

Pay and Representation of Racial/Ethnic Minorities in Higher Education Administrative Positions: The Century So Far

A CUPA-HR Research Brief

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Citation for this report:

Bichsel, Jacqueline, and McChesney, Jasper (March 2017). *Pay and Representation of Racial/Ethnic Minorities in Higher Education Administrative Positions: The Century So Far*. Research report. CUPA-HR. Available from: www.cupahr.org/surveys/briefs.aspx.



Introduction

CUPA-HR is entering its 50th year of data collection; since 1967, we have been collecting data on higher education administrative positions. We have been collecting data on diversity for many years as well—we started in the 1980s with administrators and expanded to professional positions a few years ago. For the 2016-17 cycle, with a change to incumbent-level reporting, we are collecting data on gender, ethnicity, age, and years in position for all our major salary surveys: Administrators, Professionals, Staff, and Four-Year Faculty.

The decision to begin collecting this data for all higher education positions at this point is strategic.¹ Diversity, equity, and inclusion efforts on campuses have increased as student bodies have increased in diversity.² Research in industry indicates that diversity is good for the bottom line. Diverse companies and institutions are more successful than those that are not diverse. In fact, gender-diverse companies are 15% more likely to outperform their peers, and ethnically-diverse companies are 35% more likely to outperform their peers.³

In industry, companies are more successful when they're diverse.⁴ It is certainly no different in higher education. Research shows that teaching and research missions are better supported when the faculty, staff, and student bodies are more diverse.⁵ It's important, then, to understand the progress—if any—higher ed has made in the area of diversity. CUPA-HR is publishing two research briefs on diversity in higher ed administrative positions in 2017. The first brief focused on the representation of women and the gender pay gap in administrative positions.⁶ This second brief focuses on the representation of racial/ethnic minorities in these positions.

1 See the following for more information about CUPA-HR's commitment to diversity, equity, and inclusion in higher education: <http://www.cupahr.org/about/diversity.aspx>

2 National Science Foundation, National Center for Science and Engineering Statistics, special tabulations of U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System, Completions Survey. <https://www.nsf.gov/statistics/2015/nsf15311/tables/pdf/tab5-6-updated-2016-08.pdf>

3 Hunt, V., Layton, D. & Prince, S. (2015). *Diversity Matters*. Research report. McKinsey & Company. Available here: <http://www.mckinsey.com/business-functions/organization/our-insights/why-diversity-matters>

4 Ibid.

5 *Benefits and Challenges of Diversity in Academic Settings*. Report. WISELY. https://wiseli.engr.wisc.edu/docs/Benefits_Challenges.pdf

6 Bichsel, J., & McChesney, J. (March 2017). *The Gender Pay Gap and the Representation of Women in Higher Education Administrative Positions: The Century So Far*. Research report. <http://www.cupahr.org/surveys/briefs.aspx>

Recognition of inequity isn't enough—diversity doesn't take care of itself. Racial/ethnic minorities remain underrepresented in top positions in industry. In fact, only 3% of U.S. companies represent minorities equitably on management teams.⁷ In addition, when we look at the current pay gap for full-time U.S. workers, White men outearn Black and Hispanic men (and all women) even after controlling for education.⁸ The pay gap between minority men and White men has remained virtually unchanged since 1980, with Hispanic men currently earning 69 cents and Black men currently earning 73 cents on the dollar that White men earn.⁹ The pay gap is even greater for minority women.¹⁰

Black and Hispanic men with college degrees earn only 80 cents to the dollar of what White men earn in private industry.¹¹ Therefore, education somewhat mitigates the minority pay gap, although it is still substantial. One might expect that institutions of higher education would be more equitable as employers, as they are viewed as more progressive. The data in this brief support that hypothesis. Across higher ed administrative positions, there exists no pay gap between minority and White administrators. This is great news; however, there still exists a substantial gap in the representation of minorities in higher ed administrative positions when compared to their representation in the population.

This brief provides a summary of how higher education has represented and paid racial/ethnic minorities in administrative positions from 2001 to 2016.¹² For the purposes of this brief, we grouped non-White (minority) statuses collectively, given that—until 2012—CUPA-HR collected and reported data for minority/non-minority status alone. In addition, each minority status on its own makes for an extremely small comparison group (Figure 1).

