

**University of Missouri-Kansas City
Office of the Provost**

**Compensation Planning
Draft: March 26, 2004**

Possibility

UMKC attracts and retains highly effective faculty members by adjusting the salaries of productive faculty members to national standards or above, and by rewarding outstanding achievements in teaching, research, and service.

(For purposes of this document, compensation refers to salaries and wages, benefits and one-time payments.)

Outcomes

UMKC develops and implements a three-year plan for identifying and appropriately compensating those faculty members whose salaries should be adjusted on the basis of performance (merit) and contribution to purposes of the organization (impact) relative to competitive conditions (market), and equity circumstances (compression).

UMKC rewards faculty members who are promoted with raises above the mean for comparator institutions.

UMKC provides an annual award in the form of a one-time salary supplement to those faculty members who generate significant income from grants and contracts.

UMKC provides annual distinguished research/creative activity, teaching and service awards in the form of a one-time salary supplement to faculty members whose achievements in these areas provide extraordinary support for the action plans of the academic unit and the institution.

Four Compensation Programs

1. Compensation Adjustments

a. *Market Information*

The administration, the Schools, and the College will aggregate national salary surveys by discipline, rank, and title, and place them on an appropriate website for examination by the university community. The academic units will compare national compensation patterns with the salaries of current faculty members, and identify individual cases in which performance and impact analyzed against competitive conditions and equity indicate the need for salary adjustments.

b. *Plans for Adjustment of Pay.*

The academic units will develop a three- to five-year plan to adjust the compensation of those individual cases which have the greatest need for adjustment, and will provide a copy of that plan to the Provost by June 1, 2004. Although many academic units have a significant number of underpaid faculty, academic units should balance their strategic priorities and the availability of resources with the need for compensation adjustments. It is expected that each academic unit will use this process to focus on the most important cases (in terms of merit, impact, market and compression).

c. *Construct for Evaluation of Needed Adjustments*

Academic units should evaluate compensation for each faculty member individually, and should consider merit, impact, market, and compression. Deans are responsible for providing the plan to the Provost. The following definitions provide additional guidance.

- 1) Merit. Merit is based on performance in terms of accomplishment over a specified time frame, including requirements for improvement and achievement of personal goals. Normally, merit is based on performance in research/creative activity, teaching and/or service, but in exceptional circumstances may include other assignments (such as administrative duties).
- 2) Impact. Impact is a relative measure of consequences of one's accomplishments. Typically, faculty accomplishments have impact on students and in the faculty member's department and discipline. Sometimes the impact can extend across campus or to other disciplines. High impact accomplishments bring recognition to UMKC at the local, regional, national and sometimes international levels.
- 3) Market. The "market" refers to average or median salary and benefits paid to a faculty member in the same discipline and rank at a peer or peer aspirant institutions for comparable performance.
- 4) Compression. Compression refers to relatively small differences between faculty members within and between faculty ranks. This compression can prevent faculty from being sufficiently rewarded for good performance. One consequence of compression combined with market forces is that some entry-level faculty are paid the same or more than high-performing faculty members of higher rank and more years of service.

c. *Provost Approval and Funding.* The Provost's office will review plans for compensation adjustments by July 1, 2004, and, if funding permits, provide some supplemental rate funding for the most justified cases.

2. Promotion Raises

Starting with those who are promoted effective September 1, 2004, faculty members who are promoted from assistant to associate professor will receive a raise of \$3000 and those promoted from associate professor to professor will receive a raise of \$4500. Librarians will receive similar raises: promotion to librarian II will receive a raise of \$2000, promotion to librarian III will receive a raise of \$3000, and promotion to librarian IV will receive a raise of \$4500. The full amount of these raises will be rate-funded through the central promotion and tenure allocation. This represents a significant increase over past practice. Previously, the raises for professors were \$2500 for promotion to associate and \$3500 for promotion to professor, and raises for librarians were \$1500 for II, \$2500 for III, and \$3000 for IV. In the past, funding for promotion raises was split between the academic units and the Provost's office. In difficult financial times, however, the academic unit portion was not always funded, leaving some faculty members with raises of only \$750 for promotion to librarian II, only \$1250 for promotion to associate professor or librarian III, and only \$1750 for promotion to professor or librarian IV.

3. One-Time Payments for Grants and Contracts (Research Incentive Plan)

Academic units may participate in the research incentive plan to provide one-time payments for faculty members based on their productivity in obtaining grants and contracts. To be eligible, faculty members must rank at or above Instructor, Research Instructor, or Clinical Instructor and must have funds available as of July 1 in the Research Incentive Fund account(s) which they control. With the approval of the Dean and Department Chair or Division Head, eligible faculty can direct to their salary an amount between \$1200 and the equivalent of 10% of their base salary from the R.I.F. account(s) they control. This allocation will be a one-time supplement to the faculty member's salary, but similar supplements could be made in subsequent years if the faculty member qualifies.

Academic units shall notify the Provost's office by June 1, 2004, of their intention to participate in the Research Incentive Plan. For those units participating, they may choose to implement the plan effective July 1, 2004, or July 1, 2005.

4. One-Time Payments for Outstanding Performance

a. *Description of Awards*

The Provost's Office will allocate resources for up to 30 awards of \$5,000 each for outstanding performance in research/creative activity, teaching, and/or service. All faculty (regular and non-regular) from any academic unit are eligible.

b. *Process*

As part of the customary annual review process, each academic unit may nominate faculty members as outstanding performers. Each unit may nominate a number of faculty equal to no more than 10% (rounding up) of its full-time faculty. Nominations may be based upon performance in research/creative activity, teaching or service, or any

combination thereof. The Dean of each academic unit is responsible for making the nominations, but may choose to involve others in the nomination process as appropriate. The names, faculty activity reports, and a brief explanation for the nomination (no more than one-page) shall be submitted to the Provost's office by end of business on June 1, 2004. The Provost will select up to 30 recipients from among the nominees, and may ask a small faculty committee (3-4 faculty members appointed by the Provost) to provide recommendations. The award recipients will be notified on or before July 1, 2004.

Review

The Chancellor, Provost, and Vice Chancellor for Administration, in consultation with the Deans and Faculty Senate, will review these programs annually as necessary to determine their impact and whether they are achieving their objectives. Based on that review, the programs may be modified.

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