

Principles for Faculty Reward Systems in a High Performance Academic Culture

The Ohio State University has evolved over time with a continuous focus on achieving excellence along all dimensions of research, teaching, and service. Perhaps most noticeable over the years has been a concentration on developing all aspects of a high performance culture in which outstanding achievements are aligned with carefully guided decisions about resource allocations. At its core, the assumption is that achievement of agreed upon performance objectives should provide the primary basis for allocating institutional resources. In effect, accountability is a guiding principle that should be reflected in guidance provided to individuals as well as in assessments of their performance.

Furthermore, it is understood that for a high performance culture to succeed, assessments of goals and supporting institutional actions to make such achievements possible should be continuously discussed in an open and clear fashion. For example, rather than developing static models of “once a year performance appraisal,” the most effective assessment process involves continuous coaching in which guidance is provided, and linkages between performance and resource availabilities are consistently clarified. At Ohio State we live in a dynamic institutional environment in which continuous feedback is essential, not simply desirable.

It is also important to recognize that the university is committed to developing policies guiding faculty reward systems that are clear and equitably implemented. Each set of policies, while appropriately tailored to the specific needs of disciplines and departments, is expected to explicitly address the following issues:

1. Annual performance appraisals reduced to writing and involving a face-to-face interaction are essential. Without the ability to explore perspectives through interaction, and without establishing the surety provided through written commitments, one increases the likelihood of disagreements and misunderstandings. Most importantly, without such actions the connections between contributions and reward distributions will be murky and subject to inaccurate assumptions.
2. Faculty members can and do contribute differently to the multiple missions of departments and colleges at different points in their careers. At times it is important to expect achievements in multiple dimensions; at other points in a career, research achievements should weigh most heavily; at others it may be more appropriate to acknowledge greater contributions to our teaching and service missions. There should be explicit agreement with each faculty member about the expected contribution focus or foci and the levels of achievement expected of him/her in a given year. The overall mix of contribution patterns should be such that the portfolio of department/college objectives is achieved.

3. We all operate within relatively defined markets. Those markets should largely, though not entirely, dictate levels of reward differentiation. That includes initial salary levels, annual increases, and support resource distributions. Markets are defined externally and not simply by rank. Thus, faculty members in some disciplines will require higher salaries or different levels of support than those in others. Furthermore, within markets, submarkets exist based on perceived excellence. Thus, if faculty member A in market I is seen as more productive than faculty member B also in market I, the salary and support levels for A will be higher than for B, even if they are of the same rank. Such differences are a reflection of scarcity, and that applies to gender, race, or other conditions that might create scarcity. While difficult to accept for some, failure to recognize this will deprive the university of its ability to compete effectively. Interestingly, one also has to deal with the fact that markets are defined in part by like institutions. Generally, top tier institutions will respond affirmatively to markets created by other top tier institutions and not markets based on resources second or third tier institutions are willing to allocate. Indeed, it is not unusual to find second or third tier institutions over-committing resources to lure a faculty member from a top tier program. That does not mean that the top tier program can or should necessarily let that action set the market rate for the targeted faculty member.
4. Promotion standards should be explicit (i.e., written) and reflect the desire for excellence in the pattern of contributions expected of faculty members. They should also reflect the reality that (a) not all faculty members will be able to contribute excellence in all evaluation dimensions and (b) there is a multi-faceted institutional responsibility that must be achieved by the skills of faculty collectively.
5. Faculty members actively participating in centers and institutes, or with joint appointments, should have explicit a priori agreements about how rewards will be distributed for specific activities. Thus, if a faculty member is publishing in a key journal for the center or another department, but one not seen as “top tier” by the home department, the impact of such action on reward distribution should be clearly established. If we truly believe in the value of interdisciplinary work, then rewards should flow from excellence in publications from center/institute as well as home department perspectives. Similarly, agreements about teaching effectiveness or service contributions should be clarified prior to any evaluation period. Certainly, the impact of such interdisciplinary work on promotion and tenure decisions should be clarified ahead of time and structured to encourage such activity.
6. Distributions of college/department resources for travel, research assistance, secretarial support, etc. should reflect the performance level of individual faculty members. Such expectations must be established prior to any evaluation period.

7. Faculty teaching assignments (e.g., measured by courses or credit hours) can reflect the contribution levels of faculty to different college/department missions. Thus, in order to secure roughly comparable support levels, faculty not contributing significantly to research objectives should expect to contribute through higher quality or more extensive service or teaching loads than faculty having significant research impact. Similarly, faculty with outstanding teaching performance may well expect lesser service obligations, and so on. The point is simply that no two faculty members are exactly alike in ability to fulfill specific department or college missions. Therefore, resource distributions to support them should vary, and it follows that evaluation should then be different. The key is to have discussions about such issues prior to any evaluation period.
8. There are times when faculty members or administrative leaders may wish to change the nature or pattern of contributions an individual faculty member makes to department goals. In such situations there should be agreement about something akin to “investment credits” that a department or college is willing to make to support the change needed or desired. However, those agreements should be explicit and in the form of “if you do this (e.g., reinvigorate a research program or improve teaching effectiveness) at a particular level of success (e.g., publish in a top tier journal or secure external funding or achieve specific measures of teaching success), the department/college will do the following (e.g., provide summer support for x summers or provide a teaching assistant or provide travel funds).”
9. Perceptions of fairness and equity are essential in any system for distributing resources. If differentiation is perceived to be based not on performance but on prejudice, stereotyping or other bias this will affect a unit’s ability to recruit and retain the very best talent available. If, over time, such inequities develop in a unit, good leadership calls for the active correction of such inequities. But this refers to market based inequities, not differences based solely on rank or time in system unless these factors are explicitly made part of the reward distribution system. If a unit’s leadership waits for someone to demonstrate “market value” by waiting for actual receipt of an outside offer, it is simply granting another institution the psychological edge for recruiting away an undervalued faculty resource. As a simple practical matter, it is almost always the case that it is more expensive to retain a faculty member after an external offer is received. A key function of department/college leadership is to proactively assess the market value of faculty and allocate resources in a way consistent with such assessments.