



Open Pathway

Quality Initiative Institutional Proposal Template

The enclosed Quality Initiative proposal represents the work that the institution will undertake to fulfill the Improvement Process of the Open Pathway.

Signature of Institution’s President or Chancellor

Date

Charles W. Sorensen, Chancellor

Printed/Typed Name and Title

University of Wisconsin-Stout

Name of Institution

Menomonie, WI 54751

City and State

The institution completes the Quality Initiative proposal by responding to the questions in each category of the template. The institution may choose to include a brief implementation plan that addresses many of the questions below and replaces portions of the outline. Proposals should be no more than 4,500 words.

Overview of the Quality Initiative

Title: Developing Systems and Incentives for Increasing the Quality of the UW-Stout Faculty and Staff

Context: Research shows that a higher quality of faculty and staff results in positive impacts on students and the academic core (Fike & Fike, 2007; Kirk & Spector, 2009). Quality faculty are especially important in addressing our current issues with retention and graduation rates. First to second year retention rates have been stagnant for the past decade, and although six year graduation rates have been improving, the retention rates for racial/ethnic minority students continue to lag behind the campus population as a whole. Furthermore, there is a significant body of research which shows that student persistence is strongly linked to the academic profile of incoming students. Therefore, increasing retention and graduation rates will be difficult without also increasing the academic profile of incoming students. UW-Stout has set a strategic planning goal to incrementally increase the academic profile of incoming students, and we expect this quality initiative will help achieve this goal.

There is substantial evidence regarding the need to increase the quality of the UW-Stout faculty and staff. Compensation at institutions within the University of Wisconsin System has consistently lagged behind compensation at peer institutions. This problem has gotten considerably worse in recent years because there have been no raises for the past four years, and salaries have decreased due to furloughs, increased retirement contributions, and increased health insurance. Collectively, this has resulted in salaries that are now 20% less than our peer institutions, and less than those at the two year colleges in Wisconsin. It is estimated that it would take approximately \$8 million dollars to bring UW-Stout salaries up to market rates. This fiscal situation has wide reaching impacts, extending well beyond salary. We have had record numbers of people leaving UW-Stout for jobs with a higher salary and considerable difficulties with recruitment. This has often led to replacing faculty positions with temporary adjunct positions, which has a negative impact on faculty governance and has the potential to have a negative impact on the academic integrity of our academic programs. As well, in order to recruit new faculty, we often need to provide them with salaries that are higher than their peers, even those in the same department and with more

seniority. Prior to this year, UW-Stout has not been allowed to internally fund any university-wide raises. However, new legislation now offers the opportunity for campuses within the UW System, including UW-Stout, to fund our own raise program through internal reallocation, within certain parameters. Further, we lack the needed infrastructure for aggressively advancing research and establishing UW-Stout as an emerging research institution, we have seen a three year decline in Federal grant expenditures, and self-reported levels of job engagement and campus climate satisfaction are lower than our targets.

Origin of the initiative: This initiative came out of the UW-Stout planning process that began in August, 2011. UW-Stout has a comprehensive, participatory, data-driven planning process that has been recognized as a best practice by the Malcolm Baldrige National Quality Award and was also recognized as a double strength in previous AQIP portfolios. UW-Stout's planning process is managed by the Strategic Planning Group (SPG), which includes approximately 35 university leaders and additional representatives from the Faculty Senate, Senate of Academic Staff and Student Senate. Between September 2011 and June 2012, this group held approximately 8 meetings to review institutional research reports from the past year, progress on 2010-11 planning initiatives, articles from scholarly journals and publications, and feedback solicited from the campus. An extensive electronic resource book was reviewed during these meetings. Using this feedback, the SPG identified two major initiatives, called University Priorities, to implement beginning in fall 2012: 1) the current quality initiative, and 2) a separate initiative to grow transfer students and graduate students. These two potential University Priorities were shared with the campus during an "engagement session," where 550 faculty and staff (approximately half of all UW-Stout employees) listened to a video presentation of the priorities and had small group discussions (in 35 separate rooms) to provide their feedback on the proposed initiatives. These priorities were also shared in a separate session with the Student Senate. Both University Priorities were revised considerably based on this feedback and officially implemented in fall 2012. This initiative also addresses a University Priority (initiated in fall 2011), using the same comprehensive process, to expand opportunities for student jobs, and particularly to increase opportunities for students to assist faculty with their research.

