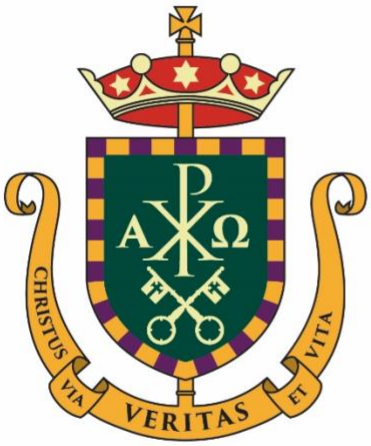

King's University College
60 Years
of Making a Difference

SALARY ANOMALY STUDY
Final Report
April 28, 2022

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ACKNOWLEDGEMENTS

The members of the salary anomaly study committee that drafted this report were Gillian Balfour (co-chair), Jeff Major, Samantha Pearson, Jennifer Jeffrey (co-chair), Adian McFarlane, and Jordan Fairbairn. The committee is indebted to Marcie Penner (past co-chair) and Tracy Smith-Carrier (past member) for the sterling contributions they made in the early to intermediate stages of the salary anomaly study, and to Stephanie Bangarth in her capacity as KUCFA president.

INTRODUCTION

King's University College ("King's"), a Catholic-based affiliate of the University of Western Ontario, employs 105 full time faculty members in a variety of university-level liberal arts programs. As part of the 2020 faculty bargaining period, King's and the King's University College Faculty Association ("KUCFA") agreed to form a Salary Anomaly Committee. This bilateral Salary Anomaly Committee was tasked with undertaking a robust comprehensive salary anomaly study ("SAS") to determine potential salary differentials within the KUCFA membership related to initial allocation of the experience factor and other hiring practices internal to the College. The current Collective Agreement does not allow for merit-based salary increases, so salary at time of hire represents the sole institutional practice that would directly contribute to gendered anomalies in compensation.

The committee was also tasked with determining the appropriate distribution of monies, from an established fund, for the purpose of addressing any potential gender based and other systemic wage gap differentials identified in the salary anomaly exercise. Finally, the committee was tasked with reviewing the King's Policy on Employment Status and Salary Level of New Faculty, specifically the process by which a new faculty member is assigned years of experience at hiring, and the substantive content of the policy itself.

This is the first salary anomaly study to be conducted at King's. As part of the terms set forth under the collective agreement, the SAS committee is to generate a publicly accessible report on the outcomes of the salary anomaly exercise. This report and its recommendations formed the basis for the memorandum of understanding (MOU) put forth by King's and agreed upon by both the President and the KUCFA executive. This report also provides considerations for future deliberations as to revisions to the salary determination policy and process.

BACKGROUND ON PROCESS

The committee engaged in many steps throughout its tenure; these are listed in Table 1. Both faculty and administrative representatives from the SAS committee were actively involved throughout. As Table 1 indicates, this was an extensive and thoughtful review, and a significant amount of time and effort was put forth by the committee.

Table 1: Key activities and dates

Activity	Date Completed
Committee formed, terms of reference drafted	February 12, 2021
Consultant RFP completed, external consulting firm hired	April 19, 2021
External consultant's data collection and analysis completed	October 13, 2021
Consultant's final report submitted to SAS committee	Oct 13, 2021
Additional SAS committee data verification and analysis completed	March 30, 2022
Preliminary report recommendations and next steps determined	April 4, 2022
Faculty feedback solicited	April 8, 2022
Final report and recommendations created	April 28, 2022

KEY RESEARCH FINDINGS & RECOMMENDATIONS

There were several questions investigated as part of the SAS itself, and each research question, its findings, and corresponding recommendations are presented in turn below.

Research question #1: Does the policy on employment status and salary level of new faculty ("grid") itself discriminate between male and female faculty at the time of hire?

This first question explores whether the way experience credits in the grid are awarded discriminates. For example, if women are more likely to have previous work experience and men more likely to have previous teaching experience, the preferential weighting of teaching over work experience could lead to a gender-bias. Based on the analysis of the grid itself, the SAS committee did not find that the grid itself discriminates, or that any revisions are required. However, some recommendations were put forward for consideration as policy changes.

> *Recommendation #1*: The grid allows for experience credits, awarded for "post MA full time non university level work (related to position)", weighted at 0.5-year experience credit for each 1.0 year of experience. There is not, at present, clarity around how this work experience might be assessed in terms of its relevance to a faculty position. This potential ambiguity could lead to inconsistent application of this experience factor. The committee recommends that definitions of relevant work be developed as part of the salary calculation framework.
>
> *Recommendation #2*: There should be a process whereby the experience credits grid is reassessed at some reasonable interval of time, to ensure it continues to align with the mission and mandate of King's. For example, it is skewed to rewarding previous teaching over previous research activities. As King's looks to expand its research strength and output, the committee recommends that the grid might be realigned in such a way as to reward more research-intensive scholars. In addition, the grid itself should be included as an appendix in the terms and conditions document, for easy access and reference.

Research question #2: Is there evidence of systemic, gender-based wage gaps at King's?

The initial assessment of faculty salaries found an unadjusted wage gap of 6.6% between male and female faculty. Men earned, on average, $136,177 in 2020-21, whereas women earned on average $127,218. This wage gap was most pronounced at the upper limits of salaries but persisted at every salary interval between the genders. In examining the causes of this wage gap, the SAS committee found that both legitimate[1]and gendered factors were driving this discrepancy. Specifically, male faculty have been working at King's, on average, for 11 years, whereas female faculty have been working at King's for an average of 7 years. Thus, tenure of employment – a non-gendered specific driver – is driving much of the discrepancy in salaries.

