long-term objective of recruiting and retaining an outstanding faculty. For this reason, the Office of the Provost, in collaboration with the Office for Diversity and Equity, and Human Resources is establishing a faculty task force to conduct a quantitative analysis of faculty salaries at the University of Virginia.

I write to invite you to serve on this Faculty Salary Study Task Force. I am confident that your subject expertise, informed knowledge of institutional and departmental life, and fundamental commitment to the work of the committee will contribute to the success of this endeavor. Professor Sarah Turner, University Professor of Economics & Education, has agreed to serve as the study director and chair. The Faculty Salary Study Task Force would be expected to complete its work and present findings to me by August 30, 2013.

Background
Starting in the late 1980's and continuing through to the 1990's, a series of recommendations by faculty committees broadly focused on matters of gender and racial climate offered recommendations that included a call to conduct salary equity studies. These included a 1992 salary gender equity statistical study which led to adjustments based on case review in a few selected schools, but the report was not broadly released. In 1999, the President's Taskforce on the Status of Women recommended that salary equity studies be conducted every five years, with gender as one among several categories of analysis. Earlier this fall, I invited Dr. Abigail Stewart, Sandra Schwartz Tangri Distinguished University Professor of Psychology and Women’s Studies at the University of Michigan, to discuss best practices in salary equity studies in the higher education sector and their implementation at her institution. She met with a wide range of faculty, school deans and senior university leaders. We are presented with an important opportunity to take up once again the issue of equitable compensation so that the quantitative data may be rigorously and comprehensively examined.

Committee Charge and Responsibilities
Because only some of the factors that are known to affect salary can be considered in a quantitative analysis, it is important to note that this committee will be only responsible for the measurement phase of the overall initiative to assess the extent of demographic differences in compensation.
Working with the committee chair and study director, the role of the Faculty Salary Study Task Force faculty is to:

- Propose a methodology and the plan for data collection;
- Following the data acquisition and analyses, review the findings and advise the study director of questions or concerns;
- Review the draft final report and advise the study director and the Office of the Provost of any questions or concerns

Ms. Gertrude Fraser, Vice Provost for Faculty Recruitment and Retention, will coordinate activities and needed logistical support. Data support for the committee's work will be provided by Mr. George Stovall, Director, the Office of Institutional Studies and Assessment.

Please reply to Ms. Cindy Persinger, Executive Assistant to the Executive Vice President and Provost, cdp6s@virginia.edu, to confirm your ability to serve. Thank you for your willingness to contribute to this very important effort.

Sincerely,

John D. Simon
Executive Vice President and Provost

JDS:cp

cc: Sarah Turner
    Gertrude Fraser
    Marcus Martin
    Susan Carkeek