



# Busting the Myths

THE ANNUAL REPORT ON THE ECONOMIC STATUS OF THE PROFESSION, 2014–15

BY JOHN BARNSHAW AND SAMUEL DUNIETZ

Last year, the American Association of University Professors launched the One Faculty campaign to improve the job security and working conditions of contingent faculty. Writing about the campaign in the November–December 2014 issue of *Academe*, Jamie Owen Daniel, the AAUP’s director of organizing, asserted that “shrinking public resources, administrators’ random introduction of ‘creative disruption’ agendas, and the increasing possibility that state legislators will push for more right-to-work legislation” can be resisted only by “reclaiming the narrative” through “aggressive and unified faculties organized to speak together.”

The need to reclaim the public narrative about higher education has become increasingly apparent in recent years as misperceptions about faculty salaries and benefits, state support for public colleges and universities, and competition within higher education have multiplied. Rebutting these misperceptions can aid in organizing to achieve economic security for all faculty members—full time and part time, on and off the tenure track. This year’s report on the economic status of the profession explores four common myths about higher education and presents data from a variety of sources, including the AAUP Faculty Compensation Survey, to bust them. We hope that after reading this report you will help to disseminate this information and, wherever possible, participate in budgetary and financial matters at your institution.

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Before turning to these common misperceptions, we must first address, in general terms, the economic status of the profession. Table A provides four decades of data on the percentage change in average salaries in both nominal (actual dollar) and real (inflation-adjusted) terms from one year to the next.

In the six years since the Great Recession, real year-over-year faculty salaries have *declined* 0.12 percent. Despite occurring in a period of relatively low inflation, the overall increase in average salary for continuing faculty exceeded the cost of living by 1.05 percent in the years since the Great Recession. The current year-over-year change in salary for all ranks is 1.4 percent, which marks the first single digit improvement since the recession began. It is hardly encouraging that faculty have not lost ground, since many have been working more hours than ever before. This trend represents a continuation of the long period of stagnation in average full-time faculty salaries.

The analysis that follows—by demonstrating just how drastic state budget cuts have been, how much full-time tenure-track positions have dwindled, and how little faculty salaries and benefits influence college and university general budgets—addresses common misperceptions about higher education. Long-time readers of *Academe* may view the misperceptions we discuss as needing little further examination. We would not continue to explore them if we were not still routinely asked about them. Even the most seasoned higher education experts should find the data in this report useful.

### **MYTH 1: FACULTY SALARIES ARE PRIMARILY TO BLAME FOR TUITION INCREASES**

The claim that faculty salaries are primarily to blame for tuition increases seems to be based on the assumption that, because tuition prices are increasing, expenditures must also be increasing. Since many view colleges and universities as having large numbers of faculty, particularly tenured and tenure-track faculty, on their payroll, they often conclude that sharp increases in faculty salaries must be the reason for tuition increases. No less an observer than Vice President Biden stated, “Salaries for college professors have escalated significantly. They should be good, but they have escalated significantly.”<sup>1</sup>

Sometimes media add to the “blame faculty for higher tuition” narrative by focusing on the highest-paid professors and implying that they are the primary drivers of increases in student tuition.<sup>2</sup> Some economists believe that faculty salary increases are indicative of “Baumol’s cost disease,” which holds that, because there are limits to the productivity gains possible in the service sector, prices in that sector will increase faster than the general rate of inflation. Baumol’s

argument is often cited to explain why costs in higher education and health care are rising faster than in the rest of the economy.<sup>3</sup> According to Baumol’s theory, the rate of increase in faculty salaries would be higher than the inflation rate and proportional to the increase in tuition because services simply cost more over time.

In order to assess the claim that faculty salaries are largely to blame for increases in tuition, we first examine student tuition data to determine whether tuition is increasing, and, if it is, by how much. Since most colleges and universities now have a differential tuition structure, whereby not every student pays the same rate to attend the institution, it is helpful to use *average net price tuition*, which is the cost of attendance minus grant and scholarship aid. Although there are some limitations to using average net price tuition, the metric does eliminate substantial price variation stemming from grants and scholarships and allows for a closer approximation than the published tuition rate of what students are actually paying at a given institution.

#### **STATEMENT ON DATA QUALITY**

The AAUP Faculty Compensation Survey collects data from two- and four-year institutions across the United States through an online submission portal. These data are reviewed through our internal verification process, and, wherever the AAUP believes a possible error may have occurred, institutional representatives are contacted with a request to review those areas. Nearly all institutions comply with our requests for additional review. If resubmitted data meet our internal standard, they are approved for inclusion in the Faculty Compensation Survey. Questionable data without an institutional response are not included in the Faculty Compensation Survey.

While the AAUP makes every effort to provide the most accurate data, the Faculty Compensation Survey may include inaccuracies and errors or omissions. Users assume the sole risk of making use of these data; under no circumstances will the AAUP be liable to any user for damages arising from use of these data. The AAUP publishes additions and corrections to the *Annual Report on the Economic Status of the Profession* in the July–August issue of *Academe* (the *Bulletin of the American Association of University Professors*) and may make modifications to the content at any time.

Should there be an error to the Faculty Compensation Survey, the AAUP will also notify *Inside Higher Ed*, which publishes data from the survey on its website.

TABLE A

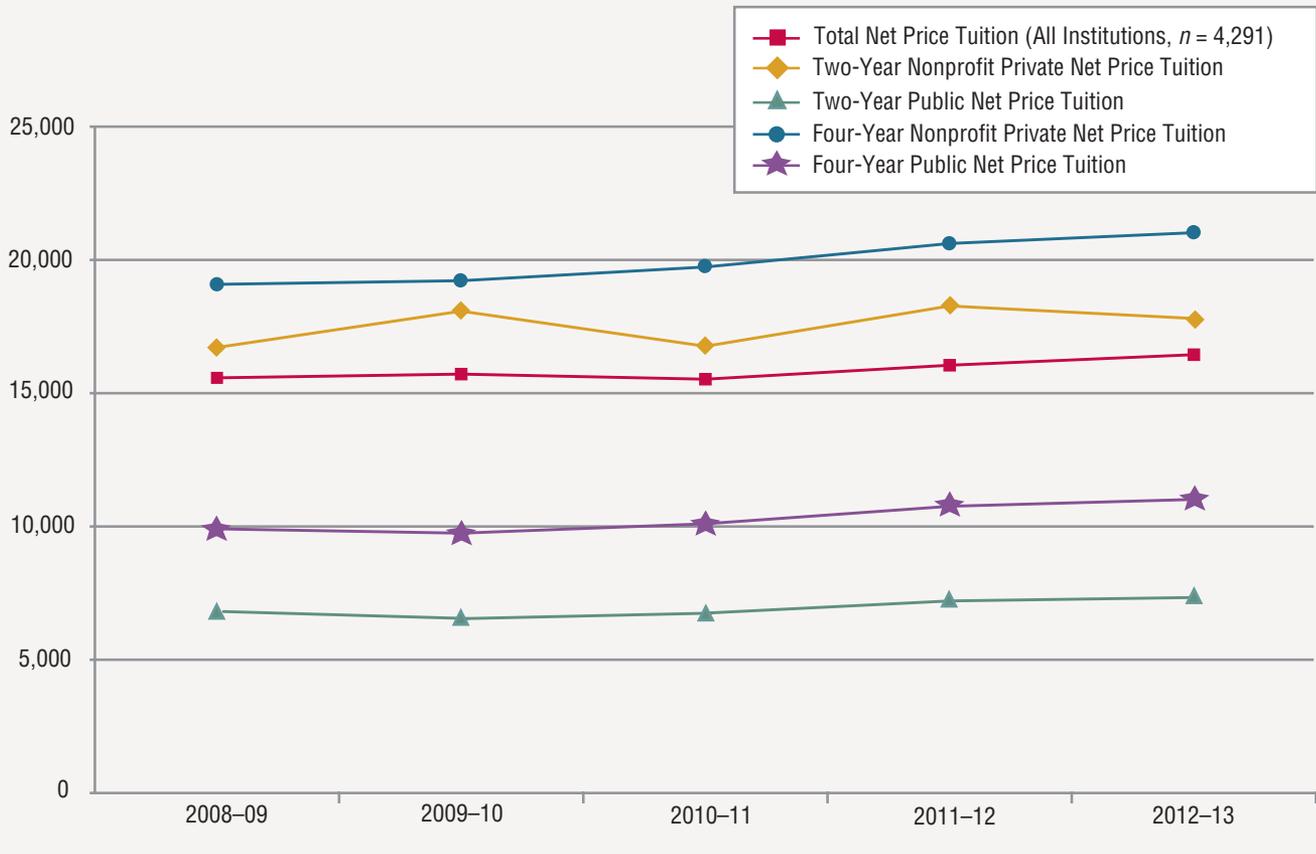
**Percentage Change in Average Nominal and Real Salaries for Institutions Reporting Comparable Data for Adjacent One-Year Periods, and Percentage Change in the Consumer Price Index, 1971-72 to 2014-15**

