

November 9, 2000

TO:
AHC Faculty

FROM:
Members of the AHC Finance and Planning Committee
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RE:
AHC Merit Evaluation Process Executive Summary

The Academic Health Center Finance & Planning Committee (AHC-F & P) became aware of some unexplained delays in the disclosure and awarding of the annual merit salary adjustments for the fiscal year 1998-99 in the late fall of 1999. Upon further discussion within the committee, it was determined that not only were there worrisome variances in the timeliness of the annual salary adjustments, there was an equally worrisome variance among the processes (not criteria) used to determine annual salary adjustments across Academic Health Center (AHC) departments. In the Committee's judgment, processes should be similar across AHC departments, processes should be in compliance with U-MN Human Resources' and the Senate's Compensation Policies and processes should have the specified faculty input and participation. In an attempt to determine how annual merit evaluations were actually conducted across the AHC, a questionnaire was designed and sent to all AHC Department Chairs in early 2000 (information copies were sent to all AHC Deans). In addition to the initial contact from the Senate Office soliciting Department Chair responses to the questionnaire, two additional reminders were sent before the data were compiled in late spring of 2000. A letter from Senior Vice President Frank Cerra was also sent to the department chairs specifically requesting their compliance with the questionnaire and his support for this AHC F & P endeavor.

There were 22 questions in the questionnaire. A tabulated summary of the responses is enclosed specified by department across these 22 questions. The full text from each department that responded can be found on the Senate web site <<http://www1.umn.edu/usenate/ahcfp/questionnaire.html>>. Forty departments were queried, 32 departments responded. Faculty are encouraged to view their departmental response and compare it to both the methods used in other AHC departments as well as the methods specified in the following documents (also on the Senate web site)

- U-MN Compensation Policy
- U-MN Post-tenure Review Policy
- Letter from Professor Mary Dempsey (Senate Tenure Committee Chair) regarding AHC development of merit and post-tenure review policies.

Faculty are also encouraged to engage in discussions at the departmental level about compliance with defined applicable Senate and Human Resource policies and the need for an annual discussion and vote about how there processes are to be executed. From the responses to the questionnaire, a number of departments don't conduct this annual exercise even though it is University Policy.

One of the most striking findings among the questionnaire responses was that of the 32 departments responding, 19 indicated that there was no annual vote on the merit process and an additional 2 had responses the were blank or indeterminate. This suggests that of the 40 departments in the AHC, less than half are in compliance with even the most basic aspect of the compensation policy. One can only speculate what is happening in the 8 departments who failed to respond. The responses to the questionnaire indicate a lack of faculty understanding (? interest) in the policies affecting how their annual salary adjustment reviews are conducted. This raises concerns within the AHC F & P about intradepartmental procedures that could lead to any or all of the following:

- Inequitable merit awards based on inappropriate procedures, incomplete information, or biased evaluation
- Unnecessary and unexplained delays in the implementation of the annual awards (e.g. raises that should be effective the first pay period in July are not reflected in faculty checks until December)
- Favoritism (intentional or unintentional) on the part of department chairs
- Obfuscation making it difficult for faculty to understand how they were treated in comparison to their peers

Any real or perceived inequities are harmful to faculty morale. Outcome speculation in the absence of consistent and objective evaluation procedures (and even the veiled threat(s) of reprisal should probes be launched) compound this negative effect. In times of tight budgets and declining clinical incomes, one source of comfort would be that at least individuals are treated objectively and equitably based on a peer review system. Lacking that, any notion of accountability can be questioned.

It is the intent of the AHC F & P to bring this situation to the attention of the AHC faculty. It is up to the faculty to understand the procedures that should be used and to see that they are appropriately applied on an annual basis. Both the AHC Central Administration and the AHC F & P are interested in University Policies being followed and in peer-based merit evaluations being promoted. This is not intended to be a process that limits departmental creativity. Instead, it is an attempt to be sure that faculty are aware of and engaged in peer-based merit evaluation procedures (and the necessary annual vote-based determination of how they will be conducted) and their rights in these processes. In addition, this is an encouragement from the AHC F & P and the Office of the Senior Vice President of Health Sciences for faculty to get active in governance of OUR AHC.

The AHC F & P encourage faculty to study their departmental responses with the knowledge that these were what were reported for the 98-99 fiscal year procedures. There was mention of pending changes in some departments and the commitment to publication of questionnaire results may have fostered change/compliance in other departments. It is also suggested that current chairs be reminded of policies in force regarding annual merit evaluation procedures for faculty and that newly appointed chairs be indoctrinated with these policies. This merit evaluation investigation is part of the process needed to assure that both annual merit evaluation and annual post-tenure review are completed in an objective and timely manner as part of administrative accountability. The status of Post-tenure Review is behind addressed by the AHC Faculty Affairs Committee and is not part of this report. Any questions or comments about this report should be addressed to the Academic Health Center Finance and Planning Committee:

[-AHC-F & P Committee Questionnaire](#)

[-AHC Academic Unit Questionnaire Response Grid](#)