Purpose: The purpose of this initiative is to implement a university-wide program to address the need for high quality faculty and staff that can meet the learning demands of our students. One critical factor in recruiting and retaining high quality faculty and staff is providing competitive compensation. Currently, UW-Stout's faculty and staff compensation falls well below market comparisons with peer institutions, and this makes it extraordinarily difficult to fill faculty and staff positions and to keep faculty and staff at UW-Stout. Although we have been making equity and market related salary adjustments for the past ten or more years, these have not kept pace with raises provided at peer institutions. In previous years, any university-wide raises could only be made with funding from the state. However, there have been no state raises for the past four years, and in the past five or more years before that, raises have been less than what is offered at peer institutions. Collectively, this situation has resulted in salaries across the University of Wisconsin System that are 20% lower than peer institutions. In addition, recent analyses have revealed that compensation at Wisconsin four year colleges is lower than compensation at Wisconsin two year colleges. It is estimated that it would take \$4.3 million to bring faculty salaries up to market comparisons (i.e. 100% of CUPA), and a similar amount of funding to address staff needs. Therefore, collectively, we estimate that it would take approximately \$8 million dollars to fully address these salary needs. In addition, in order to attract new faculty, we often need to offer them much higher salaries than their peers working in the same department, even those with more seniority.

Further, although we have initiated a number of initiatives to increase faculty and student research, currently we lack the needed infrastructure for advancing research aggressively. This is consistent with previous research which shows that, nationally, the United States spends little on faculty-directed and undergraduate research, but this is needed in order for the United States to remain a leader in the global economy (National Academy of Engineering and National Research Council, 2009). The term "emerging research institutions" has been coined to describe these types of institutions. UW-Stout has taken some initial steps down this path. For example, we are in the early stages of establishing an ongoing funding source to provide faculty with start-up funds for research, and to provide faculty with funding to hire students to help with their research. However, these programs will need to be expanded in order to meet the needs of UW-Stout as an emerging research institution.

Collectively, this situation has led to significant numbers of faculty and staff leaving UW-Stout for positions that pay higher salaries, filling positions with temporary adjuncts late in the year, offering higher salaries to new faculty compared with their peers with more seniority, difficulties with recruiting for new positions, levels of job engagement and campus climate satisfaction that are lower than targets, a three year decline in Federal grant expenditures, and limited diversity of faculty and staff participating in university committees and councils. It has also led to difficulties with achieving targets for student retention rates and graduation rates. Addressing the problem of filling positions with temporary adjuncts late in the year is especially critical because previous research shows that student retention is higher when classes are taught by faculty, as compared with adjuncts (Kirk and Spector, 2009).

In response to this need, in August, 2011, Chancellor Charles W. Sorensen announced that a compensation program for faculty and staff was his highest priority. In addition, this initiative will focus on developing and enhancing other systems for recognizing performance, including research, service and scholarly activity. It is anticipated that several key milestones will be achieved during the Quality Initiative period, and also that the initiative will continue beyond this period.

Milestones: Milestones within the next 12 months include:

First, we will implement an initial phase of a centrally funded supplemental compensation program (estimated at \$650,000), which will provide an initial raise to approximately 50% of faculty and staff. Second, we will implement a process for departments to use their own funds to reward high performing employees through a Discretionary Merit Compensation award. Third, we will develop a central pool for reallocating dollars when individuals who received a supplemental pay allocation leave the university.

In 2014, we will conduct another campus climate and job engagement survey, in order to evaluate the effectiveness of our initiatives, progress toward our strategic planning targets, and to continue to identify factors that are as important for faculty/staff retention as salary.

Long term, over the next 10 years, through both university funds and state funds, we will strive to invest millions of dollars in faculty and staff salaries. We also plan to review and enhance other, non-salary, systems for recognizing performance, including incentives for enhancing research, scholarly activity, mentoring of undergraduate research, and service. These actions should result in higher faculty and staff retention rates, the ability to consistently recruit top notch faculty and staff, considerable reductions in the need to hire temporary adjunct staff at the last minute, increased levels of job engagement and campus climate satisfaction, increased Federal grant expenditures, improved research infrastructure, increased opportunities for students to get involved with research, and increased participation in university service. These actions will also have a substantial impact on students and the academic core in the form of: higher retention and graduation rates, the ability to attract a higher quality of student, increased student satisfaction, enhanced research, and more of our academic programs receiving discipline-specific accreditation. Furthermore, we expect to see improvements in the area of student learning. We have implemented an initiative to improve our assessment system, and we expect to see greater evidence of student learning as a cumulative result of these initiatives.

