In 2008, the IUPUI Office for Women asked the Chancellor and Executive Vice Chancellor for Academic Affairs to undertake a faculty salary equity study. In response, staff from Information Management and Institutional Research conducted an analysis of faculty salaries under the supervision of an advisory committee appointed by the Director of the Office of Equal Opportunity. Members of the advisory committee are listed in Appendix I of the final report.

A total of 1,112 full-time faculty members were included in the study. Clinical faculty members in the IU School of medicine who received part of their salaries from practice plans were not included in the study because salaries from practice plans were not available to the researchers. Part-time and visiting faculty members were also excluded from the study.

Multiple regression analysis was used to evaluate faculty salaries at IUPUI because the technique is widely accepted as a method of testing for salary inequities. The analyses were carried out in two steps. In the first phase of the analyses, faculty members’ salaries were regressed on a variety of personal characteristics, including national salary data broken down by academic discipline, faculty rank, tenure status, years of service, administrative positions held, gender, race/ethnicity, and IUPUI School. The results of this phase of the analysis were used to determine if gender and race/ethnicity were associated with differences in faculty salaries.

In the second phase of the analysis multiple regression analysis was used to calculate a predicted salary for each faculty member. The difference between a faculty member’s actual and predicted salaries (termed a residual) was used as a gauge of an outlier and of possible salary equity issues. A standardized residual of less than -1.70 was taken as an indication of an outlier. The value of -1.70 is slightly more liberal than the value of -2.00 utilized by the federal government. The names of faculty members identified as outliers were referred to the deans of their respective schools. Deans have been instructed to form committees to carefully review faculty members’ records to determine if the shortfalls in salaries can be justified based on factors that could not be included in the study (e.g., research productivity).

Four findings regarding salary equity emerged from the study:

- There was a statistically significant gap between the salaries of male and female faculty members ($1,683, representing 2.4% of the mean salary of faculty members) that was not explained by other faculty characteristics.
- There were not statistically significant differences in faculty salaries by race/ethnicity.
- Although there was a significant gap in the salaries of male and female faculty members, more men (26) than women (16) were identified as having salaries that are substantially lower than predicted. Thus, 62% of the faculty members with lower than predicted salaries were males.
- The salary gap between female and male faculty members has declined since 1998. The unexplained salary gap was 3% of average faculty salaries in 1998, compared to 2.4% of average faculty salaries in 2009.