	Prof.	Assoc.	Asst.	Inst.	All Ranks	Prof.	Assoc.	Asst.	Inst.	All Ranks	Change in CPI-U
	NOMINAL TERMS					REAL TERMS					
<b>ALL FACULTY</b>											
1971-72 to 1973-74	9.7	9.6	9.1	8.8	9.4	-2.8	-2.9	-3.4	-3.7	-3.1	12.5
1973-74 to 1975-76	12.4	12.1	11.7	12.3	12.1	-7.7	-8.0	-8.4	-7.8	-8.0	20.1
1975-76 to 1977-78	10.1	10.4	10.2	10.4	10.2	-1.8	-1.5	-1.7	-1.5	-1.7	11.9
1977-78 to 1979-80	13.5	13.2	13.1	12.8	13.3	-10.0	-10.3	-10.4	-10.7	-10.2	23.5
1979-80 to 1981-82	18.6	18.0	18.7	17.5	18.5	-3.8	-4.4	-3.7	-4.9	-3.9	22.4
1981-82 to 1983-84	11.2	11.0	11.9	12.1	11.4	3.4	3.2	4.1	4.3	3.6	7.8
1983-84 to 1985-86	13.2	12.7	13.2	12.5	13.1	5.3	4.8	5.3	4.6	5.2	7.9
1985-86 to 1987-88	11.3	10.9	10.9	8.9	11.1	5.7	5.3	5.3	3.3	5.5	5.6
1987-88 to 1989-90	12.5	13.4	12.7	11.0	12.3	3.2	4.1	3.4	1.7	3.0	9.3
1989-90 to 1991-92	9.1	9.0	9.5	9.1	9.1	-0.3	-0.4	0.1	-0.3	-0.3	9.4
1991-92 to 1993-94	5.7	5.5	5.7	5.6	5.6	0.0	-0.2	0.0	-0.1	-0.1	5.7
1993-94 to 1995-96	6.6	6.4	6.0	6.2	6.4	1.3	1.1	0.7	0.9	1.1	5.3
1995-96 to 1996-97	2.9	3.0	2.4	3.2	3.0	-0.4	-0.3	-0.9	-0.1	-0.3	3.3
1996-97 to 1997-98	3.6	3.2	2.8	2.6	3.3	1.9	1.5	1.1	0.9	1.6	1.7
1997-98 to 1998-99	4.0	3.6	3.5	2.9	3.6	2.4	2.0	1.9	1.3	2.0	1.6
1998-99 to 1999-00	4.3	4.0	3.9	3.7	3.7	1.6	1.3	1.2	1.0	1.0	2.7
1999-00 to 2000-01	4.4	3.9	4.4	3.6	3.5	1.0	0.5	1.0	0.2	0.1	3.4
2000-01 to 2001-02	4.2	3.8	4.8	4.2	3.8	2.6	2.2	3.2	2.6	2.2	1.6
2001-02 to 2002-03	3.4	3.1	3.8	2.2	3.0	1.0	0.7	1.4	-0.2	0.6	2.4
2002-03 to 2003-04	2.4	2.0	2.3	2.0	2.1	0.5	0.1	0.4	0.1	0.2	1.9
2003-04 to 2004-05	3.4	3.0	3.2	2.7	2.8	0.1	-0.3	-0.1	-0.6	-0.5	3.3
2004-05 to 2005-06	3.7	3.3	3.3	3.2	3.1	0.3	-0.1	-0.1	-0.2	-0.3	3.4
2005-06 to 2006-07	4.2	3.9	4.1	3.9	3.8	1.7	1.4	1.6	1.4	1.3	2.5
2006-07 to 2007-08	4.3	4.1	4.1	3.9	3.8	0.2	0.0	0.0	-0.2	-0.3	4.1
2007-08 to 2008-09	3.8	3.6	3.6	3.3	3.4	3.7	3.5	3.5	3.2	3.3	0.1
2008-09 to 2009-10	1.0	0.8	1.1	1.4	1.2	-1.7	-1.9	-1.6	-1.3	-1.5	2.7
2009-10 to 2010-11	1.4	1.2	1.5	0.9	1.4	-0.1	-0.3	0.0	-0.6	-0.1	1.5
2010-11 to 2011-12	2.2	1.6	2.1	1.7	1.8	-0.8	-1.4	-0.9	-1.3	-1.2	3.0
2011-12 to 2012-13	2.1	1.7	2.1	2.0	1.7	0.4	0.0	0.4	0.3	0.0	1.7
2012-13 to 2013-14	2.4	2.1	2.3	2.0	2.2	0.9	0.6	0.8	0.5	0.7	1.5
2013-14 to 2014-15	2.6	2.4	2.6	2.4	2.2	1.8	1.6	1.8	1.6	1.4	0.8
<b>CONTINUING FACULTY</b>											
1971-72 to 1973-74	10.4	12.4	12.8	13.7	11.9	-2.1	-0.1	0.3	1.2	-0.6	12.5
1973-74 to 1975-76	14.2	15.7	16.5	17.9	15.6	-5.9	-4.4	-3.6	-2.2	-4.5	20.1
1975-76 to 1977-78	12.5	13.2	13.5	13.7	13.0	0.6	1.3	1.6	1.8	1.1	11.9
1977-78 to 1979-80	15.2	16.3	17.4	18.0	16.1	-8.3	-7.2	-6.1	-5.5	-7.4	23.5
1979-80 to 1981-82	19.9	21.0	22.4	22.3	20.9	-2.5	-1.4	0.0	-0.1	-1.5	22.4
1981-82 to 1983-84	13.3	13.9	15.3	14.7	14.1	5.5	6.1	7.5	6.9	6.3	7.8
1983-84 to 1985-86	14.2	15.1	16.3	16.1	14.9	6.3	7.2	8.4	8.2	7.0	7.9
1985-86 to 1987-88	12.8	13.7	14.6	13.8	13.5	7.2	8.1	9.0	8.2	7.9	5.6
1987-88 to 1989-90	13.7	15.0	16.0	15.5	14.6	4.4	5.7	6.7	6.2	5.3	9.3
1989-90 to 1991-92	10.2	11.6	12.5	12.5	11.2	0.8	2.2	3.1	3.1	1.8	9.4
1991-92 to 1993-94	7.1	8.3	9.1	9.1	8.0	1.4	2.6	3.4	3.4	2.3	5.7
1993-94 to 1995-96	8.0	9.0	9.6	9.5	8.8	2.7	3.7	4.3	4.2	3.5	5.3
1995-96 to 1996-97	3.0	4.0	4.2	4.6	3.5	-0.3	0.7	0.9	1.3	0.2	3.3
1996-97 to 1997-98	4.0	4.6	4.8	5.0	4.3	2.3	2.9	3.1	3.3	2.6	1.7
1997-98 to 1998-99	4.5	5.0	5.3	5.3	4.8	2.9	3.4	3.7	3.7	3.2	1.6
1998-99 to 1999-00	4.5	4.9	5.4	5.3	4.8	1.8	2.2	2.7	2.6	2.1	2.7
1999-00 to 2000-01	5.0	5.4	5.8	5.8	5.3	1.6	2.0	2.4	2.4	1.9	3.4
2000-01 to 2001-02	4.8	5.1	5.7	5.4	5.0	3.2	3.5	4.1	3.8	3.4	1.6
2001-02 to 2002-03	4.1	4.4	4.7	4.5	4.3	1.7	2.0	2.3	2.1	1.9	2.4
2002-03 to 2003-04	2.8	3.3	3.5	3.8	3.1	0.9	1.4	1.6	1.9	1.2	1.9
2003-04 to 2004-05	4.2	4.7	4.8	4.7	4.5	0.9	1.4	1.5	1.4	1.2	3.3
2004-05 to 2005-06	4.1	4.7	4.8	4.4	4.4	0.7	1.3	1.4	1.0	1.0	3.4
2005-06 to 2006-07	4.7	5.3	5.4	5.1	5.0	2.2	2.8	2.9	2.6	2.5	2.5
2006-07 to 2007-08	4.8	5.4	5.4	5.7	5.1	0.7	1.3	1.3	1.6	1.0	4.1
2007-08 to 2008-09	4.5	5.0	5.2	6.0	4.9	4.4	4.9	5.1	5.9	4.8	0.1
2008-09 to 2009-10	1.4	2.1	2.1	2.1	1.8	-1.3	-0.6	-0.6	-0.6	-0.9	2.7
2009-10 to 2010-11	2.2	2.7	2.8	2.3	2.5	0.7	1.2	1.3	0.8	1.0	1.5
2010-11 to 2011-12	2.7	3.1	3.3	3.2	2.9	-0.3	0.1	0.3	0.2	-0.1	3.0
2011-12 to 2012-13	2.9	3.4	3.5	3.6	3.2	1.2	1.7	1.8	1.9	1.5	1.7
2012-13 to 2013-14	3.0	3.5	3.7	3.6	3.4	1.5	2.0	2.2	2.1	1.9	1.5
2013-14 to 2014-15	3.2	3.7	3.8	3.8	3.7	2.4	2.9	3.0	3.0	2.9	0.8

*Note:* Salary increases for the years to 1995-96 are grouped in two-year intervals in order to present the full 1971-72 through current year series. Consumer Price Index for all Urban Consumers (CPI-U) from the U.S. Bureau of Labor Statistics; change calculated from December to December. Nominal salary is measured in current dollars. The percentage increase in real terms is the percentage increase in nominal terms adjusted for the percentage change in the CPI-U. Figures for All Faculty represent changes in salary levels from a given year to the next. Figures for Continuing Faculty represent the average salary change for faculty on staff at the same institution in both years over which the salary change is calculated. Figures for prior years have been recalculated using a consistent level of precision.

