Using ARL Salary Data to Establish and Maintain an Equitable Salary Structure for Faculty Librarians



Webcast
Association of Research Libraries
September 10, 2013

Thank You for Joining Us



- Everyone will be muted to cut down on background noise.
- Please type your questions in the chat box.
- A recording of the webcast will be posted on ARL's YouTube channel. In addition, slides and supporting documents will be available in the University of Florida institutional repository.

www.arl.org



ARL Salary Survey

- The ARL Annual Salary Survey reports salaries for more than 12,000 professional positions in ARL member libraries on an annual basis.
- The survey also tracks minority representation in US ARL libraries and reports separate data for health sciences and law libraries.

Introductions



- Martha Kyrillidou, Senior Director, ARL Statistics and Service Quality Programs, Association of Research Libraries
- Judy Ruttenberg, Program Director for Transforming Research Libraries, Association of Research Libraries
- Brian W. Keith, Associate Dean for Human and Financial Resources, University of Florida Libraries

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Agenda



- Overview of the ARL's Transforming Research Libraries program
- Discussion of how the University of Florida Libraries used data from the ARL Salary Survey to implement an internally and externally equitable salary structure for faculty librarians.





Judy Ruttenberg

Program Director
Transforming Research
Libraries (TRL)
Association of Research
Libraries

TRL Priorities



- Strategic focus on the transforming workforce
- New services, new competencies, new skills
- Develop existing staff and recruit new talent
- Tools for the transforming organization
- Compensation management: fairness, equity, transparency

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Brian W. Keith

Associate Dean,
Administrative Services
and Faculty Affairs,
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Note: Slides with links, documents and spreadsheets with calculations are available at http://ufdc.ufl.edu/l/AA00016874/



Note: All webcasts in this series can be found on ARL's YouTube channel:

http://www.youtube.com/playlist?list=PLaHPIIKt RXCLb39HB41JzS25PUvlLiUys



Prologue

The objectives of compensation programs include:

- Recruitment
- Retention
- Equity
- Reward desired behavior
- Control costs
- Comply with legal regulations
- Further administrative efficiency

This session



1. Key Concepts

Equity/Fairness

Salary Plan Design (Elements and Terminology)





2. Experiences at the UF Libraries

 Decisions and policies establishing and maintaining librarian salary structures, referenced to the ARL Salary Survey data





2. Experiences at the UF Libraries

Why?

- Illustrate the above concepts in practice
- Depict decisions, processes and outcomes
- Resulting system is transparent and maintainable, and modular and customizable --transferable



This session

3. References



Concepts



Equity and Fairness

Equity

- External
- Internal
- Individual
- Personal

Fairness

- Distributive
- Procedural



Forms of Equity

External

In comparison to similar jobs in other organizations

Internal

In comparison of different types of jobs in one organization



Forms of Equity

Individual

In comparison of performance of individuals working in the same type of job in the same organization

Personal

Comparison to the employee's perception of his or her worth



Fairness Types

Distributive

Perceived equity of the pay received by employees

Procedural

Perceived equity of the decision-making processes and procedures used to distribute pay



Fairness and Equity

Research has generally found Procedural Fairness is most important for employee pay satisfaction.

Individual Equity is the second most important.



Fairness Types

Procedural Fairness (continued)

 Strongly influences whether employees view the organization and management as trustworthy and valuing them.



Fairness Types

Procedural Fairness (continued)

- Increased through:
 - Consistency
 - Design participation
 - Good communication practices
 - Redress opportunities



Salary Administration



Salary Administration

Three fundamental issues for pay policies:

(1) setting pay levels in relation to other companies

- (2) evaluating individual jobs and determining pay relationships among them; and
- (3) determining pay relationships among individual workers within the same job.

Personick



Salary Administration

These issues are addressed through effective Salary Structures



What is a Salary Structure?

System where jobs of roughly equal value or worth are grouped into grades with competitive salary ranges.

Note:

One employer may have multiple models or approaches within this structure.



Compensation decisions made solely to pacify employees inevitably produce higher operating costs and create an environment that rewards complaints rather than performance.



Individualized compensation arrangements rarely go unnoticed by other employees, despite the company's best efforts at secrecy, and usually cause some rancor within the employee group.



By establishing compensation guidelines based on current market norms before recruiting for a position, employers can balance:

"How much must we pay for this desirable candidate?" and

"How much should we pay to staff this position?"



Even though they may be responsible for managing costs, most managers strive to provide their employees with the highest possible compensation because they don't suffer directly from the increased cost and they benefit from being the "nice guys".



When individual managers make decisions regarding subordinate compensation, every unit is likely to receive dissimilar pay for similar tasks.



Provides:

- Organizational consistency
- Reference for career development and predicting pay increases

Both of which serve the objectives from the Prologue.





Through

Compensable Factors

and

Pay Ranges



Compensable Factors

Definition:

Any job attribute that provides a basis for determining the worth of the job.



