

Compensation and Merit Model History

Using the Wayback Machine, we accessed previous issues of QUFACTS (the QUFA newsletter before Voices) and searched all available articles from 1998 to 2005 for references to salary and merit. What follows is a series of excerpts taken from QUFACTS that may be helpful in piecing together the history of the compensation and merit models. Due to the disjointed nature of the Wayback Machine, not all issues of QUFACTS were available, so these paragraphs are isolated snapshots of the past, copied and pasted from old webpages in chronological order. The most notable information might be the changes to the merit system in the late 1990s, then another merit review in 2004-2005. The QUFACTS coverage ends abruptly in 2005 after a merit member survey. Although we have bargaining updates archived from 1996 to the present, there is a gap in 2004-2005 so we can't confirm how the survey results were used in negotiations for the 2005-08 CA. A look at the 2002-05 and 2005-08 CAs shows the merit language didn't change much, though it did change between the 1999-02 and 2002-05 CAs.

QUFA Staff

July 1998: Salary Policy, Pay Review Panel, Merit System Changes

As to those matters under the Collective Agreement that are not working well, perhaps the most serious is the application of the merit pay under the current salary policy. In the last round of bargaining, the QUFA executive recognized the advantage of having a consistent salary policy over time and thought that the existing policy had widespread support amongst members. However, the creation of the Pay Review Panel has revealed that a large number of members believe that their salaries are anomalous (i.e. that the existing salary policy has not been appropriately applied to them). In addition, the actions of various University officers have also undermined the members' support for the existing policy. These actions include a tendency to unilateral action by several rogue deans who appear to want to change the merit system without negotiating with QUFA and the continuing practice by many deans and department heads of giving misleading explanations of average or expected performance, perhaps in a misconceived attempt to avoid the demoralizing effect that the merit system has on many members. However, the most serious problem has been the failure in some faculties to distribute the merit according to the agreement reached in the JCAA about past practice. The University has recognized that the distribution in Health Sciences this year did not follow the agreement, and discussions are continuing about how to remedy this breach. A closer examination of the distribution of merit in Arts and Science reveals that it also does not conform to the agreed past practice.

In recent months there has been considerable discussion in the Faculty of Arts and Science regarding proposed changes in the merit policy. The Dean in FAS proposed changes in two areas, (1) in the role of the Dean in the assignment of merit, and (2) in the actual pattern of merit distribution. With regard to the first issue, the Dean has decided to ask Heads to distribute eight points per faculty member and to reserve two points to be assigned by the Dean himself. QUFA has agreed that the Dean is entitled to do this. The Collective Agreement is tied (by Article 41.1.3) to the 1986 salary policy, which provides that

merit is to be assigned by the Head and the Dean with a "hold back" of 20% to be assigned at the Faculty level. The Dean's proposal to withhold two points for his own assignment is consistent with that policy and the Collective Agreement, as was the previous practice whereby Heads were allotted ten points per faculty member and then the Dean clawed back points and re-assigned them. Both the Head and the Dean assign merit on the basis of evaluations of Members' performance, as outlined in Article 33.2, which Members should see and sign. No subsequent evaluation is made by the Dean.

With regard to the second issue, QUFA has received an explicit undertaking from the University Administration that there will be no change in the pattern of the distribution of merit. That is, proposals (made earlier) that eight would be the merit rating for a performance that previously would have received a ten will not be executed. Nor will there be an increased polarization of merit distribution whereby low merit ratings are made still lower in order to "fund" larger awards at the high end. QUFA and the Administration have agreed to collect the data about past merit distribution in order to verify that no policy-driven changes in the patterns of merit distribution are occurring. The principles governing the distribution of merit apply across the university. Members in any Faculty who feel that their merit assessments for this year have been unfairly or incorrectly determined are encouraged to grieve.