FIGURE 1

**Average Net Price Tuition by Institutional Control and Degree-Granting Status, 2008–09 to 2012–13, in Unadjusted US Dollars**



Source: National Center for Education Statistics, IPEDS Data Center, <http://nces.ed.gov/ipeds/datacenter/>.

As part of the 2011 reauthorization of the Higher Education Act, colleges and universities that participate in the Title IV federal student aid program are required to post a net price calculator on their website and report data to the US Department of Education. These data, which are publicly available through the Integrated Postsecondary Education Data System (IPEDS), offer a clear view of the average net price change in tuition.

**Fact 1: Private endowment erosion and declining state appropriations, not faculty salaries, have been principally responsible for the rise in average net price tuition.**

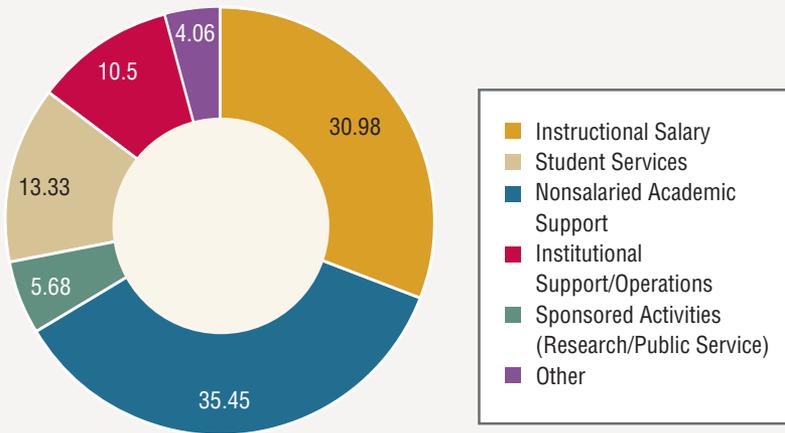
Figure 1 presents data on average net price tuition from the most recent five-year period. These data include 4,291 Title IV-participating, degree-granting institutions that have first-time, full-time undergraduates. (The data exclude for-profit private institutions.) From the 2008–09 to the 2012–13 academic year, the average net price tuition rose by approximately 5.3 percent, from \$15,576 to \$16,445. While many students and parents

report paying \$30,000 or even \$60,000 annually for tuition, the net price—the cost of attendance minus grant and scholarship aid—is, on average, considerably less.

As figure 1 indicates, average net price tuition increased annually in nearly every sector. Growth was highest among four-year public and four-year nonprofit private institutions (which saw 10.02 and 9.22 percent increases, respectively); two- and four-year nonprofit private institutions had the highest overall average net prices. These data lend credibility to claims that average net price tuition is increasing.

If faculty salaries were largely responsible for increases in average net price tuition, then we would expect to see spikes in faculty salaries that far exceed the percentage increases in average net price tuition. To address this issue, it is important to understand the overall distribution of expenditures at institutions of higher education. Comparison between public and private institutions can be somewhat problematic, because most public institutions follow Governmental Accounting Standards Board (GASB) accounting principles, while most private institutions follow Financial Accounting Standards

**FIGURE 2**  
**Breakdown of Expenditures at Two- and Four-Year Public Institutions, 2012–13**



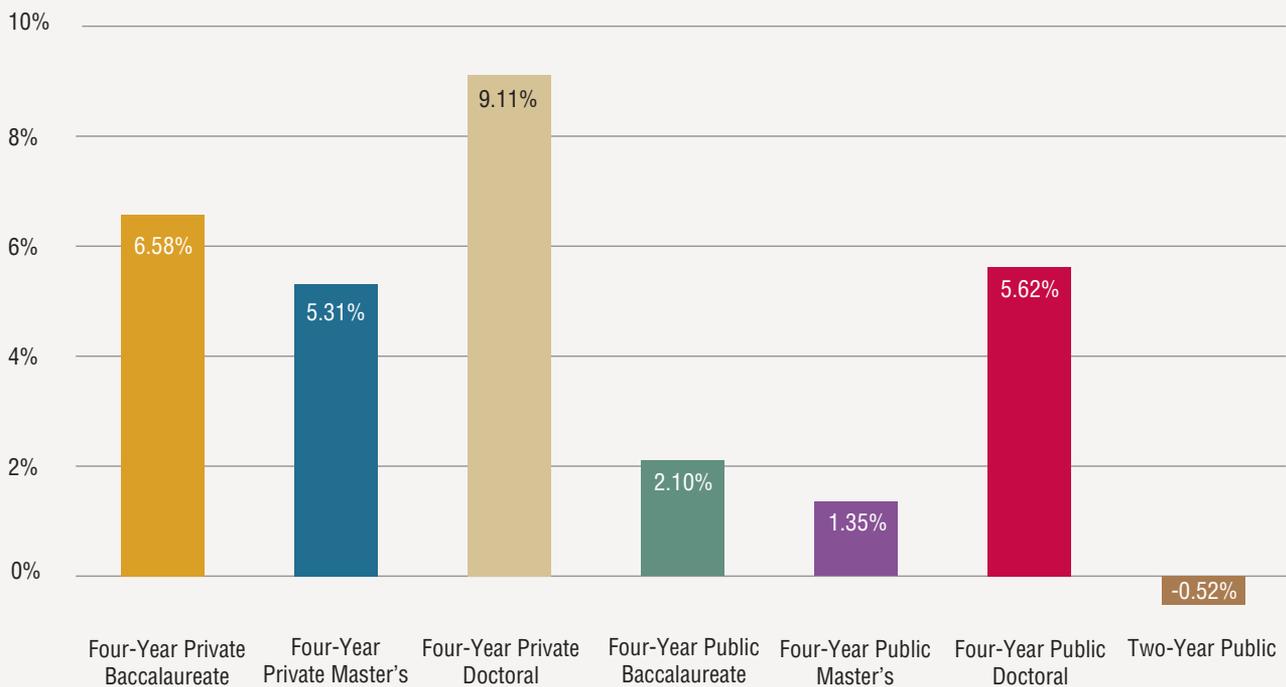
Source: National Center for Education Statistics, IPEDS Data Center, <http://nces.ed.gov/ipeds/datacenter/>.

Board (FASB) accounting principles, which are slightly different in their assumptions and calculations. Figure 2 presents a pie chart depicting average expenditures for all public institutions reporting under GASB accounting standards for the most recent academic year, 2012–13. When combining two- and four-year public institutions, we find that *only about 31 cents on the dollar are spent on instructional salaries*.

To be sure, this number does vary from institution to institution. On the whole, however, faculty salaries account for less than a third of total expenditures. Given that faculty salaries are not the largest expenditure at public colleges and universities, it is unlikely that they are the primary source of the increase in average net price tuition rates.

Figure 3 presents data collected by the AAUP as part of the Faculty Compensation Survey from 2008–09 to 2012–13. During this period, the highest salary growth was at

**FIGURE 3**  
**Change in Faculty Salary by Institutional Category and Control, 2008–09 to 2012–13**



Source: AAUP Faculty Compensation Survey.

private doctoral-degree-granting institutions, where salaries rose 9.11 percent without adjusting for inflation. This growth is *still lower* than the 9.22 percent overall growth in net price tuition. Public doctoral-degree-granting institutions saw modest 5.62 percent unadjusted growth (which translates into approximately 1.12 percent growth annually), while the average net price tuition rose 10.02 percent at four-year public institutions. Most alarming is that at two-year public institutions unadjusted salaries *contracted* 0.52 percent during the period, while the net price tuition rose 7.19 percent. This finding contradicts Baumol's cost disease hypothesis, which predicts that salaries will rise, not contract, and that the rate of growth will be higher than the rate of inflation (the consumer price index for all urban consumers, a standard measure of inflation, was 2.04 percent over the past five years).