Sufficiency of the Initiative's Scope and Significance

This initiative aligns with UW-Stout's mission and strategic plan, as enumerated by these goals:

- "recruit and retain a diverse university population" (enduring goal)
- "promote excellence in teaching, research, scholarship and service" (enduring goal)
- "further develop and execute enrollment management" (5 year goal)
- "expand early and ongoing experiential learning opportunities, including undergraduate applied research and entrepreneurship" (5 year goal)

The initiative also aligns with many of our performance indicators:

- Student retention rates
- Student graduation rates
- Self-reported ratings on the campus climate survey, for faculty, staff and students
- Expenditures from grants and contracts

Without effective systems and incentives for recruiting high quality faculty and staff and keeping them here, we cannot achieve these enduring goals. This program will allow UW-Stout to recruit and retain high qualified faculty and staff, and reward them for doing good work. This initiative is anticipated to reduce the number of resignations, begin to close the salary gap with our peer institutions, increase research, service and scholarly activity and increase student retention and graduation rates.

As stated above, one critical component of this initiative is to address the need for competitive compensation. This initiative is needed to address the following critical issues:

- In a national survey by AAUP, UW-Stout's faculty salaries were ranked "far below the median." Professors and associate professors are paid in the 12th percentile for Masters institutions, and assistant professors are paid in the 21st percentile.
- A record number of faculty and staff are leaving UW-Stout – there was an increase of approximately 43% in the number of resignations from 2010-11 to 2011-12.

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- A record number of searches have smaller pools and require multiple offers before an offer is accepted – there were 86 unclassified searches in 2011-12, up from 65 in the previous year; there were 11 failed unclassified searches in 2011-12, up from 5 in the previous year.
- There are large numbers of faculty and staff searching for other positions – in 2011, 48% of faculty and staff reported that they have seriously considered leaving UW-Stout.
- There is a loss of confidence in Wisconsin's commitment to public higher education, as reported by applicants for UW-Stout jobs.
- There have been no raises for 4 years and there have been salary decreases due to increased health insurance and retirement contributions and furloughs.
- There is a continued increase in the salary gap between UW campuses and peer institutions – UW System estimates that a 20% pay plan is needed to close the gap.
- Recent analyses show that faculty at 4 year institutions within the UW System make less than faculty at 2 year institutions within the UW System.
- Currently, at the institution-level, UW-Stout faculty salaries are at 82% of CUPA. CUPA is a national salary study, therefore this means that we are at 82% of our market comparison rate for faculty.
- On the exit interview survey that is completed by faculty and staff who are leaving UW-Stout, dissatisfaction with salary has consistently been among the top three themes for what UW-Stout could have done differently to make employment more enjoyable.
- In 2011-12, 40% of faculty and staff completing the exit interview survey indicated they left because they accepted another position. 100% of these individuals indicate that their new position provided more fringe benefits and 75% indicated that their new position paid a higher salary.
- The spread between faculty ranks has decreased since 2008-09. With no pay plan for the last four years, the spread between professor and assistant average salaries decreased from 2008-09 by \$4,960 and by \$4,988 between professor and associate.
- In 2011-12 for the professor rank, Stout is ranked 38th out of 42 salary peers in average salary, associates are 36th and assistants are ranked 35th out of the 42 (includes all the UW comprehensives). Professors at Stout have the largest distance from their peers at \$20,700 with assistants the least at \$7,400.

Collectively, these issues have led to substantial problems with recruiting high quality faculty and staff and with retaining current faculty and staff. Record numbers of faculty and staff are leaving for higher paying positions elsewhere and that has had an impact on levels of job engagement for the current faculty and staff. Further, faculty and staff have less motivation to pursue additional opportunities for research, scholarly activity and service, as evidenced by declining Federal grant expenditures.

Some specific examples of outcomes from current fiscal situation include:

- One faculty member left Stout for another university, with a raise of \$34,953
- One faculty member left Stout for position in private industry with raise of approximately \$35,000 (9 month to 12 month contract)
- One faculty member received an offer with a raise of approximately \$50,000
- In hiring for an associate professor in one discipline for 2012-13, six job candidates declined offers for the position or offers for a campus visit and all declined due to more money elsewhere or other opportunities. The position was offered to the seventh candidate.
- A professional academic staff person left Stout for a position at a community college for a raise of \$10,000.
- An Assistant Director left for a Director position for a raise that doubled his/her salary.
- The number of faculty applicants for positions in one department is consistently less than 50% of what it has been in previous years. Several searches have been cancelled due to inadequate pools.