November 1998: Merit System Changes

The task forces have not yet reported, and the results of the questionnaire are not yet digested. Nevertheless, it appears that the merit system will be a significant issue for re-negotiation. Recent experience suggests that the present system consumes significant portions of administrative time, generates many individual grievances, and produces confusion among members about their performance, while doing little to enhance overall scholarly performance. According to the academic literature, these troubles may be endemic to merit-compensation schemes rather than reflecting poor design or clumsy administration. Nevertheless, they may be aggravated by some features of the Queen's system. One of these features is the potential for conflicting messages from unit heads and deans. A second is the zero-sum distribution, which too frequently requires assessors to tax average performers in order to reward high flyers. A third is the apparent inconsistency in criteria: an individual's merit rating does not depend on her performance alone, but may vary depending on the performance of the comparative group. Paradoxically, the system may have been more tolerable in some ways when members knew less about it and there was no forum for grievances. Not only may more mysterious processes be less demoralizing, but it may be that the present demand for transparent procedures has led to more mechanical ("objective") measurements of performance. In any event, the Executive and Council will have to consider these issues before the Association can determine its negotiating position on merit.

In the meantime, several matters arising out of the existing CA have been settled, while others remain to be resolved. As the following reports in this QUFACTS indicate, the Association Grievance concerning the distribution of merit in Health Science has been resolved (although several individual grievances concerning merit in Arts and Science remain unresolved), the Principal has announced the closure of the

Department of Materials and Metallurgy without an academic review by the Senate, and the Pay Review Panel has made recommendations for anomaly adjustments for 77 faculty members. Anomaly adjustments for adjuncts, librarians, and archivists have not yet been determined, but the Association expects this task to be completed as soon as possible.

In accordance with Article 15 of the Collective Agreement, the University agreed in October to distribute an additional 25 merit points among bargaining-unit members in the Faculty of Health Sciences to bring their 1997-98 merit assessments closer to historic patterns of distribution. The agreement settles an association grievance filed by QUFA last summer.

Of the 25 additional points, 15 will be distributed among members who received 8 merit points each; the remaining 10 will be awarded to a portion of the members who received 9 or 10 points each. Fifteen of the 25 points will be awarded to members in the School of Nursing, the School of Rehabilitation Therapy, and the Department of Community Health and Epidemiology. Members in Health Sciences should contact QUFA if they have concerns about the fulfilment of this agreement.

July 1999: Merit Grievances, Merit in Health Sciences, New Merit System

Among other things, the new agreement contains significant improvements for adjuncts, removes some of the irritants of the merit scheme, and regularizes the program of early retirement. However, grievances have multiplied in other areas; in the distribution of merit awards, for instance, greater awareness among the members and more confusing messages from those assessing merit have led to a significant increase in individual grievances.

QUFA's negotiation of a second CA presented considerable business for Council between January and April 1999. Council ratified the membership of the QUFA Bargaining Team and, with the Executive Committee, established task forces to assist on issues such as Adjuncts, the Merit system, QUEST evaluations, and benefits; it also heard reports from these task forces and considered their recommendations as negotiations progressed.

Merit in Health Sciences: QUFA's concerns regarding the distribution of merit points in Health Sciences were discussed at several meetings of the JCAA. When it appeared that the issue could not be resolved at the JCAA, the CMCA sent it to the Grievance Committee with a recommendation for an Association Grievance. This grievance was settled at Step 1 (see CA, Article 15.4).

A major advance for members in the new agreement is a new scheme for Merit awards. Starting May 1, 2000, Deans will allocate merit points only in amounts of 0-7, 10, 12, 15, or 20. The mode will be 10. When Deans assign ratings of 0-7, they will have to explain the assessment to the member in writing, and the onus will be upon them to defend such assessments in the case of a grievance. The Deans will explain publicly the basis for scores of 15 or 20 and explain "the context" for scores of 10 or 12 in annual reports to members. To avoid the past practice of taxing some members to award others, the

Administration will eliminate scores of 8 and 9 and (to make up for the points that used to be accumulated through such "donor" scores) add between 350 and 650 points to the merit pool each year. Each point is currently worth \$200, based on an average merit award of 5% of the Assistant Professor's floor, or \$2,000.

December 1999: Adjunct Salary Side-Table, Continuing Adjunct Merit, Merit System Status

A side table was created to review the salaries of all adjuncts, to set salary guidelines for initial and future term adjuncts, and to negotiate a merit/career development structure for continuing-track and continuing adjuncts. Even though previous anomaly reviews have found no discernable pattern to adjunct salaries (based on workload as a portion of a full time equivalent (FTE), years of experience or discipline), past attempts to correct anomalies in adjunct salaries have failed. The side table has completed its review of continuing adjuncts, and individual members should receive notice of their workload as a portion of FTE and their new salaries once merit scores have been assigned by the Deans. Now that the side table has completed this task it will turn its attention to the salaries of initial adjuncts.