If faculty salaries are not to blame, what could be driving average net price tuition increases? Last year's *Report on the Economic Status of the Profession* examined the dramatic salary increases of senior administrators relative to all ranks of full-time tenured and tenure-track faculty. Over a thirty-five-year period, salaries of chief executive officers increased on average by about 75 percent at public institutions and by nearly 175 percent at nonprofit private institutions. These numbers dwarf the growth of professors' salaries during this period. Table 15, which follows this report, presents data on the most recent presidential salaries and their ratios relative to the average full professor. Clearly, presidential salaries are expanding at a faster rate than are full professor salaries, with the median ratio being about 3.75 times larger at public doctoral institutions and 4.31 times larger at private doctoral institutions.

Although senior administrator salary increases exceed faculty salary increases in the short and long term, there are only a limited number of senior administrators, and growth in administrator salaries alone cannot explain rising tuition. An additional explanation is that declines in the endowments of private institutions and in state appropriations for public institutions have profoundly affected the higher education cost structure.

Private institutions tend to be more heavily reliant on tuition and fees than are public institutions because they do not receive state appropriations. In the absence of state appropriations, many private institutions rely on their endowments to offset some of the price of tuition. During the economic recession, private institutional endowments dropped sharply, with many losing more than 20 percent of their value.<sup>4</sup> Nationally, the average endowment declined 23.0 percent, with the median endowment decline at 17.9 percent.<sup>5</sup> More than five years later, many private endowments are just beginning to return to their prerecession levels, which has profoundly influenced the average net price tuition at private nonprofit institutions.

Declines in state funding of public institutions have also influenced the average net price. Table B presents the percentage change in total state appropriations for higher education over the most recent five-year period for which average net price tuition

data are available. Arizona, Louisiana, and New Hampshire cut total state appropriations for higher education *by more than half*, while three other states—Oregon, Pennsylvania, and Washington—cut their appropriations for higher education by more than a third. Seven other states—California, Colorado, Florida, Georgia, Kentucky, Michigan, and Nevada—cut appropriations by more than one-quarter. Nationally, total state appropriations declined 16.02 percent, with only North Dakota posting a better than 25 percent increase.

The right-hand column of table B displays the percentage change in average net price tuition for public institutions in their respective states during the same five-year period. Of the 1,551 institutions reporting average net price tuition data, eight institutions were excluded from this analysis as outliers because they saw a greater than 150 percent decline in net price; three of these institutions saw a greater than 300 percent decline in net price tuition, likely the result of restructuring.

Total state appropriations for higher education matter. For thirty-seven of fifty states, when total state appropriations decreased, average net price tuition increased. Conversely, for three states, when total state appropriations increased, average net price tuition decreased, resulting in savings to students. Ten remaining states saw either an increase in state appropriations and an increase in average net price (Illinois, Massachusetts, Nebraska, Texas, West Virginia, and Wyoming) or a decrease in state appropriations and a decrease in average net price (Delaware, Georgia, Idaho, and Washington).

Building on these observations, we used statistical models to determine what, if any, effect institutional classification and five-year percentage change in total state appropriations had on average net price at the institutional level. For two-year public institutions, every percentage-point increase in total state appropriations above \$7,500 resulted in an approximate \$2,850 decline in average net price.<sup>6</sup> Put simply: *states that increase their funding for two-year public institutions saw a substantial drop in average net price tuition, and we can be more than 99 percent confident that these findings are not the result of random statistical error.* For four-year public institutions, controlling for the effects of institutional classification and a five-year change in total state appropriations seems to explain approximately 29 percent of the variation in average net price tuition, and every percentage-point increase in total state appropriations is associated with an approximate \$1,900 decline in average net price.<sup>7</sup> *As states increase their funding for four-year public institutions, average net price for students drops substantially.*

Our analyses indicate that declines in total state appropriations have an adverse impact on public institutions. As the economy begins to show small but significant signs of improvement, states may be able to expect additional tax revenues and could choose to increase their appropriations for higher education. Historical data, however, indicate that while recessions may come and go, state appropriations for institutions of

TABLE B  
**Change in State Appropriations to Higher Education, 2008–09 to 2012–13**

State	Percentage Change in State Appropriations	Percentage Change in Net Price Tuition at State Institutions	State	Percentage Change in State Appropriations	Percentage Change in Net Price Tuition at State Institutions
Alabama	-24.69	10.01	Montana	-2.70	3.63
Alaska	13.66	-9.78	Nebraska	1.03	15.10
Arizona	-58.75	1.57	Nevada	-32.94	12.55
Arkansas	1.14	-4.73	New Hampshire	-61.77	10.23
California	-27.63	4.91	New Jersey	-5.11	9.51
Colorado	-29.80	2.41	New Mexico	-19.01	6.62
Connecticut	-12.83	7.52	New York	-3.74	4.97
Delaware	-12.18	-2.47	North Carolina	-5.83	32.61
Florida	-31.31	10.48	North Dakota	26.15	-3.40
Georgia	-28.29	-12.03	Ohio	-21.91	4.57
Hawaii	-18.58	15.33	Oklahoma	-5.91	0.01
Idaho	-21.29	-3.92	Oregon	-37.23	13.27
Illinois	15.56	5.39	Pennsylvania	-37.33	10.08
Indiana	-2.85	2.85	Rhode Island	-1.12	22.51
Iowa	-18.76	7.08	South Carolina	-19.57	6.43
Kansas	-7.93	2.77	South Dakota	-8.80	11.57
Kentucky	-30.92	3.69	Tennessee	-11.58	6.84
Louisiana	-50.05	18.31	Texas	1.25	14.04
Maine	-2.03	7.05	Utah	-12.42	1.87
Maryland	-2.31	0.01	Vermont	-2.19	9.64
Massachusetts	17.27	14.15	Virginia	-10.94	17.04
Michigan	-28.11	0.01	Washington	-36.70	-14.49
Minnesota	-22.65	7.99	West Virginia	7.58	3.35
Mississippi	-16.27	4.24	Wisconsin	-9.24	22.20
Missouri	-20.24	7.53	Wyoming	13.48	14.60
			<b>Average (fifty states)</b>	<b>-16.02</b>	<b>6.55</b>

Note: Excludes eight (of 1,551) institutions that saw a greater than 150 percent drop in net price tuition as a result of restructuring.

Source: State appropriations data from the Center for the Study of Education Policy, Illinois State University, Grapevine, fiscal year 2014–15. Net price tuition data from the National Center for Education Statistics, IPEDS Data Center, <http://nces.ed.gov/ipeds/datacenter/>.

higher education are rarely restored to previous levels. As both private and public institutions attempt to recover from a difficult five-year period following the Great Recession, it is clear that faculty salaries have played a small role in average net price tuition and that the largest cost drivers stem from the erosion of endowments at private institutions and a decline in total state appropriations for higher education at public institutions.

#### MYTH 2: TENURED FACULTY ARE OVERPAID

Last year, the AAUP was mentioned thousands of times in various media outlets, and AAUP members granted hundreds of interviews to media sources. During that time, hardly a week went by in which the AAUP was not contacted by a reporter inquiring about faculty salary or compensation. Almost invariably, regardless of the proposed angle of the story, the question was raised

whether faculty—in particular, tenured faculty—are overpaid.

