

Rutgers Biomedical Health Sciences

Best Practices on Salary and Compensation Equity

Academic & Faculty Affairs Committee

Members:

Christine Rohowsky-Kochan, PhD. NJMS – Co-Chair

Sangeeta Lamba, MD. NJMS - Co-Chair

Thomas Mackie, PhD. MPH, SPH

Monica Roth, PhD. SGS

Laura Willett, MD. RWJMS

Background

In the last two decades, an increasing number of medical schools and universities in the United States have performed equity analyses and have found evidence of significant differences in the pay received by faculty. Most schools have implemented procedures to benchmark compensation on hire and many are moving towards the desired goal to ensure equitable compensation on a continuing basis. Regular compensation equity analyses have not been performed at Rutgers Biomedical Health Sciences (RBHS) and presently there is no established or structured process for monitoring compensation equity. The RBHS faculty council members identified a need to address this issue and tasked the Academic & Faculty Affairs Committee to survey and review the policies and procedures for compensation equity at large public universities in the United States. The goal of this review was to create a white paper report and describing best practices at other schools and offer recommendations for a proposed procedure and policy for compensation equity at RBHS (with particular attention to gender and compression equity).

The committee reviewed the February 2019 published report by the AAMC titled “Promising Practices for Understanding and Addressing Salary Equity at US Medical Schools” and conducted independent reviews of seven US schools to come up with summary recommendations for RBHS.

AAMC salary equity report

The report highlights the institutional efforts being made to promote an equitable culture in 11 US medical schools. Summary points from the committee review of the AAMC report (see pages 76-78):

1. Understanding and addressing compensation equity in academic medicine is essential in recruiting and retaining talented faculty in medical schools in the United States.
2. The complex compensation plans and payments given to faculty make studying and developing strategies to promote compensation equity a challenging task in academic medicine.
3. Transparency is most critical and can be achieved by expanding access to information about compensation and by conducting systematic reviews.
4. A standing committee or taskforce should be established that includes multiple stakeholders, e.g. members of the administration, clinical and basic science faculty, and statisticians. This committee should establish methods for collecting and analyzing data, monitor compensation and its determinants, and establish means to correct compensation inequities.
5. Compensation equity studies must be done on a regular basis to maintain equity.

6. Historically recognized areas of inequity, such as gender equity, deserve close attention such as. For example, FY 2017 AAMC Faculty Salary Survey reveals that

- In aggregate, median total compensation for men was greater than for women at every rank.
- The greatest differences in median total compensation between men and women were for faculty with an MD or equivalent degree.
- Differences in median total compensation for men and women varied greatly by department and specialty.

Best Practice Recommendations from RBHS Faculty Council, Academic and Faculty Affairs Committee

1. Establish transparent communication about compensation equity as an RBHS strategic priority

Compensation-equity efforts for all faculty should also align with other equity efforts for a holistic approach to diversity, inclusion, and equity for women and minorities. We should explore both compensation and other resource inequities such as inequities in lab space, administrative support, dedicated research time, and leadership opportunities as other factors that may affect compensation later in a faculty member's career. As per AAMC report, "Publish a report that is widely available to faculty, regardless of the results. Being transparent about the process and findings develops trust among faculty."

2. Conduct regular compensation equity studies at RBHS

Create a compensation or equity committee responsible for designing, reviewing, and managing the study overall. The committee is ideally composed of diverse members across leadership offices and faculty ranks for maximum feedback and buy-in. Include members beyond the dean's office and chairs, from leaders in diversity and women in medicine and science, statisticians, union representative as well as section chiefs and junior- to mid-level faculty.

Consider variables across various faculty demographics such as: Specialty, gender, race/ethnicity, terminal degree, additional degrees and certifications, rank, age, time in rank, time since graduation, time at institution, indicators of administrative positions, board certification, related value units (RVUs), and grant funds, among other available descriptors of personal diversity, productivity, quality, and performance.

Compare compensation to AAMC or other national salary benchmarks; focus first efforts on faculty who may be outliers. Consider all components of compensation such as: Total compensation, base or fixed contractual salary, bonus or incentive or clinical practice pay, administrative pay supplement, and other sources of income.

3. Establish a standardized RBHS process for establishing and maintaining compensation equity for new hires and existing faculty

Develop a RBHS Standard Compensation Equity Review Policy for the monitoring of compensation of faculty at comparable stages of their careers in order to maintain compensation equity.

References:

Promising Practices for Understanding and Addressing Salary Equity at U.S. Medical Schools. AAMC report (see especially pages 76-78) <https://store.aamc.org/promising-practices-for-understanding-and-addressing-faculty-salary-equity-at-u-s-medical-schools.html>