As we anticipated, the new merit system has significantly reduced the number of grievances by members who were categorized as below average in order to fund extra merit for other members.

April 2004: QUFA Salary Review Committee, Merit Questionnaire

As part of the review of Queen's existing salary policy by the QUFA Salary Review Committee to prepare for bargaining for a new collective agreement beginning in December 2004, we are polling members' attitudes about the merit pay system. At Queen's we receive, in addition to across-the-board scale increases, an annual career development or "progress-through-the-ranks" (PTR) increase. While this can vary according to the faculty member's merit score, it is misleading to call the whole PTR increase "merit pay," as PTR is a natural consequence of greater experience rather than particularly meritorious performance. In this bulletin, what we mean by merit pay is the value of the extra merit points that go to those with merit scores above 10. If there were no merit pay system, that would not mean the end of PTR increases: rather, these extra points could be used to raise the standard PTR increase that would go to everyone.

Annual merit assessments, made by Deans with the assistance of the Heads, are translated into merit scores: 10 is both the most common score (the mode) and the score received by the faculty member who is in the exact middle of the merit ranking (the median). Those whose performance is judged superior may receive scores of 12, 15, or even 20, while those who fall short may receive scores of 7 or less. While both the median and modal merit scores are 10, the average in 2003 was 10.89, and the distribution of merit scores was:

20: 0.3% of faculty

15: 8% "

12: 28% "

10: 61% "

7 or less: 3% "

This year (2004), a merit score of 10 will translate into a PTR increase of ca. \$2365 (before any abatements).

We want to know faculty views on various aspects of this system, in order to prepare for next year's bargaining. This is the first of a series of questionnaires on salary policy. Later ones will deal with other issues, such as senior abatements and junior increments. Please answer the following seven (7) questions and return this bulletin via campus mail to the QUFA office, Room 120, Old Medical Building, by Wednesday, May 12th.

1) The Principle of Merit Pay: The value of offering monetary rewards for those judged to be superior performers has been much debated in the scholarly literature. While it may have the advantage of encouraging greater effort among all employees, some studies also have shown that it erodes morale among those who receive merit awards below the "average" (who include, at Queen's, those who receive scores of 10), but consider themselves to be working hard and performing well.

Which of the following statements comes closest to expressing your view on whether the annual career development/PTR increment should vary with merit or not?

Please circle one letter only.

- a) I am happy with the current system.
- b) I am not wholly happy with the current system but believe it can be made to work by some improvements.
- c) I do not believe there should be monetary rewards for merit; PTR increases should not vary with merit scores.
- d) In principle, I support the idea of merit pay, but I do not think that it is likely that a fair way of allocating it can be implemented.
- e) I support the idea of rewarding merit, but the rewards should be in a form other than larger PTR increases (e.g. lump-sum payments, research grants, other forms of recognition).

Regardless of your views on the principle of merit pay, please complete the rest of this survey!

2) Your Own Response to Merit Pay:

Please indicate all the statements that you agree with by circling the relevant letter/s:

- a) The extra salary that a higher merit score entails is an incentive for me to work harder or better.
- b) What motivates me to work harder or better is not merit pay, but other factors (e.g. professional pride, desire for the esteem of colleagues and students, interest in the subject, or other).

- c) I do not care much about the monetary aspect of merit pay, but it is important to me as a symbol that my work here is recognized and valued.
- d) The merit pay system reduces my morale and commitment to this University by sending me the message that my work is not valued as it should be.
- e) I basically pay little attention to the whole process.

3) Criteria for Merit Awards:

Many contend that research is rewarded far more than teaching in Canadian universities. It is argued that it is much easier to measure research output than the quality of teaching or service. Hence, even if teaching and research are given the same nominal weight, research will matter more because there is more variability in research scores. To help correct this tendency, our current collective agreement provides that at least 30% of scores over 10 must be due predominantly to teaching or service (Article 42.2.2.9).

