



Building a Faculty Compensation Framework at

COKER COLLEGE

Fall 2012



Presented by:



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- Case study of faculty compensation at Coker College.
- Much of presentation was included in Senate Chair's Report to the Faculty.
- Presentation will allow attendees to understand:
 - ➔ The role of HR in building and supporting a faculty compensation structure with the Chief Academic Officer.
 - ➔ Sources for faculty compensation data.
 - ➔ Building valid and reliable peer groups.
 - ➔ The need for emotional intelligence in dealing with faculty related issues.
- Questions are encouraged along the way.



Mission

- Coker College is a student-centered, comprehensive college. It is dedicated to providing every student enrolled in the Day Program and in the Adult Learners Program for Higher Achievement an academic curriculum based upon a uniformly excellent liberal arts core that enhances the structured development of key personal skills.
- The College's goal is to graduate students with the ability to think analytically and creatively, and to write and speak effectively.
- Experiences both in and out of the classroom are focused on active student involvement and the practical application of academic knowledge that lead to lifelong learning. Coker measures its success by the personal and professional accomplishments enjoyed by all members of the academic community.



Fast Facts

- Coker College readies undergraduates for personal and professional success through a distinctive four-year program that emphasizes a practical application of the liberal arts as well as hands-on and discussion-based learning within and beyond the classroom.
- More than 1,140 undergraduate men and women from 28 states and 14 countries
- 70 % female; 30 % male; 25 % African American; 33 % all minorities
- Located in Hartsville, S.C.. 15 acres featuring Georgian-style buildings, several of which are listed on the National Register of Historic Places
- Degrees: Bachelor of Arts, Bachelor of Science, Bachelor of Social Work
- Student-to-faculty ratio: 11:1
- Average class size: 12
- Admission: Selective , Ave GPA: 3.1 , Ave SAT : 1010-1050, Ave ACT: 21-24
- 16 NCAA Division II intercollegiate sports; member of the Conference Carolinas



“Develop a recommendation for a multi-year plan that provides competitive compensation for full-time faculty”

Committee Membership



- Paula Bailey – Biology
- Karen Carpenter – Education
- William Carswell – Music
- Glenn Chappell – Business
- Danny Ciammara – Education
- Paul Dostert - Math
- Jean Grosser – Art
- Shirley McClerklin-Motley – Social Work
- David McCracken – English
- Suzanne Parker – Physical Education
- Tracy Parkinson – Provost
- Gerald Silver – VP for Business Operations

Committee was supported by Brianna Douglas and Todd Rix of Coker College and Frank A. Casagrande of Casagrande Consulting, LLC



- The Committee met regularly since the Fall of 2011
- To support its recommendation, the Committee undertook the following:
 - ➔ Learning about Compensation Theory and Models
 - ➔ Seeking Stakeholder Input
 - ➔ Discerning a Compensation Philosophy to Guide Policy and Practices
 - ➔ Examining Compensation and other Benchmark Data
 - ➔ Setting Priorities for Implementation
 - ➔ Determining Guiding Principles for Compensation Policy
- The recommendation contained in this report is anchored in both realities of the marketplace and practicalities of the new economy in which Coker College and other institutions higher education operate

Process



*Committee
Design
Fall 2011*

*Stakeholder
Education
Fall 2011*

*Discernment
Of Philosophy
Spring 2012*

*Framework
Design
Spring 2012*

*Implementation
Summer 2012*

*Maintenance
2013 &
Beyond*

Communication, Communication, Communication

Recommendation

Basic Tenets



- The Committee's recommendation is anchored in the following tenets:
 - ➔ Full-time faculty compensation philosophy that reflects mission, values, and market
 - ➔ Peer group of “like” institutions of higher education
 - ➔ Faculty salary framework that:
 - ◆ Anchors at the 50th percentile of AAUP peer salaries
 - ◆ Provides an operating range of 85% to 120% of the 50th percentile
 - ➔ Strong belief that the recommendation needs to be reinforced by a clear policy and valid and reliable faculty evaluation system that are transparent and unbiased in application

Recommendation

Full-Time Faculty Compensation Philosophy



Principles

- Consistent with College's Mission and Values
- Transparency and Clarity
- Balancing Internal Fairness with External Competitiveness
- Encouraging and Rewarding Achievement

Recommendation

Peer Group



- The primary filters used in establishing the peer group were:
 - ➔ Private Institutions,
 - ➔ Baccalaureate Carnegie Classification,
 - ➔ Southeast / Mid-Atlantic Location,
 - ➔ Number of Students,
 - ➔ Student/Faculty Ratio, and
 - ➔ Size of Endowment.
- The result was a peer group of 51 like institutions.

Recommendation

Sources of Market Data



- The Committee examined data from:
 - ➔ American Association of University Professors Faculty Salary Survey;
 - ➔ College and University Professional Association of Human Resources National Faculty Salary Survey (CUPA-HR NFSS); and
 - ➔ The Integrated Postsecondary Education Data System (IPEDS).
- The Committee decided to use the AAUP faculty compensation data for benchmarking purposes since it is the most widely known and referenced.
- While not all 51 peer institutions submitted data to AAUP, the Committee was comfortable that the data was representative of market practices.