In addition to this broader systemic pattern, the SAS committee also found evidence of gendered difference in the initial allocation of experience credits at the time of hire. Specifically, male faculty received a larger overcompensation at the time of hire in experience credits awarded versus experience credits earned than did female faculty (surplus of 0.69 years versus surplus of 0.36 years). Although this difference may appear small, an analysis of variance yielded an effect size of 2.4%, which translates into approximately $3,000/year salary differential. It is worth noting that the size of the discrepancy found at King's is consistent with the size of salary anomalies found at other Ontario university institutions and likely merits a similar degree of positive adjustment to rectify the situation.[2]

The funding system at King's has been established on the basis of experience credit "steps", where each additional year of experience amounts to one step in salary. The funding equivalent to one step of experience depends on academic rank; for example, in 2021 one step for an assistant professor represents a salary increase of $2,506, an associate professor $2,637, and a full professor $2,770. From an administrative and technical perspective, the SAS committee felt that a one-step increase was substantively equivalent to the calculated salary discrepancy, and it could be administered more easily and with a lower risk of error.

> *Recommendation #3:* In order to address the experience credit gap found between men and women faculty at the time of hire, King's should apply a one-step prospective experience credit increase to all female faculty, as of April 30th, 2022.

Research question #3: Are there other policy-based changes that might reduce the potential for gendered differences in salary determinations at the time of hire?

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[1] Length of employment has been identified as a legitimate driver of salary gap; see (2016), OCUFA, *Pay equity among faculty at Ontario's universities; OCUFA's Submission to the Ontario Gender Wage Gap Steering Committee*, found at: https://ocufa.on.ca/assets/OCUFA-Submission-on-the-Gender-Wage-Gap-FINAL.pdf.

[2] A one-step increase is approximately $2,637 / year or roughly 2.1% increase in salary. McMaster University, University of Waterloo, and University of Guelph provided flat rate compensation to female-identifying faculty ranging from $2,050-$3,515/annum (Baker, Halberstam, Kroft, Mas & Messacar, 2019). University of British Columbia, Simon Fraser University, Wilfrid Laurier University, and University of Toronto increased salary as a percentage ranging from 1.3-3.9% (Baker et al., 2019). King's increase falls within both ranges, suggesting it is not an outlier amount.

Reference: Baker, M., Halberstam, Y., Kroft, K., Mas, A., & Messacar, D. (2019). Pay Transparency and The Gender Gap, Working Papers, Princeton University, Department of Economics, Industrial Relations Section., https://EconPapers.repec.org/RePEc:pri:indrel:630

Although the SAS committee did not find specific evidence that the grid itself was gendered, the application of the grid can be, in a purely practical sense, somewhat complicated to undertake and requires the potentially subjective interpretation of disparate experiences across a broad range of academic backgrounds and experiences. As such, any changes that help improve the transparency of the process and involve a broader group of stakeholders should improve the perceived fairness and equity of the grid's application. For example, the KUCFA chair and Dean have been actively engaged in consultation on the process of assigning credits for new hires as of 2020, and this type of collaboration helps bolster confidence in the starting salary determination process.

> *Recommendation #4*: In new faculty hires moving forward, the SAS committee recommend that the VPAD incorporate a standardized grid template form, which demonstrates how the total experience credits have been calculated for each hire and allows for detailed notes. A KUCFA representative (such as the chair, or other appointed) should be actively engaged in consultation on this process, as has been the case these past few years, and a copy of the completed grid be included with offer letters for new hires. This more transparent and detailed note taking at the time of hire allows new faculty greater clarity on their experience calculations, provides a clear time to ask questions or clear up misunderstandings, and improves the transparency and perceived equity of the grid.

SECONDARY ISSUE AND RECOMMENDATIONS – INDIVIDUAL ANOMALIES

In order to explore the central research question above; namely, that of systemic, gender-based biases, the external consulting firm engaged in a robust review of all individual faculty files. Specifically, they reviewed all faculty curriculum vitae on file from the time of hire, and coded them for experience across the various factors, in accordance with the grid. In doing so, the consultants identified a subset of faculty curriculum vitae where individual faculty may have been undercompensated. These faculty files were then subject to a bilateral second review by both administration and faculty representatives of the SAS committee. As a result of this second pass assessment, 14 individual faculty were identified as undercompensated, in accordance with the grid. These faculty are a mix of males (8) and females (6) in various stages of their career. The average gap determined was two years.

While the initial consultant review found that most faculty had been appropriately compensated at the time of hire, there was a significant minority of faculty (approximately 30 files comprised of both male and female faculty) who may have been overcompensated at the time of hire. Our analysis found that it is this potentially overcompensated cohort that could be driving the gendered differences in experience credits.

> *Recommendation #5*: Notwithstanding that there was no contractual obligation or funding set aside for these individual salary anomalies, the SAS committee feels that these errors should be prospectively corrected given they have been identified.

Recommendation #6: No negative adjustments or further file reviews should be undertaken for potential errors identified relating to over-awarding of experience credits, as this is likely to be perceived as punitive to faculty as an outcome. However, it reinforces the need for the swift adoption of Recommendation #4 as a means of improving the accuracy of the grid allocation process.

CONCLUSIONS

The SAS committee has engaged in a robust and comprehensive review of both individual faculty salaries and potential systemic, gender-based salary anomalies. The external consulting feedback, in conjunction with the committee's own analyses and discussions, have yielded a clear set of recommendations that we feel are equitable, appropriate, and aligned with the spirit of the SAS mandate as set forth in the collective agreement. The committee recommends the salary determination criteria be collaboratively discussed and clearly defined by the joint consultation committee (JCC) in the 2022-2023 academic year, and that the curriculum vitae data base created by the external consultants be maintained and used to collate all faculty starting salaries. This database will be used for cyclical reviews of salary allocations.