The frequency of the question underscores how faculty work is perceived by those outside of higher education. A quick Internet search reveals widespread perceptions that college professors are “ridiculously overpaid,” and that they have one of the “least stressful” jobs in the United States, in part because they have a “controllable workload,” have students “who want to be in class,” and “have no one looking over [their] shoulder.”<sup>8</sup> There also appears to be a popular perception that faculty work fewer than forty hours a week because they only teach—a view that disregards the work faculty do outside of the classroom. Summing up these sentiments, former New School chancellor David Levy wrote in the *Washington Post*: “An executive who works a 40-hour work week for 50 weeks puts in a minimum of 2,000 hours yearly. But faculty members teaching 12 to 15 hours per

TABLE C  
**Selected Nonacademic Professional and Professorial Salaries, 2013**

Profession	Nonacademic Setting Annual Mean Wage (BLS)	College/University Setting Annual Mean Wage (BLS)	Mean Full Professor Salary (\$116,419) as a Percentage of Nonacademic Annual Mean Wage (AAUP)	Mean Salary for All Ranks Combined (\$84,303) as a Percentage of Nonacademic Annual Mean Wage (AAUP)
Astronomer (Scientific Research)	\$109,300	\$101,900	106.51	77.13
Computer and Information Scientist	\$116,990	\$92,110	99.51	72.06
Pharmacist	\$117,870	\$106,530	98.77	71.52
Physicist (Scientific Research)	\$117,880	\$82,390	98.76	71.52
Economist (Monetary Authority)	\$123,490	\$106,390	94.27	68.27
Mathematician	\$124,450	\$78,500	93.55	67.74
Management (Corporate)	\$134,910	\$103,280	86.29	62.49
Architectural Engineer	\$136,140	\$106,540	85.51	61.92
Lawyer (General)	\$138,140	\$125,920	84.28	61.03
Dentist (General)	\$167,370	\$98,810	69.56	50.37

Sources: BLS data from Bureau of Labor Statistics Occupational and Employment Statistics, National Occupational Employment and Wage Estimates, 2013. AAUP data from the 2012–13 Faculty Compensation Survey.

week for 30 weeks spend only 360 to 450 hours per year in the classroom. Even in the unlikely event that they devote an equal amount of time to grading and class preparation, their workload is still only 36 to 45 percent that of non-academic professionals. Yet they receive the same compensation.”<sup>9</sup>

Others have offered strong counter narratives. Nancy Marlin, former provost of San Diego State University, reported that faculty at her institution consistently work forty-eight to fifty-two hours per week, above the forty-hour work weeks Levy attributes to executives.<sup>10</sup> Audra Diers, an assistant professor at Marist College, has painstakingly documented how work weeks on the tenure track routinely extend to fifty or sixty hours; she estimates that, if assistant professors were wage employees, they would earn approximately \$17–20 an hour.<sup>11</sup> Most of those in the non-tenure-track majority earn even less on an hourly basis.

In order to assess whether tenure-track faculty are indeed overpaid, we must first ask, “Relative to whom?” Popular media accounts often claim that faculty salaries are higher at one university than another within the same region, or that faculty salaries at the institutions in their local media market are higher than the national average. A more useful question would be whether average salaries of faculty in a particular field are higher or lower than the salaries of those in a comparable professional setting.

The US Department of Labor’s Bureau of Labor Statistics tracks the average and estimated salaries of a wide variety of occupations, allowing us to compare salaries in higher education with those of similar professionals in nonacademic settings. For purposes of comparison, it is important to identify occupations whose employment characteristics in a professional setting most closely approximate those of tenure-track faculty. We selected only occupations that (1) were full time, (2) required a

doctorate or other advanced professional degree, (3) required no prior work experience in a related occupation at entry (for example, becoming a judge generally requires prior law experience), (4) required no on-the-job training, and (5) have historically offered stable, long-term employment. Bureau of Labor Statistics data average the salary for a professional occupation overall, but we used salaries of full professors for the comparison. The majority of the faculty, of course, make much less than these senior faculty members; many serving on part-time appointments do not earn “professional” salaries at all. If any faculty members are overpaid, however, surely full professor salaries would offer an indication of just how overpaid the most highly compensated faculty members are.

The Bureau of Labor Statistics provides data on a great number of occupations and on subfields within those occupations; wherever possible, we have attempted to use the closest professional analog to full professors. For example, a lawyer in the “legal services” area, which makes up the majority of the field, has a substantially lower average salary (\$138,140) than a lawyer in the subfield of “securities and commodity exchanges” (\$188,430), which is why we selected the former.

**Fact 2: Relative to professionals in comparable occupations, even the highest-ranking tenured professors are generally underpaid.**

Table C presents selected data that meet our criteria for comparison. Astronomer is the only profession in table C for which faculty salaries are higher than salaries in a nonacademic professional setting. Full professors on average make only 6.5 percent more than astronomers employed in non-academic professional settings, hardly a “ridiculous” figure.

When one compares the average salary of faculty members at all ranks to that of professional astronomers, arguably a fairer comparison because we are comparing a full group to a full group, college and university faculty make only about 77 cents on the dollar. In the remaining professions selected, all of which are made up mostly of nonacademic employees, professors make less on average than those in nonacademic professional settings.

These findings do not necessarily suggest that those in other professional settings are overpaid. Our intent is simply to refute claims that faculty are overpaid as a result of “inefficiencies” within higher education. Although faculty earn less in the majority of the occupations presented, it is worth noting that key differences exist between academic and nonacademic settings and that faculty may be motivated by factors other than maximizing their salary.

Many faculty members enjoy teaching and mentoring the next generation in their fields, an opportunity that is largely unavailable in other professional settings. Higher education offers more flexibility than many other work environments—a major advantage for those seeking flexible schedules. Research has found that people who have a positive work-life balance tend to report higher job satisfaction. Those who work in nonacademic settings do not have the academic freedom to conduct research that tenured and tenure-track faculty members have. Tenure-track faculty, like government workers, traditionally have been willing to trade the higher salaries of the private sector for greater employment security.

Indeed, the AAUP’s 1915 *Declaration of Principles on Academic Freedom and Academic Tenure* sought in part to establish policies that would “render the profession more attractive” to men and women “of high ability and strong personality by insuring the dignity, the independence, and the reasonable security of tenure, of the professional office.” Today, however, the profession may be in danger of losing its attractiveness because of the radical erosion of compensation, especially for part-time positions, and the decline of tenure.

### **MYTH 3: “DISRUPTIVE INNOVATION” NECESSITATES RADICAL REDUCTIONS IN TENURE-TRACK FACULTY**

While many faculty members view higher education as a public good rather than a product in a competitive marketplace, this perception is under increasing pressure from advocates of neoliberal approaches to higher education. Increasingly, senior administrators see their institutions as competitors in a rapidly changing sector of the economy. Traditional colleges and universities, they say, must adapt and respond to the threat posed by online, for-profit institutions whose academic labor force consists largely of part-time, non-tenure-track faculty. Some administrators have attempted to adopt, or perhaps co-opt, a “disruptive” framework that borrows from concepts developed by the business theorist Clayton Christensen.

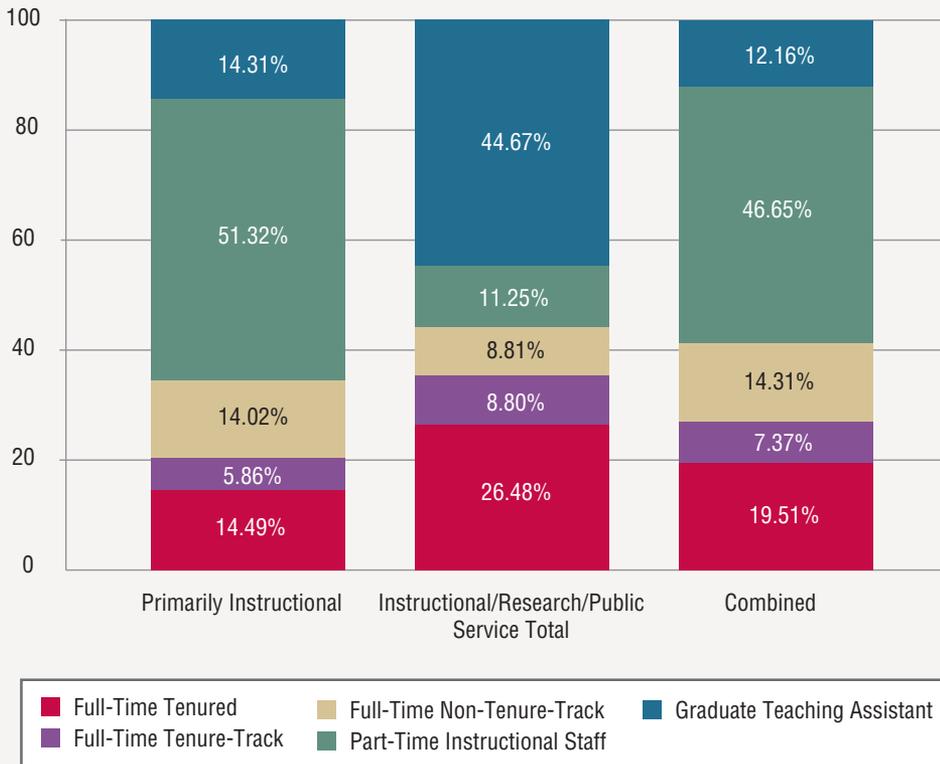
The theory of disruptive innovation, outlined by Christensen in a series of articles and books, is one of the more influential business ideas of the past half-century. Few theories have transcended disciplinary boundaries to spawn their own conferences, and thrust terms such as *disruption* and *disruptors* into the popular lexicon, in the way that Christensen’s has. Many faculty members are understandably skeptical of the theory of disruptive innovation—it is, after all, a theory that administrations have invoked to justify the shuttering of departments and the hiring of more faculty members in part-time positions with very low compensation. For the purposes of argument, however, let’s assume that administrators are right to see themselves as responding to disruptors in the market. Does a careful analysis within the framework of Christensen’s theory bear out the notion that increasing the proportion of part-time, non-tenure-track positions is an effective strategy for dealing with disruptive innovation?

