

## The USM College of Business “Market Adjustment Raise’ of 2006” Report

Based on a recent count, there are about 50 faculty at USM in traditional AACSB fields. Of these, about 26.5% are female, and 73.5% are male (these numbers do not include those who held major administrative positions in 2005-2006 (i.e., Doty, Niroomand, Babin, Posey, and Carter) or faculty who are leaving USM before 2006-2007. During the College of Business Administrative Team’s raise determination meeting of 2006, Dean Harold Doty proclaimed that (1) all faculty compensated at below 80% of the relevant AACSB median level would receive a “market adjustment” raise, and (2) female faculty in the College would receive an “equity adjustment” because the College’s female faculty had been underpaid over the years. This report addresses the first of these two initiatives.

As a starting point, each CoB faculty’s salary (2005-2006) is divided by the relevant AACSB median to form a ratio for comparison to Doty’s 0.799 standard for receiving a “market adjustment raise.”<sup>1</sup> As the first statistics below indicate, on average males were paid about 95% of the relevant AACSB median salary while females in the CoB were paid about 92% of the relevant median. The second set of numbers indicates that, while about 14% of CoB male faculty were paid below 85% of the relevant AACSB median salary for, all male faculty in the CoB were paid at least 80% of the relevant AACSB median or higher. CoB salary data indicate that all female faculty were paid 85% of the relevant AACSB median or higher.

<b>Means of [Salary/AACSB Median]</b>		<b>Ratio Below:</b>		<b><u>Males</u></b>	<b><u>Females</u></b>
<b><u>Males</u></b>	<b><u>Females</u></b>	85% of median	0.139	0.000	
0.9480	0.9211	80% of median	0.000	0.000	

It has been reported that Doty corralled 10% of the CoB’s 2006 raise money for the purpose of awarding “market adjustment raises” and “equity raises.” This reports indicates that not a single CoB faculty qualified for the former adjustment, at least not using the standard Doty set at the raise determination meeting (or thereafter). Surely this money was awarded as raise money to some. If so, it doesn’t seem to have been awarded on any “market” basis.

<sup>1</sup> Faculty salaries are collected from the USM Library (2005-06 Budget Pages). AACSB salary information comes from the 2005-06 AACSB Salary Survey.