

Administrative Salary Clustering in the College of Business at USM

One interesting issue raised by the documents posted at the USMPRIDE website is the clustering of administrators at the top of the College's salary structure.

While administrators should expect to receive a pay increase for assuming an administrative role in the College, in many business disciplines, salaries have risen dramatically over the past decade. How, then, can administrators who are fixtures at USM dominate a salary structure in which approximately 41% of the participants are Assistant Professors (hired within the past 6 years)?

Some Facts:

The median salary (50th Percentile) for faculty who were at USM for the 2005-2006 Academic Year and who are returning to USM for the 2006-2007 Academic Year is \$84,827. The 75th Percentile break is at \$92,284, while the 25th Percentile break is at \$78,770. The following tables show business faculty salaries divided into quartiles, along with other information. Quartile breaks are indicated appropriately.

Administrators and former administrators are indicated in bold type.

USM CoB Salaries 2004-2005 Quartile 4 – 75th Percentile to 100th Percentile

Name	Unit	Rank	\$ Salary	Relevant AACSB Median Salary	% of Relevant AACSB Median Salary
Doty*	MGT	Full	\$152,400.00	\$ 218,900.00	70%
Niroomand†	ECO	Full	\$133,656.00	\$ 122,100.00	109%
Williams‡	MKT	Full	\$123,034.00	\$ 100,800.00	122%
Posey§	ACC	Full	\$117,290.00	\$ 102,000.00	115%
Gunther**	ECO	Full	\$116,892.00	\$ 93,500.00	125%
Crockett††	ACC	Full	\$115,867.00	\$ 104,000.00	111%
Lindley	FIN	Full	\$109,400.00	\$ 107,900.00	101%
Henderson‡‡	ACC	Associate	\$109,226.00	\$ 92,500.00	118%
Nissan	ECO	Full	\$99,930.00	\$ 93,500.00	107%
Jordan	ACC	Full	\$99,404.00	\$ 104,000.00	96%
Klinedinst§§	ECO	Full	\$99,303.00	\$ 100,800.00	99%
Carter***	ECO	Full	\$99,097.00	\$ 93,500.00	106%
Eisenberg	FIN	Assistant	\$97,186.00	\$ 100,000.00	97%

USM CoB Salaries 2004-2005
Quartile 3 – 50th Percentile to 75th Percentile

Name	Unit	Rank	\$ Salary	Relevant AACSB Median Salary	% of Relevant AACSB Median Salary
BabinB	MKT	Full	\$95,441.00	\$ 100,500.00	95%
Lewis^{†††}	MIS	Full	\$93,552.00	\$ 103,000.00	91%
ClarkS	ACC	Full	\$93,253.00	\$ 104,000.00	90%
SmithBob^{†††}	ACC	Associate	\$92,284.00	\$ 92,500.00	100%
Hsieh	MIS	Full	\$91,995.00	\$ 103,000.00	89%
Henthorne	MKT	Full	\$91,424.00	\$ 100,500.00	91%
ClarkJ	FIN	Assistant	\$91,143.00	\$ 100,000.00	91%
LaFleur	MKT	Full	\$90,000.00	\$ 100,500.00	90%
Bushart^{\$\$\$}	MGT	Full	\$89,938.00	\$ 95,500.00	94%
DePree	ACC	Full	\$89,420.00	\$ 104,000.00	86%
Davis	MIS	Full	\$89,264.00	\$ 103,000.00	87%
Mixon	ECO	Full	\$88,401.00	\$ 93,500.00	95%
Sawyer	ECO	Full	\$86,922.00	\$ 93,500.00	93%

USM CoB Salaries 2004-2005
Quartile 2 – 25th Percentile to 50th Percentile

Name	Unit	Rank	\$ Salary	Relevant AACSB Median Salary	% of Relevant AACSB Median Salary
BabinL	MKT	Full	\$86,223.00	\$ 100,500.00	86%
Topping	MGT	Full	\$85,489.00	\$ 95,500.00	90%
Vest	MGT	Full	\$85,473.00	\$ 95,500.00	90%
Salter	FIN	Assistant	\$84,181.00	\$ 100,000.00	84%
Pate	ACC	Associate	\$83,669.00	\$ 92,500.00	90%
Osmonbekov	MKT	Assistant	\$83,297.00	\$ 88,900.00	94%
Sequeira	MGT	Assistant	\$81,000.00	\$ 80,000.00	101%
Pereyfitte	MGT	Assistant	\$80,983.00	\$ 80,000.00	101%
Duhon	MGT	Associate	\$80,310.00	\$ 82,600.00	97%
Brown	ACC	Assistant	\$80,000.00	\$ 94,800.00	84%
Shi ^{****}	FIN	Assistant	\$80,000.00	\$ 100,000.00	80%
Lai	MIS	Assistant	\$79,973.00	\$ 92,000.00	87%
Gregory	MGT	Assistant	\$79,750.00	\$ 80,000.00	100%