According to Christensen, disruptive innovation is a process whereby a new competitor (the disruptor) enters a market at the bottom by producing a simpler, lower-quality, and generally more accessible product. Established organizations, reluctant to defend the lowest and least profitable sector of the market, shift production to higher-quality sectors in response, only to have those sectors successively encroached on by the disruptor. Over time, according to the theory, quality improves and established organizations are led to the point of extinction. For example, in the automobile industry, Toyota entered the market as a low-end manufacturer competing against Ford and General Motors with the Corona and Tercel before competing in the middle of the car market with the Camry and the high end with Lexus.<sup>12</sup> Now the world’s largest automobile manufacturer, Toyota is facing disruptive innovations at the bottom of the car market from emerging South Korean manufacturers Hyundai and Kia.

The clarity and simplicity of the theory of disruptive innovation has enabled it to proliferate to a variety of different sectors, including higher education.<sup>13</sup> For the first time, newer entrants into higher education can use technological innovations in online instruction to produce simpler, lower-quality, and generally more accessible content than would be available at established “bricks-and-mortar” institutions of higher education. Online institutions such as the University of Phoenix, Western Governors University, and Kaplan University have recently been improving the quality of their offerings in a concerted effort to move “up market” and challenge existing institutions of higher education.

Some people believe that the unprecedented challenge of low-cost online education will make relatively expensive full-time tenured faculty obsolete. Such views were recently expressed on a panel of higher education experts convened by the American Council on Education to “examine and explore new models inspired by the disruptive potential of

**FIGURE 4**  
**Instructional Faculty by Rank and Reporting Category, 2013**



Source: National Center for Education Statistics, IPEDS Data Center, <http://nces.ed.gov/ipeds/datacenter/>.

new educational innovations.” The resulting white paper, which was sponsored by a grant from the Bill and Melinda Gates Foundation, concluded: “We invite institutions to consider redesigning faculty roles to ensure that institutional missions—and particularly students—are being served. For example, campuses such as The Evergreen State College (WA), Hampshire College (MA), and The University of Texas of the Permian Basin have redesigned their faculty roles with new contracts, responsibilities, and appointments; these institutions have never had a form of tenure in place.”<sup>14</sup>

**Fact 3: Disruptive innovations do not necessitate reductions in the proportion of full-time or tenured faculty.**

In response to disruptive innovations, organizations often try to compete with entrants at the bottom of the market by cutting costs in the sector where entry competition is the greatest and adopting some of the technological innovations that offer disruptors leverage. Some colleges and universities have pursued this strategy by reducing

the proportion of full-time and tenured faculty (and relying increasingly on part-time instructional faculty), thereby reducing instructional costs. What effect is this having?

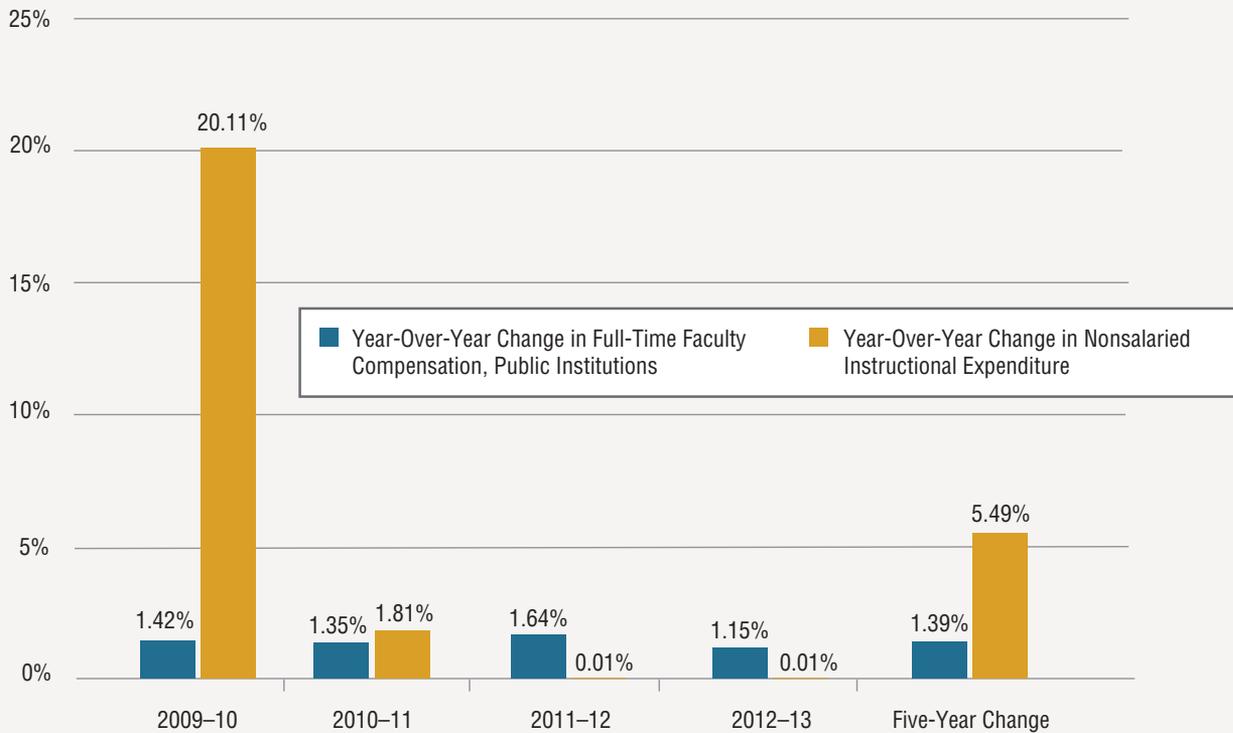
Figure 4 presents the distribution of instructional staff by rank in 2013, the most recent year for which data are available through IPEDS, at all Title IV–eligible, degree-granting institutions that enroll first-time, full-time undergraduates. Historically, faculty have been classified as “primarily instructional” when at least 50 percent of their activity is associated with teaching. Primarily instructional activity is represented in the bar on the left-hand side of the figure. Data on institutions unable to disaggregate faculty, or institutions where at least 50 percent of faculty activity is a combination of “instruction, research, and public service,” have been presented in the center bar. The bar on the right-hand side of the figure presents the combined, unduplicated total of faculty reported in the first two bars for those institutions reporting data.

To provide some perspective, in 1975, full-time tenured and tenure-track faculty composed 45.10 percent of the total instructional faculty. Today, *only 20.35 percent of instructional faculty are full time and tenure track*. The combined proportion of full-time tenured (19.51 percent) and full-time tenure-track (7.37 percent) faculty together does not match that of the full-time tenured instructional faculty (29 percent) of four decades ago. In their place is an army of part-time instructional staff and graduate teaching assistants. While there are many fine graduate teaching assistants and part-time instructional faculty, the reliance on these positions—because they generally lack the economic security of tenured appointments, institutional commitment to professional development, and adequate working conditions—does not align with the vision of most institutional missions, particularly as they pertain to students.

As the AAUP’s 2010 report *Tenure and Teaching-Intensive Appointments* noted, “a broad and growing front of research shows that the system of permanently temporary faculty appointments has negative consequences for student learning.” Some of this research has found that temporary

FIGURE 5

**Change in Full-Time Faculty Compensation as a Percentage of Total Instructional Expenditure and Change in Full-Time Faculty Compensation at Public Institutions**



Source: National Center for Education Statistics, IPEDS Data Center (all GASB institutions), <http://nces.ed.gov/ipeds/datacenter/>.

faculty struggle to provide the same quality of instruction as full-time faculty and that this has had an impact on retention, particularly among those at two-year institutions or in four-year gateway introductory courses.<sup>15</sup> The report goes on to note that “faculty on contingent appointments frequently pay for their own computers, phones, and office supplies, and dip into their own wallets for journal subscriptions and travel to conferences to stay current in their fields, while struggling to preserve academic freedom. However heroic, these individual acts are no substitute for professional working conditions.” The students are not the only ones who suffer in this educational environment. Recent research has shown that job insecurity in higher education harms the mental well-being of non-tenure-track faculty. A substantial number report feelings of stress, anxiety, and depression associated with their position.<sup>16</sup>

It seems clear that established institutions of higher education are attempting to compete with educational disruptors by hiring increasing numbers of part-time faculty. However, the question remains: are established institutions actually reducing their instructional costs as a result of these savings? Certainly, one would expect that shifting instructional costs from full-time tenured faculty to part-time contingent faculty

would result in substantial savings to the institution in the form of lower instructional salary costs.