Below, please indicate whether you agree or disagree with the following statements:

a) More weight should be given to teaching in awarding merit pay.

Agree Disagree

b) Student opinion surveys (e.g. USAT) should be the primary method of assessing teaching performance.

Agree Disagree

c) Merit assessments of teaching and service should reflect the quality rather than the quantity of work; quantity should be compensated in other ways.

Agree Disagree

4. Size and Distribution of Merit Awards:

Those judged particularly meritorious receive scores of 12 or 15 (very rarely 20) - i.e., 2 or 5 extra merit points. As we noted above, ca. 28% of faculty receive 2 extra merit points, worth ca. \$473, ca. 8% receive 5 extra points, worth ca. \$1183, and these are permanent salary increases that last for the recipient's entire career.

Please circle one answer for each part:

a) The value of the extra points for merit is Too large About right Too small

b) The number of faculty who currently receive the extra points for merit is Too large About right Too small

c) Merit assessments of teaching and service should reflect the quality rather than the

quantity of work; quantity should be compensated in other ways.

Agree Disagree

5. Decision-making on Merit:

Currently the Deans are responsible for merit assessments (Article 29.2.2), though they often rely on the Heads' recommendations in departmentalized faculties. Who do you think should carry out merit assessments?

Please circle only one letter only.

- a) The Deans, as at present.
- b) The Heads, with the Deans retaining a pool to distribute to departments with more superior performers.
- c) An elected committee of colleagues in the department or faculty.
- d) Other (please specify):

6. Frequency of Merit Assessments:

At present, merit assessments are conducted annually. It is often argued that this frequency cannot properly account for longer-term projects such as monographs, and that it may reflect only temporary variations in performance.

Please indicate the statement that most closely reflects your view (circle one letter only):

- a) I agree with the practice of annual assessments
- b) Assessments should be every two years
- c) Assessments should be every three years
- d) Assessments should be at longer intervals (please specify:) /years
- e) Meritorious performance should be rewarded at the time it occurs, whenever that is in the academic year (e.g. on the publication of a major work, on completing a very well-taught course)

January 2005: Salary Advisory Group, Merit Review

Our Salary Advisory Group reviewed academic salary models, career development (progress-through-the-ranks) and merit schemes and explored possible changes to our compensation model. The survey, What Do You Think About Merit Pay? distributed last April provided some feedback and at the December 2004 Council of Representatives meeting, QUFA Councilors expressed strong interest in the bargaining team examining alternatives to the current merit scheme. A new merit pay survey will be posted in February and we'll keep you informed of developments around this issue.

March 2005: Merit Survey Results and Review

A total of 255 Members, of whom 224 were tenure or tenure-track faculty, responded to the survey. In summary, a majority clearly indicated that:

- the current merit system is not an incentive to work harder or better;
- they do not clearly understand the criteria for administrative decision-making;
- the current merit system is not an indicator of a member's value to Queen's; and
- the current merit system is demoralizing rather than affirmative to morale.

Proposal for Changing Merit

Based on the results of the membership e-survey on merit, and recommendations from the Salary Advisory Group to the Bargaining Team and the Council of Representatives, with approval by the Executive Committee, The Bargaining Team has proposed the following changes to the existing merit scheme:

- a revised merit system be adopted, separating the career development (CD) portion of annual compensation (e.g., a "10" = to \$2365) from the merit award, currently available to those who score 12" (get an additional \$473), 15" (get an additional \$1182.50), or 20" (= to an additional \$2365) in 2004/05 respectively; (See Table below for distribution of merit in the last two years.)*
- merit awards shall be one-off awards with clear criteria, not built into base salary, distributed as a small pool of pro-rated bonuses for each academic unit, based on the number of members in each unit; career development (CD) funds should be increased to include the total amount currently awarded as either career development or merit;
- a list of recipients of all merit awards shall be published (within units and Faculties and across the University, similar to current teaching and research awards) with the reasons for such awards noted to ensure transparency of criteria.

This recommendation is a compromise position between the status quo and the total elimination of merit. Other details of the proposal will need to be developed by the Bargaining Team.

To date, the University has not responded to this proposal.