USM CoB Salaries 2004-2005
Quartile 1 – 0th Percentile to 25th Percentile

Name	Unit	Rank	\$ Salary	Relevant AACSB Median Salary	% of Relevant AACSB Median Salary
Lopez	MKT	Assistant	\$79,262.00	\$ 88,900.00	89%
Chen	MIS	Assistant	\$78,770.00	\$ 92,000.00	86%
Michael	MGT	Assistant	\$77,000.00	\$ 80,000.00	96%
Albin	ACC	Associate	\$75,625.00	\$ 92,500.00	82%
Carr	MGT	Assistant	\$74,908.00	\$ 80,000.00	94%
Magruder	MIS	Associate	\$74,399.00	\$ 91,600.00	81%
SmithBill	MKT	Assistant	\$74,100.00	\$ 88,900.00	83%
Yang	MGT	Assistant	\$73,355.00	\$ 80,000.00	92%
Green	ECO	Associate	\$70,971.00	\$ 74,000.00	96%
Daniel	MGT	Assistant	\$70,022.00	\$ 80,000.00	88%
Monchuck	ECO	Assistant	\$68,000.00	\$ 67,300.00	101%
Zantow	MGT	Assistant	\$67,258.00	\$ 80,000.00	84%
KingE	FIN	Associate	\$66,389.00	\$ 71,900.00	92%

Be aware that an individual is counted as an administrator if and only if he or she has/had duties that were primarily administrative (as defined by the AACSB Salary Survey). As such, current and former Graduate Directors, Undergraduate Directors, External Relations Directors, etc. (who are/were primarily normal faculty), are omitted from this analysis.

The following table represents expected and actual breakdown of rank by quartile:

Quartile	# Administrators	Administrators as a % of Quartile
Q1 (0%-25%)	0	0%
Q2 (25%-50%)	0	0%
Q3 (50%-75%)	3	23.08%
Q4 (75%-100%)	9	69.23%

What does this have to do with anything? These figures illustrate the clustering of administrators at the top of the salary structure in the CoB. How did they get there? One might want to consult the 1994-2004 Merit Raise documents. Then examine the CoB Research Productivity documents. The reader is invited to draw his or her own conclusions as to how these individuals reached this position.

Another issue is that former administrators have been allowed to keep their administrative pay increases when returning to faculty (i.e., not administrator) status. These “bonuses” contribute mightily to the salary imbalances in the CoB. For a relevant case study, take, for instance, Barry Babin, who recently accepted the Chair position of Management, Marketing, and Fashion Merchandising. At his pre-Chair salary of \$95,441, a 5% (average) raise yields a dollar raise of \$4,772.05, making his pre-Chair salary \$100,213.05.

If one adds Babin's reported raise of \$26,559 to his preexisting salary, his new 12-month salary may be calculated at \$122,000. At his Chair salary, it only takes a 3.91% raise to get Babin his \$4,772.05 raise, while a 5% raise would yield a dollar raise of \$6,100.

This is partly how CoB administrators capture a disproportionate amount of any given raise pool. Their salaries, inflated by their administrators' stipends, serve as the base for all raises. Of course, there is no adjustment to the raise percentage applied, nor is the raise calculated based on a previous 9-month faculty only salary, so even an average raise compounds the salary imbalance. Once an administrator has served his or her time in the administration, he or she steps back into a regular faculty slot, of course with his or her administrative pay increase (and the extra raise money that accompanies it) secure into perpetuity.

Finally, recall from the document "On the Folly of Believing that the Merit Raise Process is Clean." It states that

Doty informed administrative team members that he was marshalling 10% of the raise pool for "equity raises" and "market adjustment raises." This was allowable, given that the legislature stipulated the dispensation of raise monies could include these options. However, Doty set out to implement a market adjustment raise scheme that lifted the salaries of CoB faculties earning less than 80% of the relevant AACSB median salaries.

Notice from the Quartile Tables that only one CoB faculty member or administrator is compensated at less than 80% of his or her relevant AACSB Median Salary: D. Harold Doty.

Based on the above salaries, the 5% CoB Merit Raise pool would be \$233,806.45. Withholding 10% of that Merit Raise Pool would mean removing about \$23,380.65 for "equity raises" and "market adjustment raises."

How much of this \$23,380.56 did Doty give himself? Only time will tell.

* Based on AACSB Median Salary for Deans.

† Based on AACSB Median Salary for Associate Deans.

‡ Based on AACSB Median Salary for Academic Department Chairs.

§ Based on AACSB Median Salary for Accounting Department Chairs. Posey is also a former CoB Interim Dean and Associate Dean.

** Gunther is a former CoB Dean.

†† Crockett is a former Accounting Chair.

‡‡ Henderson is a former USM Vice President of Finance.

§§ Based on AACSB Median Salary for Academic Department Chairs.

*** Carter was (at the time) a former Academic Department Chair. He has since returned to that role.

††† Lewis is a former Academic Department Chair.

‡‡‡ Smith is a former Accounting Chair.

§§§ Bushardt is a former Academic Department Chair.

**** Shi (a female) is a non-tenure track Visiting Assistant Professor. Therefore, her "Relevant AACSB Median Salary" is inflated. For this reason, she was omitted from the Market Adjustment/Equity Adjustment reports.