Figure 5 presents the year-over-year change in public institution compensation and nonsalaried expenditure as a percentage of the total instructional expenditure, a good proxy for how money is being spent in the instructional area, often on things like lab supplies and equipment dedicated to fulfilling an institution’s instructional mission. Although full-time faculty saw an average compensation increase of 1.39 percent unadjusted for inflation, there was a 5.49 percent increase in nonsalaried instructional expenditure during the most recent five-year period. While the ranks of full-time faculty were declining, it appears that the majority of the increased nonsalaried instructional spending occurred in the 2009–10 academic year. More recent years have seen low to flat increases in nonsalaried instruction, never exceeding a 2 percent year-over-year increase. This finding seems contrary to a higher education strategy of defending the instructional market from disruptive innovators. If established institutions were trying to compete with the disruptors who overwhelmingly rely on part-time faculty, one would expect significant nonsalaried instructional budget expansion as public institutions retrain and retool faculty

for more online instructional capacity building, but this has not happened in recent years.

Although a steep decline occurred in the fiscal year immediately following the Great Recession, instructional budgets stabilized at that reduced level, and most subsequent years saw a decline of less than half a percentage point, presumably during the time when disruptors should have been gaining ground against established institutions of higher education. If administrators at two- and four-year public institutions are not spending additional funds in the nonsalaried instructional area, they must believe either that disruptors are not a significant threat or that disruption can be marginalized at current spending levels. This seems like a curious way to try to compete against disruptors, as technological innovation has the potential to offer disruptors a substantial competitive advantage to boost quality rapidly and expand further into the higher education sector. At present, it is unclear why public colleges and universities would see a competitive advantage in reducing full-time and tenured faculty if they were not going to use those savings to improve their own technological innovation in instruction and thus reduce any potential advantage disruptors could leverage in that area. Reducing full-time and tenured appointments simply to plug budgetary holes elsewhere seems a poor long-term strategy for administrators who see themselves as competing against disruptive innovators.

More fundamentally, the belief that disruptive innovations necessitate the reduction of full-time or tenured faculty is a misdiagnosis of a major challenge disruptive innovations present to established institutions of higher education. Most disruptive innovators follow a single business model, which allows for lower overhead and greater efficiency and thus offers a competitive advantage. As Clayton Christensen has argued, most colleges and universities have three separate business models: a *process model*, where students pay to matriculate through an institution; a *solutions model*, where agencies willing to have their problems resolved through research subsidize that research; and a *facilitated networks model*, where alumni generate revenue. Multiple business models generally create greater inefficiencies and higher overall costs. These inefficiencies can, for the most part, be managed and do not constitute exigent circumstances. Thus, the organizational complexity of established institutions of higher education, not full-time faculty instructional costs, poses a substantial challenge.

Disruptive innovators in higher education also have a competitive advantage over existing institutions because they tend to offer a lower degree of specialization than many established colleges and universities. For example, at most colleges and universities there are a great number of disciplines a student can study as well as multiple degrees offered in those disciplines. Furthermore, “bricks-and-mortar” college and university campuses offer library resources as well as other amenities. A high degree of specialization, if efficiently managed, can be a strength of existing

institutions and would rarely, if ever, necessitate a reduction of full-time faculty. As Christensen and his colleagues write,

They [established institutions] aspire to become excellent in every field of research and instruction and to provide any course of study that any student might want. The beginning of a permanent solution for almost all universities is that they must choose in what area they will be excellent. It is only through focus that these institutions can reduce complexity. And it is only by reducing complexity that they can substantially reduce costs. Laying off faculty or administrative staff across the board or freezing employee salaries while leaving the basic mission and structure of the institutions unchanged is akin to straightening the deck chairs on the Titanic. It will not solve the problem of economic viability in the short run or the longer run—and it may very well drive quality faculty out and exacerbate and accelerate the institutions’ demise.<sup>17</sup>

In short, even within Christensen’s framework, full-time tenure-track and tenured faculty are not the problem; they are a large part of the solution. Strategic hiring can facilitate unit and institutional improvement that would transform a dynamic higher education landscape into one whereby new online technologies are incorporated by high-quality, full-time faculty who are able to showcase their talents, which remain in demand.

Since disruptive innovators do not pose a threat that necessitates a reduction in full-time faculty at established institutions, conversion to tenure, combined with proportional expectations for service and professional development for those who wish to remain in the profession on a part-time basis, is the best way to stabilize the faculty. This is the approach outlined in *Tenure and Teaching-Intensive Appointments*. Exploring strategies to improve budgeting, incorporating greater technological innovation in education with faculty involvement, efficiently managing specialization, and stabilizing part-time faculty through conversion offer an excellent framework for improving the quality of higher education that would not significantly compromise accessibility. This strategy would pose a significant challenge to any potential disruptor.

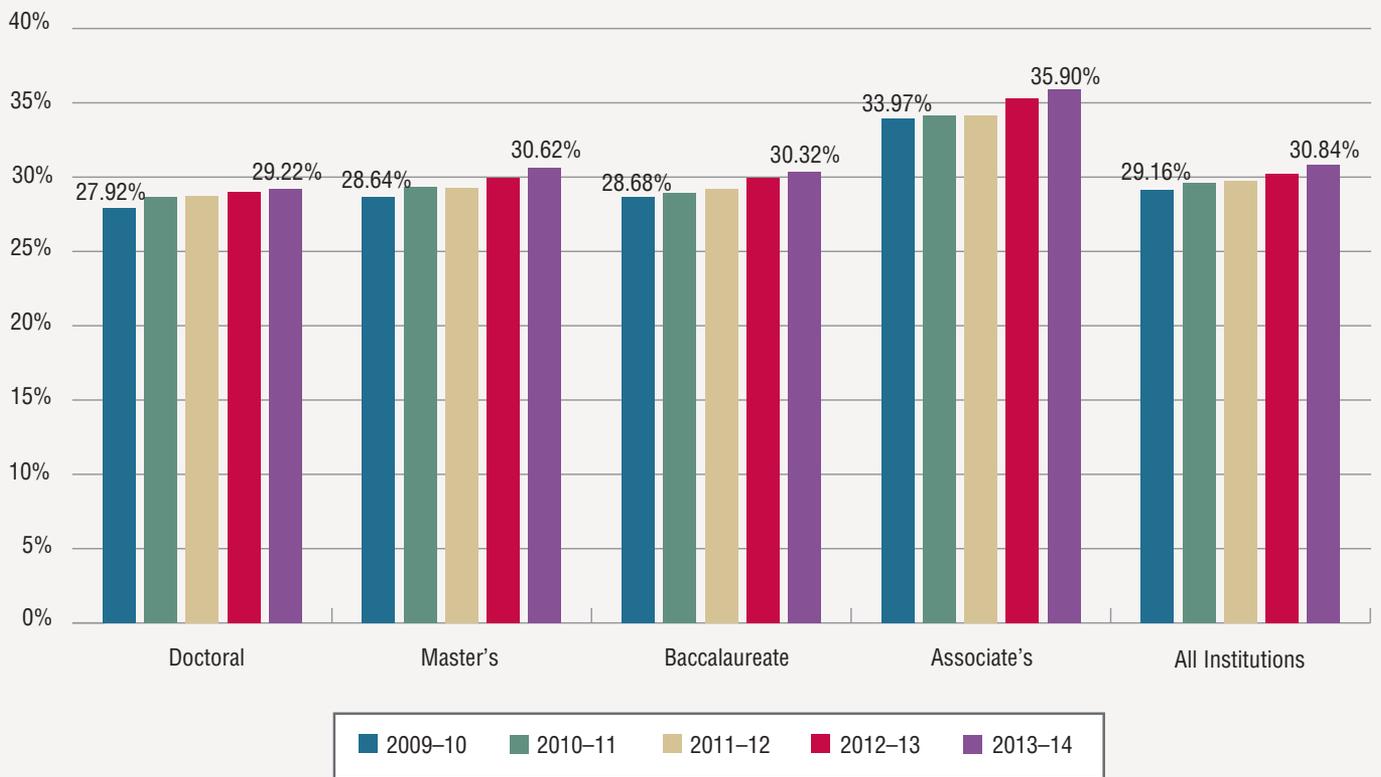
#### **MYTH 4: FACULTY BENEFITS ARE A PRIMARY DRIVER OF COST IN HIGHER EDUCATION**

As we have noted, increasing tuition prices have drawn significant attention from students, families, policy makers, and the media. Some have speculated that rapid growth in health-care costs must be having a substantial impact on benefits expenditures in higher education. One source identified health care and pensions as second only to student loans among the reasons “college costs too much.”<sup>18</sup>

Many recent media reports about rising benefit costs draw support from a report issued by the Delta Cost Project, now part of the American Institutes for Research (AIR). A recent AIR brief, *Labor Intensive or Labor Expensive?*, notes that

FIGURE 6

**Benefits as a Percentage of Average Compensation, by Institutional Category, 2009–10 to 2013–14**



Source: AAUP Faculty Compensation Survey.

higher education is very similar to other sectors with rapidly rising benefits costs: “As in other industries, benefits costs—including medical and dental plans, retirement contributions, Social Security and unemployment insurance taxes, life and disability insurance plans, and tuition and housing benefits—are rising rapidly across all sectors of higher education.” Underscoring this point, the brief’s authors write that “rising benefits costs remain a concern across all types of colleges and universities, and have emerged as the primary driver of increased compensation costs.”<sup>19</sup>

**Fact 4: Faculty benefits are not a primary driver of cost in higher education.**

Figure 6 presents benefits data for the most recently available five-year period. As we noted previously, only about 31 percent of overall salary expenditures are allocated to instructional faculty salary. Benefits represent only about 30 percent of the total compensation for full-time instructional faculty. Frequently, in higher education, benefits are expressed as a percentage of *instructional*, not institutional, costs. Because benefits make up a small proportion of the total compensation

and an even smaller fraction of total two- and four-year institutional costs, it would take a massive spike in one or all types of benefits to explain the rapid increase across all sectors.