Clarity of the Initiative's Purpose

The purpose of the initiative is to develop systems and incentives for increasing the quality of the UW-Stout faculty and staff. Providing competitive compensation is one critical component of the program. Currently, at the institution-level, UW-Stout faculty salaries are at 82% of CUPA. CUPA is a national salary study, which means that we are at 82% of our market comparison rate for faculty. For instructional academic staff (non-tenure track teaching staff), we are at 84% of our goal. We do not have similar comparison data for non-teaching staff. The problem is greatest for those with the most seniority, with professors at 76% of CUPA and senior lecturers at 73% the target. Our long-term goal is to bring faculty and staff salaries to 100% of CUPA.

We also have an internal salary equity model. This is a logistic regression model that predicts an individual faculty or staff salary based on variables known to influence salary. Each faculty and professional staff member has a residual which indicates the amount that their salary is above or below their predicted salary. The salary equity model also identifies and differences based on race/ethnicity and gender. Through this initiative, we also plan to reduce the number of people with negative residuals, and continue to address issues related to diversity in underrepresented areas over the next 10 years.

A second critical component of the initiative is expanding research in order to establish UW-Stout as an emerging research institution. We have established a goal to increase Federal grant expenditures, reverse our three year declining trend, and remain within the top three UW System institutions in federal grant expenditures. We seek to expand the infrastructure for advancing research by providing ongoing funding to address faculty start-up needs and funding for students to assist faculty with research. Providing students with opportunities to assist faculty in research is not only important for advancing the research agenda, but it is also important because previous research at UW-Stout has shown that students who work on campus have higher retention rates than those who do not.

A third critical component of the initiative is to improve campus climate and job engagement. In 2014 we will be administering a second campus climate survey and our goal is for ratings of campus climate to improve in key areas from the 2011 administration of the survey.

A fourth critical component is to address service needs. Although we made considerable reductions in the number of committees on campus through a recent planning initiative, over the past 10 years, the number of committees, particularly those requiring governance representatives, has grown considerably. This increase has led to some faculty and staff serving on a large number of committees and concerns with work/life balance. An additional goal is to continue working with governance to streamline committees and increase the diversity of faculty and staff participating in committees.

We will evaluate progress through our comprehensive strategic planning process. Specifically, every six months we will ask for progress updates from responsible parties on all initiatives associated with this plan, and we will review those updates with the Strategic Planning Group in two meetings. During the meetings, we will review progress and discuss any actions that need to be taken in order to resolve any issues or concerns. Once per year, we will develop a gap list of any incomplete, or substantially behind steps and discuss how to move forward on those with the Strategic Planning Group. On an annual basis, in July, we have a leadership retreat to discuss next steps associated with our major university initiatives. Based on this review, we will revise our list of action items to accomplish this initiative for the next year, and this revised list will be reviewed and approved by the Chancellor. In order to evaluate effectiveness, we will also continue to monitor progress on key performance indicators, including self-reported results from the campus climate survey, student retention rates, student graduation rates, and expenditures from grants and contracts. We will continue to prepare an annual salary equity report, in January/February, to monitor compensation results, including the percentage of CUPA and salary equity residuals. This report is presented to our Chancellor's Advisory Council, Faculty Senate and Senate of Academic Staff on an annual basis.

There are two major challenges associated with the compensation portion of this initiative: 1) We do not anticipate receiving much (if any) money from the state to address these needs. Therefore, our only funding source is internal reallocation. 2) Per our UW System rules, we are not allowed to provide across the board raises to all employees. It is difficult to obtain consensus for distribution methods when some employees will receive raises and some will not. A challenge associated with the research portion of this initiative is that some funding agencies have reduced the amount that they are awarding in grants and contracts, so faculty and staff will be competing for fewer dollars. Because there are fewer dollars available, we have fewer dollars coming in through indirect funds, and fewer options for expanding the research infrastructure and expanding opportunities for students to be engaged in research.

Evidence of Commitment to and Capacity for Accomplishing the Initiative

This initiative has substantial support from our faculty and staff. The compensation program has been supported campus-wide using a robust, participatory process which included multiple opportunities for input through committees, open sessions, governance processes and surveys. In total, more than 900 faculty/staff (75% of all faculty and staff on campus) have had direct input into the process, through the SPG, Engagement Sessions, Senate participation, and/or survey participation. A draft of distribution guidelines and funding sources was developed through the input of multiple groups, including the SPG and a subcommittee comprised of faculty and academic staff. This proposal was shared at a campus-wide engagement session with over 500 attendees. Feedback from the attendees was used to revise the proposal, and then additional feedback was solicited on the revision from the Faculty Senate, Senate of Academic Staff and SPG. Surveys to obtain additional input were conducted with over 300 staff participants. The Senate of Academic Staff has passed a resolution in favor of moving forward with a supplemental compensation program and proposing specific distribution guidelines. Specifically, they stated: "The Senate of Academic Staff of the University of Wisconsin-Stout moves to endorse option #3 above." The third option described distribution guidelines that were based on a combination of merit and compression criteria. We are in the process

of getting approvals from the Faculty Senate. This initiative will result in developing a central pool of money that will be administered campus-wide on the basis of a mathematical formula.

