

A Look at Inflation-Adjusted Faculty Salaries

Introduction

In order to see how the faculty salaries have changed over time it is necessary to take into account inflation - for example, a salary of \$30,000 in 1980 was a lot better than a salary of \$30,000 in 2017. To do a quick comparison over time I compiled faculty salary by rank in various years - 93-94, 97-98, 02-03, 08-09, 11-12, 15-16, and 17-18. I chose these years because they were roughly evenly spaced and I already had the most of them budgets on hand (the 17-18 budget was provided by VP Westman on request). Due to changes in reporting the 15-16 budget and later, I removed certain salaries from the data. All but one of the salaries removed from the data were marked with an asterisk, which I took to mean the listed number was only a partial salary and therefore didn't reflect the true compensation.

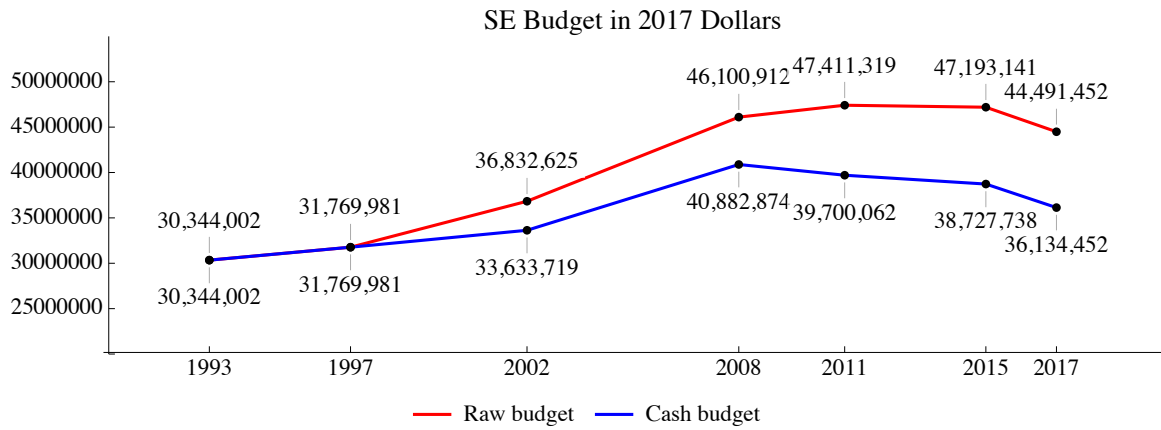
In addition to adjustments for inflation I have added a correction factor for the reported salaries prior to academic year 2008-2009. Prior to that time an amount of 4% of faculty salary was invested in individual TIAA-CREF retirement accounts; this was converted to salary in July 2008. Without adjusting for this change salaries prior to 2008 would not be directly comparable to those after. I have compensated for this by multiplying salaries prior to 2008 by 1.04.

Once the salary information was imported into Mathematica I had the program adjust all the salaries to July 1, 2017 dollars using the InflationAdjust command (which is based on the Consumer Price Index). I then had Mathematica generate graphics for quick comparison as well as percentile tables for a more quantitative look at how the salaries varied over time. In the diagrams you can see the creation of the John Massey School of Business show in higher-end salaries in 2002-2003 as well as the creation of other endowed chairs in the years that followed. The "long tails" at the upper end of the salary band show why average salaries are not representative for 2002 on and why median salaries (or salary percentiles) give a more accurate measurement.

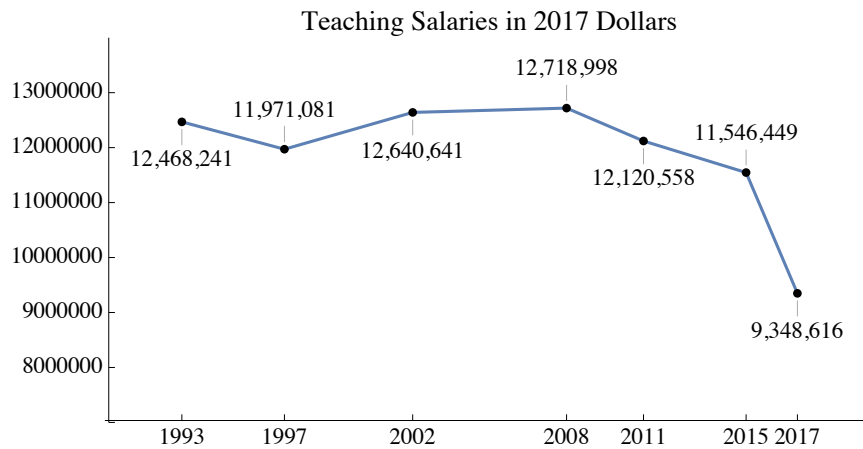
The SE Budget and Teaching Salaries

Before looking at the salary by various ranks it is worthwhile to take a look at the overall budget number for Southeastern (in constant dollars where appropriate) as well as the amount of the budget allocated to teaching salaries. This information is available in Schedule B of the annual budget.