As figure 6 indicates, over the most recent five-year period, full-time faculty benefits increased for all institutions from 29.16 percent of the total of compensation to 30.84 percent, roughly a 5.76 percent increase over a five-year period, or slightly more than a 1 percent increase per year on average. This number is slightly smaller than the 6.12 percent increase in faculty salaries over the same five-year period, and the increase is smaller still in actual dollars, because total benefits account for only approximately 30 percent of total compensation costs. The largest increase in benefits as a percentage of the total compensation occurred at two-year institutions, where salaries are generally lower and benefits thus make up a larger share of total compensation.

Although faculty benefits do not account for the significant increase in net price tuition and are not the primary driver of cost for most sectors of higher education, faculty benefits are an important issue.

In January 2014, a provision of the Patient Protection and Affordable Care Act took effect that requires employers with

more than fifty full-time employees to provide health benefits to employees who worked on average at least thirty hours per week. Since many institutions of higher education do not track part-time faculty members' hourly work, human resources professionals sought clarification from policy makers and the Internal Revenue Service on how to calculate the labor of part-time faculty. These efforts led the IRS to suggest that part-time faculty should be credited with an additional 1.25 hours for every hour or credit taught. Thus, a college or university could deem a faculty member teaching twelve hours in the classroom to have worked twenty-seven hours per week. If the faculty member was required to hold office hours for two hours per week, that would amount to twenty-nine hours, just below the thirty-hour-a-week threshold under the Affordable Care Act. The IRS acknowledged that this guidance was likely "very difficult to administer" because the "course loads of faculty treated as full-time employees may vary considerably."<sup>20</sup>

The Affordable Care Act was intended to expand access to health care, not to restrict it. A growing body of research has made clear that instruction is improved when faculty have adequate resources, including health care, to perform their duties. In anticipation of the problems surrounding the application of the Affordable Care Act in higher education, the AAUP in 2013 issued a statement urging colleges and universities to "realize the importance of providing health insurance to employees" and calling for institutions to use methods that "fully take into account the many activities in which faculty members engage" beyond just teaching, minor preparation, and office hours. The statement also noted that the AAUP has been "dismayed by news reports of a handful of colleges and universities that have threatened to cut the course loads of part-time faculty members specifically in order to evade this provision of the law."

The AAUP Research Office welcomes the opportunity to work with colleges and universities to find creative ways to provide greater access to benefits through enhanced data gathering and data sharing as well as an exploration of best practices. Providing benefits to all faculty not only improves the lives of faculty; it also indirectly enriches the lives of their students.

#### WHAT WE CAN DO

The AAUP recognizes that there is one faculty with common work and common interests: the voices of non-tenure-track faculty members are just as important to education today as the voices of their tenure-track and tenured peers. The AAUP Research Office can serve all faculty better by pursuing partnerships with institutions to collect data systematically on both full- and part-time faculty. Figure 4 reminds us that the appendices to this report tell the story of only about 40 percent of the faculty currently serving at the institutions reporting data. Moving forward, as a research program, we must do better.

This year, our goal was not just to use the *Annual Report on the Economic Status of the Profession* to educate our

#### WHAT FACULTY MEMBERS CAN DO

- Promote this report through social media.
- Educate friends, family, colleagues, and students.
- Find out if your institution participates in the AAUP Faculty Compensation Survey; if it does not, ask the human resources department or institutional research office to do so in the future.
- Speak with members of the media and state policy makers about the importance of increasing state funding for higher education.
- Encourage federal policy makers to stop passing unfunded mandates for higher education.
- Become involved in budgetary and financial matters on your campus.
- Join the AAUP.

audience about misperceptions pertaining to faculty in higher education but also to *empower our members to take action*. Following are a few actions you can take to help inform others and to advance some of the initiatives described above.

First, you can share this report in your own network of influence. In addition to being published in *Academe*, this report is available on the AAUP's website, and it can be shared through social media platforms. Feel free to send the report to local media outlets and to encourage reporters to contact the AAUP with questions; we welcome the opportunity to speak with media representatives.

Second, when you hear versions of the myths described above in the media or among friends, family, students, or others, use the content from this report to provide the facts. We can work together to reduce misperceptions and explain the complexity of cost in higher education to as broad an audience as possible.

Third, we encourage you to check the appendices to this report to see whether your institution is included in the AAUP Faculty Compensation Survey. If it is, please take a moment to contact your director of human resources or director of institutional research and thank him or her for participating in the survey. We are very grateful for the hours of time professional staff at your institution put into verifying, validating, and completing our survey; this publication would not be possible without their assistance. If your institution does not participate, please encourage your human resources department or institutional research office to do so and remind them that there is no charge to participate in this survey. Many institutions use these data to address gender and salary disparity among ranks. The survey is also an excellent resource for recruitment of new faculty, who would likely not have accurate information about the average salary and compensation at your institution without these data.

Fourth, contact media and policy makers in your state to encourage them to increase total state appropriations to

higher education. As the data presented in this report make clear, one of the quickest ways to ease the burden of average net price tuition increases on students without compromising educational quality is for policy makers to restore or increase funding to institutions, so that less of the total cost is passed on to the students or their families. Although it is difficult to disentangle aggregate effects, there is some evidence that even private institutions benefit in states that experienced less drastic cuts in total appropriations.

You can also encourage federal policy makers to stop passing unfunded mandates. Both the president and Congress have proposed important new initiatives, some of which are in the process of being implemented. The AAUP is not advocating for the increase or reduction of existing legislation, but we encourage policy makers to recognize that adding compliance-related activities without providing a pathway to additional financial resources results in additional costs to institutions. Goals of expanding access and improving affordability are laudable, but they must be balanced with recognition of the cost of these goals. If legislation is to be enacted, one solution would be to provide funds to all institutions or at least to those that are most likely to be adversely affected by additional compliance-related activities.

Finally, become involved in issues surrounding the economic status of the profession on your campus and nationally. If you are not already an AAUP member, join the Association at <http://www.aaup.org/join>. You can also connect through our social media platforms on Twitter (<https://twitter.com/AAUP>) and Facebook (<https://www.facebook.com/AAUPNational>). Another way to become involved is by participating in the budgetary and planning process at your institution. For a century, the AAUP has been committed to the principle of shared governance; as the AAUP statement *The Role of the Faculty in Budgetary and Salary Matters* notes, faculty should “actively participate in the determination of policies and procedures governing salary increases” and “participate also in broader budgetary matters primarily as these impinge on the function of the institution.” Faculty participation is important both in the preparation of the total instructional budget and in decisions relevant to allocation, which include salaries, academic programs, tuition, and physical plant and grounds. *The Role of the Faculty in Budgetary and Salary Matters* outlines how faculty can meaningfully engage in fiscal matters that so profoundly influence the growth and development of an institution.

Too often, faculty defer to financial professionals and senior budget officers who they feel might be more experienced at administering and identifying costs at their institution. But an institution functions best when there is clear communication on budgetary policies and procedures, and many times the best decisions are reached when budget officials collaborate with faculty. Such collaboration requires a commitment from both parties and a willingness to listen and learn from the other side, but it can greatly strengthen the health and security of faculty, the institution, and, ultimately, the economic status of the profession.

## ACKNOWLEDGMENTS

Unless otherwise noted, the full-time faculty compensation data presented were collected by the AAUP Research Office directly from college and university administrative offices. We extend our gratitude to all the survey respondents who provided data in a timely manner for inclusion in these analyses. This undertaking would not have been possible without their support, and we are exceedingly grateful for their collaboration and continued participation in the Faculty Compensation Survey.

## NOTES

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