Recommendation

Salary Comparison - AAUP



- The following data compares 2010-11 AAUP to 2011-12 Coker College

Percentile	Professor	Associate	Assistant
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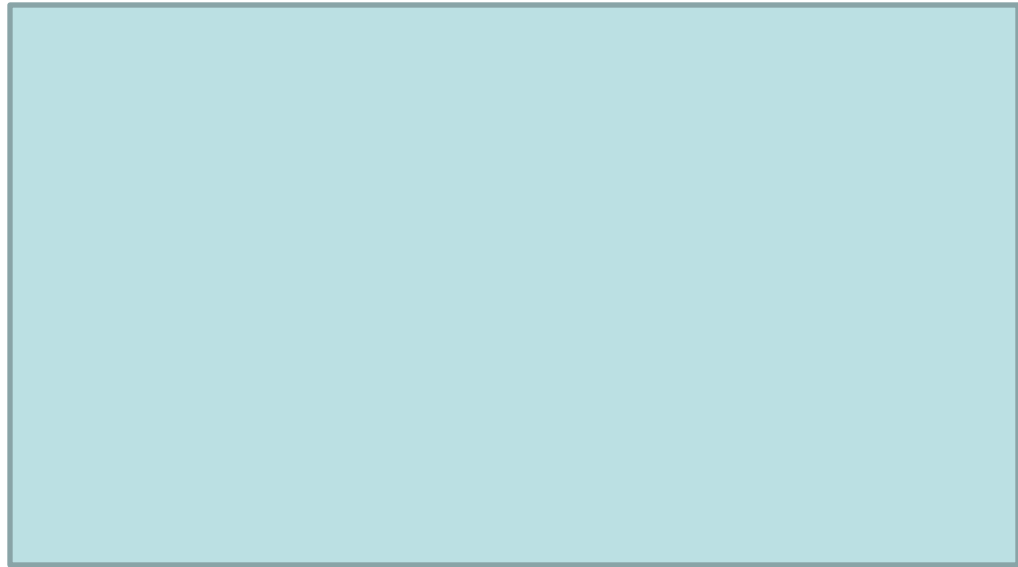
25 th (P25)			
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50th (P50)			
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75 th (P75)			
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Coker Avg			
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Delta - P50			
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Recommendation

Gap to Market



- The Committee estimated the gap between the 50th percentile of AAUP and Coker College Averages at \$xxxx including benefits load
- The Committee recognized that the gap would not be able to funded in a single year
- The Provost has already made progress towards bridging the gap in 2012-13 contracts

Recommendation

Funding Priorities



- The Committee discussed the priorities in funding the gap between Coker College salaries and the market. Several points were made including:
 - ➔ Bringing academically qualified and satisfactory performing members of the faculty to the minimum of range
 - ➔ Dealing with internal equity within the College
 - ➔ Raising competitiveness of all ranks to market standards
- The Committee recognizes the economic realities that Coker and all institutions of higher education are dealing with and asks that priorities addressed by the Leadership be communicated in annual budgeting for faculty salaries increases

Recommendation

Policy Principles



- The Committee understood that it is not their role to write policy to implement the full-time faculty compensation philosophy and structure.
- However, they did feel it is important to provide the following guiding principles:
 - ➔ All compensation decisions should have the maximum amount of transparency from Board level decision making on budgets to the individual faculty member increases;
 - ➔ No individual faculty member's salary should be made public;
 - ➔ Faculty compensation should be internally equitable;
 - ➔ Promotion increases should be market competitive and transparent including a minimum stated amount as either a percentage of salary or fixed dollar amount;
 - ➔ Faculty salaries should be administered within a well-communicated framework;

Recommendation Policy Principles



- ➔ Salaries for academically qualified and satisfactorily performing should not fall below the minimum of ranges;
- ➔ Given the philosophy and practices at the College an effort should be made to implementing and maintaining a valid, reliable, and institutional owned faculty evaluation system that reflects the nuances of each department; and
- ➔ Policies should allow flexibility at the Provost level to address unique situations that might not be accommodated/recognized in the framework.

Recommendation Policy Principles



- Based upon the market data and the desire to create a salary framework for decision making the Committee recommends the establishment of the following ranges of salaries by rank:

	85%		120%
Rank	Minimum	Midpoint	Maximum
Professor			
Associate			
Assistant			

Recommendation Communication



- The Committee recommends the following stakeholder communications:
 - ➔ Presentation to Faculty on results of study and recommendation;
 - ➔ Annual communication on the state of faculty salary;
 - ➔ Disclosure of annual budget for faculty salary increases including any partitioning to account for market adjustments, merit increases, promotions, etc.; and
 - ➔ Creation of annual communication to individual faculty members with their current and proposed annual salary for use in discussion between faculty member and Provost.

Recommendation Maintenance



- The Committee believes that in order to leverage the investment of their time in establishing the philosophy and framework for full-time faculty compensation it will be necessary to maintain the structure as follows:
 - ➔ Every year the midpoints of the structure should be increased in relation to market. This means that once the AAUP data is available, the structure should be aged by the average increase in faculty salaries at peer institutions.
 - ➔ Regularly, every four years or so, the peer group should be re-examined.



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Brianna Douglas

- Brianna has been Human Resource Manager at Coker College since 2011. During her tenure at Coker, Brianna has had the opportunity to manage projects relating to compensation equity, policy and procedure assessment, benefits design and administration, training and development, and employee relations.
- Prior to her role in Human Resources at Coker, Brianna worked in Human Resources in the healthcare industry and taught business courses at the College.
- She has a Bachelor of Science in Psychology from Coker College, a Bachelor of Science in Business / Human Resources from University of South Carolina, and a Masters of Business Administration in Human Resources from University of North Florida.

Frank A. Casagrande

- Frank launched Casagrande Consulting In 2009 as a boutique firm focused on providing insight to institutions of higher education. Prior to launching the firm he was Higher Education Practice Leader at Hay Group for more than 10 years.
- Frank has 30 years of experience in consulting and education. He focuses on working with boards and committees on faculty and executive compensation.
- He has a Bachelor of Science in Applied Mathematics from Union College, a Master of Arts in Teaching from Montclair State University, and is a recovering actuary.