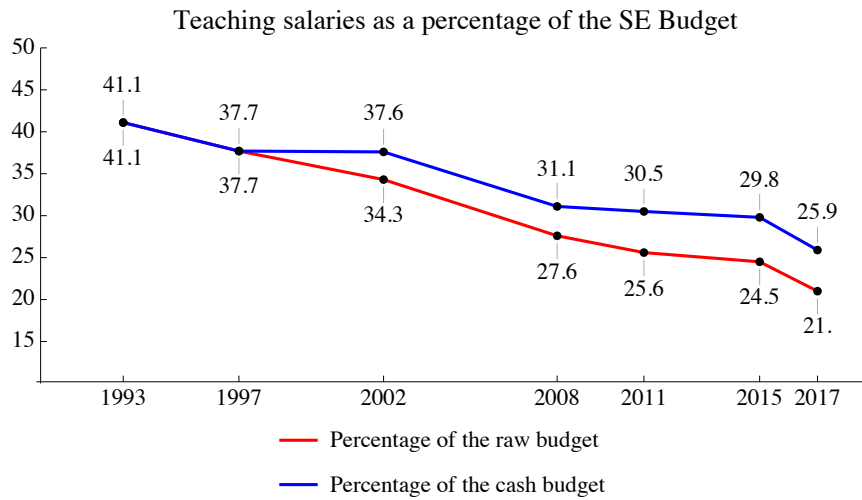
Here is the total SE "E&G 1" budget in constant 2017 dollars. The overall budget is tracked here in two ways - the "raw budget" (the official number reported in the budget) and the "cash budget" (the official number less waived tuition, with information about waivers either taken from the budgets themselves or the statewide OSHRE budget reports). As Southeastern waives a large amount of tuition (primarily due to waiving nonresident tuition from Texas students), for many purposes the "cash" budget may give a more accurate figure for comparisons.



Here are the total teaching salaries in the SE budget, again in constant 2017 dollars:



Here are the teaching salaries as a percentage of the overall budget - as a ratio, this does not need to be converted to constant dollars. The percentages are given both in terms of the official “raw” budget as well as the “cash” budget:

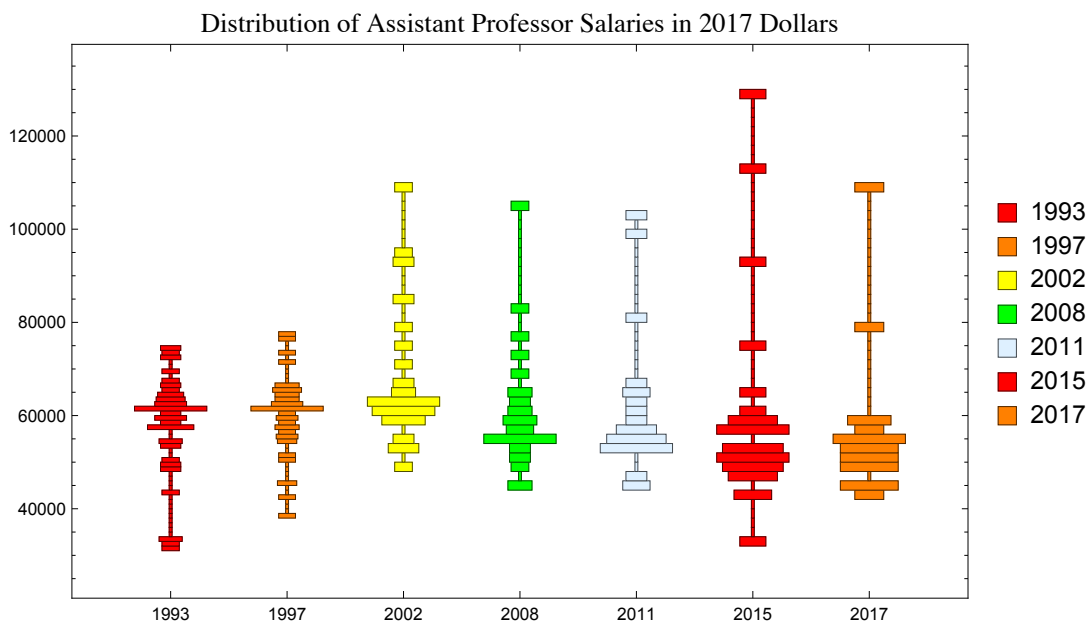


Assistant Professors

The inflation-adjusted average salaries for Assistant Professors in these budget years are given in the following table:

Year	Inflation-Adjusted Average Salary
1993	58958
1997	61001
2002	64377
2008	58523
2011	59001
2015	58336
2017	55388

Visualizing the distribution of the inflation-adjusted salaries for Assistant Professors over the various years gives this chart:



Looking at how the various Assistant Professor salary percentiles change over time results in the following table:

Percentiles in the Distribution of Assistant Professor Salaries (in 2017 dollars)

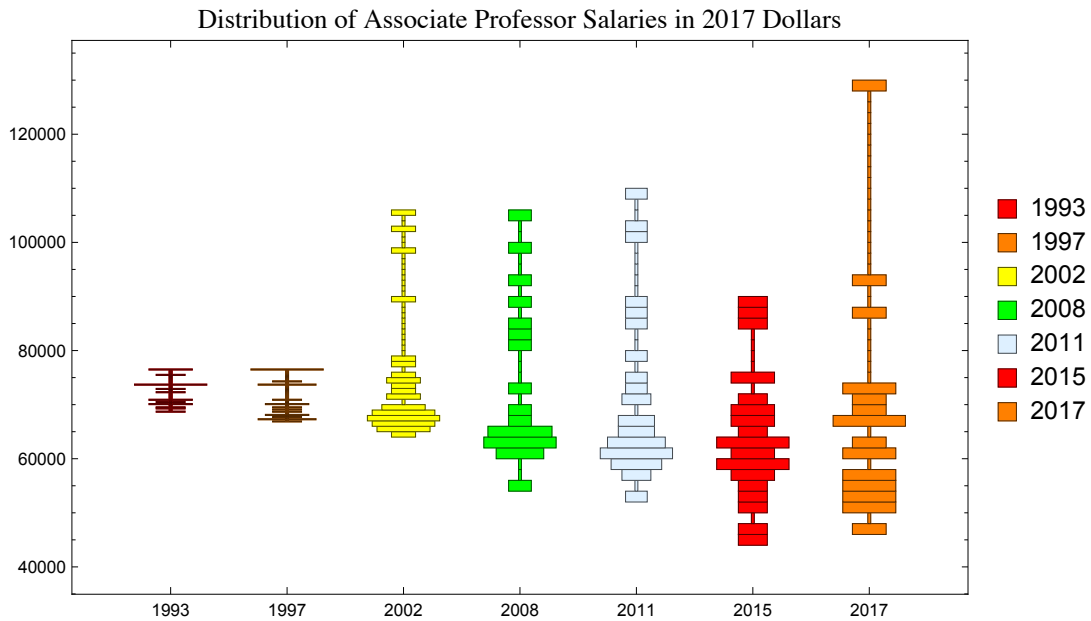
	1993	1997	2002	2008	2011	2015	2017
100%	74391	77190	108819	105204	102609	128861	109696
90%	66367	66630	78657	68132	66300	74022	59588
80%	63828	64526	64182	62848	62004	59797	57962
70%	62074	62773	63499	59272	57134	57539	55000
60%	61723	61768	63363	57400	56392	56413	54141
50%	61022	61768	61792	55528	55639	53041	52177
40%	59336	61019	60768	54287	54409	51121	50410
30%	57565	61019	60085	54282	52914	49533	49591
20%	57164	57512	59402	54280	52023	48689	48322
10%	49382	54356	55988	51168	52017	46253	44867
0%	31616	38416	49956	45038	45147	33488	42594

Associate Professors

The inflation-adjusted average salaries for Associate Professors in these budget years are given in the following table:

Year	Inflation-Adjusted Average Salary
1993	72235
1997	71055
2002	72403
2008	70497
2011	68342
2015	64094
2017	66406