Compensable Factors

Employee-based examples:

- Education/training
- Experience
- Certification/licenses
- Unique SKA's



Compensable Factors

<u>Job-based</u> examples:

- Customer relations/service
- Communications/ key interactions/ level of contact
- Supervisory responsibility
- Supervision received
- Job Complexity
- Problem solving
- Decision making (authority and impact)
- Working conditions
- Responsibility for assets



Compensable Factors

Their use requires decisions regarding:

weights

degrees or levels



Pay Range

Definition:

The minimum to the maximum base rate of pay for employees in the same or similar job

Often expressed pay grades



Range Width

Definition:

Percentage difference from the minimum to the maximum of a pay range

- Vary, but typically narrower for lower pay grades
- Rate minimums should attract qualified job candidates while rate maximums should be set to reward and retain high achievers



Range Progression

Definition:

The difference, or jump, from one grade to the next

- Vary by position type, but typically smaller for lower pay grades.
- Should be large enough to reflect progressive increases in compensable elements of the positions grouped together.



Range Midpoint

Used to orient salary levels

 for example, the more highly rated or the most experienced employees are above the midpoint

Generally, for white-collar workers, the midpoint represents a job's market value.



Salary Structural Integrity

An organization that has invested time and effort in designing an equitable, competitive program must be willing to adhere to it, or there really is no program at all.

Whittlesey, Maurer



Salary Structural Integrity

Maintained through policies for

- Recruiting
- Counter Offers
- Promotions
- Lateral Moves
- Merit and ATB Increases





And now UF...

UF Orientation



Main Campus and Medical Libraries Employee Population

Faculty 84

Staff 169

Students and OPS 164

Total 417

UF Orientation



Library Faculty

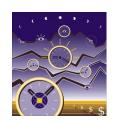
9 month 3

Adjunct/Visiting 2

12 Month 79

Total 84

UF Orientation



3 Levels of Library Faculty Ranks

Assistant IN 2

Assistant UL 23

Associate IN 3

Associate UL 38

Senior Associate IN 0

UL 15

UF Libraries Salary Systems



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Library Staff
       "Library types" (1)
       Others
               IT (2)
               Non-IT (3)
Library Faculty
       Deans (4)
      Chairs and Associate Chairs (5)
       All others (6)
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Students and OPS (7)

Historic Issues with UF Librarian Salaries

- Compression
- Ad hoc salary decisions based (inconsistently) upon
 - rank
 - assumptions of job worth and market demand
- Lack of transparency

Joint Committee formed in 2008

Charge:

Establish a market equity design with an internally and externally equitable salary structure

Final report submitted March 2009

Joint Committee Findings:

Association of Research Libraries (ARL)
 Salary Survey is a serviceable external measure

Joint Committee Findings:

 ARL US, public university libraries constitute a suitable representation of UF's peer institutions

Joint Committee Findings:

 ARL's "non-administrative" job types are the most reasonable basis for external linkage



Joint Committee Findings:

- Applying locally defined compensable factors allows for internal equity
 - Advanced degrees held in addition to the MLS, which are applicable to the job assignment
 - A limited number of librarian positions <u>require</u> uncommon skills, such as foreign language fluency



Joint Committee Findings:

- Salaries should reflect differences in librarian rank and length of service
 - 12-15 years of service represented the midpoint of the distribution for ARL data and, with the UF rank of Associate UL, represented UF's population midpoint



Joint Committee Findings:

Performance is an important component of an equitable salary structure...



Establishing a NEW Librarian Salary Structure

Next turn at bat: Library Administration



ARL Salary Survey – My Take

- Comprehensive
- Broad participation among ARL HR officers, including UF
- Provides comparison data for UF's peer institutions



ARL Salary Survey – My Take

- Large data pool offers higher validity
- Includes position specific data
 - can assume HR Officers would *likely* interpret definitions similarly



ARL Salary Survey – My Take

- Updated annually
 - Easy to rework figures based on current year's data
 - Joint committee used 08-09
 - Implementation based on 09-10
- Includes data from law and medical libraries



ARL Salary Survey – My Take

Plus, the data is accessible



ARL Salary Survey – My Take

All of these factors make this the 'go to' salary reference for ARL institutions



ARL Salary Survey – My Take

- Challenges
 - Tables are numerous but statistics and tables are limited for our purposes
 - This requires the deriving of data

http://publications.arl.org/ARL-Annual-Salary-Survey-2009%E2%80%932010/



ARL Salary Survey – My Take

- Challenges
 - Definitions of job "codes"
 - Subject Specialist primarily build collections, but may also offer specialized reference and bibliographic services
 - Reference librarians, both general and specialized
 - Public Services, non-supervisory, except reference librarians

http://publications.arl.org/ARL-Annual-Salary-Survey-2009%E2%80%932010/



ARL Salary Survey - Analysis



ARL Salary Survey - Analysis

Reminder: ALL calculations used in UF Library Faculty Market Equity are reflected in the spreadsheet posted at

http://ufdc.ufl.edu/l/AA00016874/

Note: There you can also find a primer on weighted averages



ARL Salary Survey – Tables of Interest

Table 25: average salaries by position and geographic

region

Table 26: average salaries of US librarians by position

and years of experience

Figure 5: average salaries for Functional Specialists

Table 20: average salaries by position and years of

experience

http://publications.arl.org/ARL-Annual-Salary-Survey-2009%E2%80%932010/



ARL Salary Survey - Analysis

Comparison of Regions

Note:

Derived from Table 25

Required establishment of 'core librarian' positions

See: "Calc of Regional Factor"



ARL Salary Survey - Analysis

Calculation of average salaries for subject specialist, reference, and public services; and catalogers and technical services

Note: Derived from Table 26

See: "WAVG for TS, Cat., & SS-Ref-PS"



ARL Salary Survey - Analysis

Average salaries for functional specialist provided in Figure 5

See: "AVG for FUNCTSPEC"



ARL Salary Survey - Analysis

Establish years of experience and job type midpoints

Note: Derived from Table 26

See: "Calc of Exp Factors"



Findings

- 1. Variations exist between, regions and type of entity (public v. private)
- 2. Years of experience is a stable predictor of salary



Findings

3. Medical positions would be addressed with ARL numbers (versus MLA)



Findings

4. Average salaries vary significantly by job type

See: "Combined Midpoints"



Decisions necessary to create a Library Faculty Salary Structure



Decisions: Relevant Market

- We would use South Atlantic, Public and Private
 - Applying a factor of .9383 to national averages



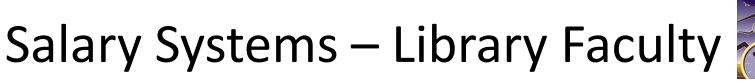
Decisions:

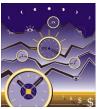
- We would determine a "base salary" specific to each faculty member based upon
 - Position-specific factors

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(e.g. "job type")
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Individual-specific factors

(e.g. experience)





Decisions: Position Groupings

We would merge Subject Specialist,
 Reference, and Public Services "job types"



Decisions:

 Stipends for department chairs and associate chairs excluded from the base salary calculations

See: Stipend for Smathers Libraries



Decisions:

- Salary specific to each faculty member based upon
 - 1. Position-specific factors
 - Job Type
 - Language: Adjust up 9%, if foreign language required for position



Decisions:

- Salary specific to each faculty member based upon
 - 2. Individual-specific compensable factors:
 - Rank: Adjust up or down, from Associate, by 9% for Assistant UL and UL
 - Length of Service: Adjust up or down for applicable experience above or below ARL average



See: Resulting Faculty Salary Structure



Implications:

- Faculty in similar job types form peer groups (position groupings)
- Other factors will differentiate their actual salaries (compensable factors)



Decisions:

- Salary specific to each faculty member based upon
 - Individual-specific compensable factors (continued):
 - Advanced Degrees: Adjust up for additional relevant advanced degrees (maximum of \$5,000)
 - Performance: Adjust up to retain effect of 2010 merit increases



Decisions regarding Performance and Eligibility:

- Cap all raises at 18%
- Cap raises at 9% for faculty with "Achieves" (or no evaluation) in primary responsibility in either of the past 2 years
- Exclude faculty with "Does Not Meet" in any category in either of the past 2 years

Does not preclude the ability to apply for individual market equity evaluations



Application

See: "Examples of Salary Calculation"



Communication

See: corresponding "Library Faculty Market Equity Assessment Report"



To summarize:



- 1. External equity based on:
 - Job type (Midpoint for ranges)
 - Geographic region (Application of ATB Factor)



2. Internal equity based on:

- Years of experience (with UF Ranks imposed)
- Special requirements of the position
 - SKA (Language)
 - Administrative (Stipends)
- Educational credentials
- Performance (inclusion of past merit & qualifiers)



Results

Total eligible: 76 Library Faculty

- 49 (64%) targeted to receive raise
- 19 (25%) already at or above market equity
- 8 (11%) do not meet minimum requirement



Results

- Of the 49 targeted to receive raise
- 7 faculty capped at 18%
- 7 faculty capped at 9%



Maintenance:

See: "Librarian Search Offer"

References



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Effectively Using ARL Salary and Demographic Data

- March 5: Better Salaries with Better Data:
 Introduction to the ARL Salary Survey
- May 21: Using ARL Salary Data to Make the Case for Higher Salaries
- September 10: Case Study: Using ARL Salary
 Data to Establish and Maintain an Equitable
 Salary Structure for Faculty Librarians
- November 5: Analyzing Age and Race/Ethnicity Demographics



THANK YOU