In addition, UW-Stout has been pursuing methods for units to provide raises to a select number of individual employees using their own funds, where possible. This is a separate process than the above initiative because it will not be funded through a central pool. An administrative procedure for a Discretionary Merit Compensation award (DMC) is in the final stages of approval. This DMC process was developed by a committee and also reviewed by several groups.

This initiative is a campus-wide effort, with opportunities for input from all faculty and staff. The individuals who are taking the lead on the initiative are the Chancellor's Cabinet; Planning, Assessment, Research and Quality office; Provost's office; Human Resources office, and the chairs of the Senates. However, it is important to note that one hallmark of our planning process is to provide opportunities for all faculty and staff to have a voice in our planning initiatives.

The research initiatives also have substantial support from the campus. In spring 2012, after extensive campus-wide input, we initiated a pilot program to provide funding for freshmen students to work on campus with faculty and staff. Several of the funded proposals were to assist faculty with research. We have set a goal to substantially expand this program in the future. As well, we initiated another pilot to provide start-up funds for new faculty to conduct research. Both initiatives (student jobs and faculty start up funds) emerged through the planning process and the student jobs program was identified as a university priority starting in fall 2011.

The Faculty Senate and Senate of Academic Staff have had significant involvement in managing committee involvement. They developed a comprehensive database for monitoring committee membership and vacancies. As well, the Senate of Academic Staff has established a standing committee that is responsible for filling academic staff committee vacancies.

UW-Stout has already committed significant financial resources to this initiative. We will reallocate approximately \$650,000 to fund the initial phase of the supplemental compensation program (utilizing the central pool). In addition, departments have already allocated approximately \$18,000 to fund raises through the Discretionary Merit Compensation award process. We are continuing to solicit proposals for how we can reallocate to fund additional phases of the program in the future. We are also actively discussing our needs with our elected officials. In addition, we allocated approximately \$100,000 for the two pilot programs – to provide student jobs on campus and to provide faculty start-up funds.

We have also applied for a grant to help us revise our system for assessing student learning, which will enable us to evaluate the impact of this initiative on student learning. The purpose of the grant is to develop, implement, and assess an innovative multimodal writing MOOC to improve college readiness and success and to document the growth in student writing skills from PK-16 into the workplace. The program will allow us to enhance our systems for evaluating the quality of student writing, and to evaluate that growth at three points in the student's career at UW-Stout. If the program is successful, it will also be expanded to other disciplines, starting with mathematics.

Appropriateness of the Timeline for the Initiative

The primary activities in the current fiscal year are as follows:

- Develop and approve a process for departments to use their own funds to provide raises to a small number of employees who meet certain criteria.
- Reallocate approximately \$625,000 to fund the initial phase of a supplemental compensation program, and implement the program beginning in 2013.
- Develop a central pool for funds to return to if individuals receiving the raise leave the university.
- Solicit and receive proposals for additional options for reallocating funding for a second phase of the program.
- Continue to work collaboratively with various constituents on campus, including the Senates, to obtain their ideas and support.
- Continue to lobby with the UW System and legislative bodies on the importance of competitive salaries.

Activities for the next 10 fiscal years may include:

- Enhancing our system for assessing student learning
- Increasing the number of academic programs receiving discipline-specific accreditation
- Developing action plans for improving levels of employee job engagement, student satisfaction and student outcomes (ex: retention and graduation rates).
- Expanding the pilot programs to provide jobs for students to engage in research and faculty start-up funds
- Establishing incentives to increase Federal grant expenditures
- Reducing the number of failed searches and temporary adjunct staff that need to be hired at the last minute

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- Establishing strategies to invest millions of dollars to address compensation needs – through a combination of additional revenue sources, lobbying with elected officials, state funded compensation programs, and internal reallocation.
- Developing guidelines for reallocation of funds from the central pool to support more raises.
- Continuing to seek out good market comparative data for non-teaching staff who do not have a comparable CUPA code.

Institutional Contact for Quality Initiative Proposal

Include the name(s) of the primary contact(s) for the Quality Initiative.

Meridith Drzakowski, Assistant Chancellor for Planning, Assessment, Research and Quality
Name and Title

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