Visualizing the distribution of the inflation-adjusted salaries for Associate Professors gives this chart:



Looking at how the various Associate Professor salary percentiles change over time results in the following table:

Percentiles in the Distribution of Associate Professor Salaries (in 2017 dollars)

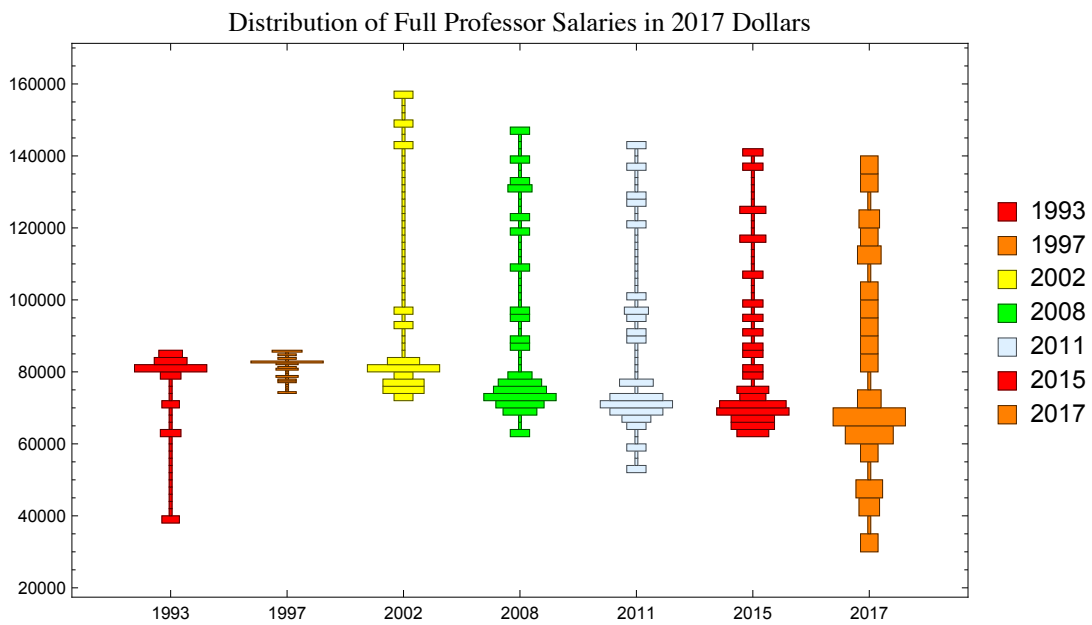
	1993	1997	2002	2008	2011	2015	2017
100%	76453	76577	105604	104677	109726	89026	128036
90%	76453	76449	89694	93829	88160	85269	86385
80%	73647	74345	74424	82856	74644	71745	73081
70%	73647	73644	71693	68052	67043	66867	69595
60%	73647	70838	69303	65238	65345	63731	66997
50%	72244	70009	68620	64614	63114	62604	61821
40%	70842	69085	67596	63679	61919	60156	57453
30%	70491	68033	67254	62742	60424	58761	55815
20%	70140	67682	66572	62118	59228	56695	53957
10%	69263	67331	65206	60870	58032	51634	50989
0%	68737	66981	64182	54637	53554	44253	46411

Full Professors

The inflation-adjusted average salaries for Full Professors in these budget years are given in the following table:

Year	Inflation-Adjusted Average Salary
1993	79252
1997	82112
2002	85737
2008	83360
2011	79633
2015	79173
2017	73548

Visualizing the distribution of the inflation-adjusted salaries for Full Professors gives this chart:



Looking at how the various Full Professor salary percentiles change over time results in the following table:

Percentiles in the Distribution of Full Professor Salaries (in 2017 dollars)

	1993	1997	2002	2008	2011	2015	2017
100%	84168	85567	157291	146152	142207	140220	136000
90%	83818	85567	96683	123293	120323	116810	113846
80%	83690	82762	83300	88111	91453	87347	91199
70%	81363	82762	80569	77449	76012	75310	69777
60%	81363	82762	80569	75896	73022	71095	68685
50%	81363	82762	80569	74329	71826	70531	66781
40%	81363	82762	80227	73081	71228	69401	65682
30%	81363	82060	77155	72457	70033	68555	64317
20%	81363	80657	76472	71834	68837	67429	62406
10%	70778	78553	75106	70274	67941	65178	46411
0%	39985	74026	73151	63416	52017	62926	31393

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