7 Hunt et al., 2015.

8 Patten, E. (2016). *Racial, Gender Wage Gaps Persist in U.S. Despite Some Progress*. Report. Pew Research Center. <http://www.pewresearch.org/fact-tank/2016/07/01/racial-gender-wage-gaps-persist-in-u-s-despite-some-progress/>

9 Ibid.

10 Ibid.

11 *The Simple Truth About the Gender Pay Gap* (2016). Report. AAUW. <http://www.aauw.org/research/the-simple-truth-about-the-gender-pay-gap/>

12 Data analyzed in this brief are from the 2001-2016 CUPA-HR Administrators in Higher Education Salary Surveys, in which more than 1,100 institutions participate each year. See the resources provided at this link for more information on the positions and other data collected in these surveys: <http://www.cupahr.org/surveys/ahe.aspx>.

Racial/Ethnic Composition of Higher Ed Administrators, 2016

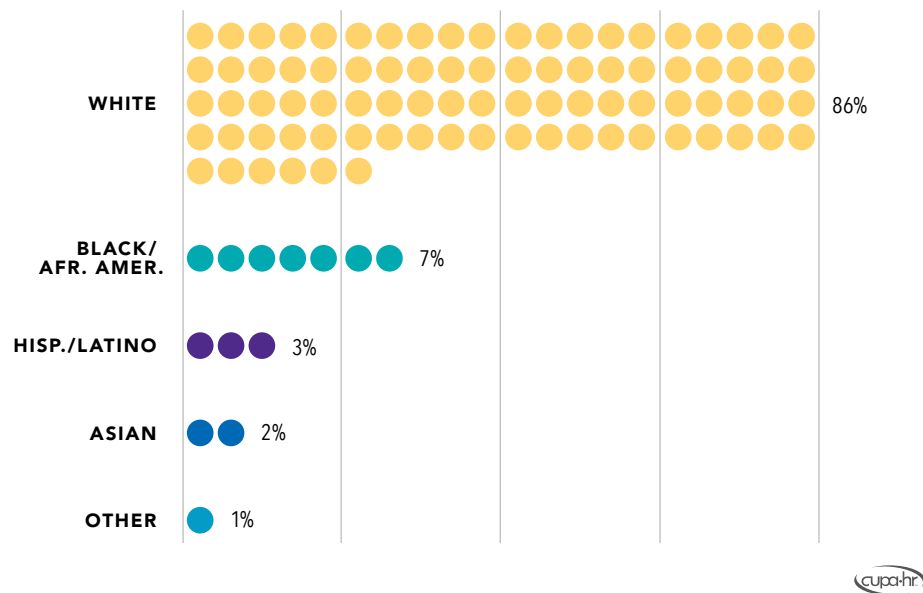


Figure 1. Racial/Ethnic Composition of Higher Ed Administrators, 2016

The data in Figure 1 foretell one of the main messages of this brief: The clear majority (86%) of higher ed administrators are White. The underrepresentation of minorities in higher ed administrative positions mirrors that of private industry, where 87% of senior-level executives are White.¹³ Despite decades of diversity initiatives, the gap in minority representation for leadership positions remains persistent.¹⁴

There are many factors that may explain the large and growing gap between the U.S. minority and higher education administrator populations. One is that the labor pool for these positions is constrained to those individuals who possess at least an undergraduate degree and often a graduate degree in their field. The proportion of minorities who have the college degree needed for administrative positions is much lower than the percentage of non-minorities (Whites). For example, in 2015, the percentage of non-minorities who had a college degree was 33%, whereas the percentage of minorities with a college degree was 21%.¹⁵ For this reason, when we examine minority representation in this brief, we draw comparisons with the percentage of minorities who have a college degree, which represents the potential labor pool for these positions.

13 McGregor, J. (March 30, 2016). "This Staggering Chart Shows How Few Minority Women Hold Executive Positions," *The Washington Post*. <https://www.washingtonpost.com/news/on-leadership/wp/2016/03/30/this-staggering-chart-shows-how-few-minority-women-hold-executive-positions/>

14 Clark, D. (September 3, 2013). "Why So Few Women and Minorities at the Top: Here's the Real Reason," *Forbes*. <http://www.forbes.com/sites/dorieclark/2013/09/03/why-so-few-women-and-minorities-at-the-top-heres-the-real-reason/>

15 Percentage of minority and non-minority populations earning a Bachelor's degree or higher comes from U.S. Census data, https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_5YR_S1501

The Minority Representation Gap in Higher Ed Administrative Positions

Figure 2 shows the increases over time in the U.S. minority population (as a percentage of the overall population),¹⁶ the percentage of college graduates who are racial/ethnic minorities,¹⁷ and the percentage of higher ed administrative positions occupied by racial/ethnic minorities since 2001.¹⁸ Although there has been a slight increase in the representation of minorities in the past 15 years, the increase has not kept pace with the increase in the U.S. minority population or the increase in minority college graduates over this same period. Therefore, the gap between the representation of minorities in these positions and the population of minorities with graduate degrees is increasing rather than decreasing.

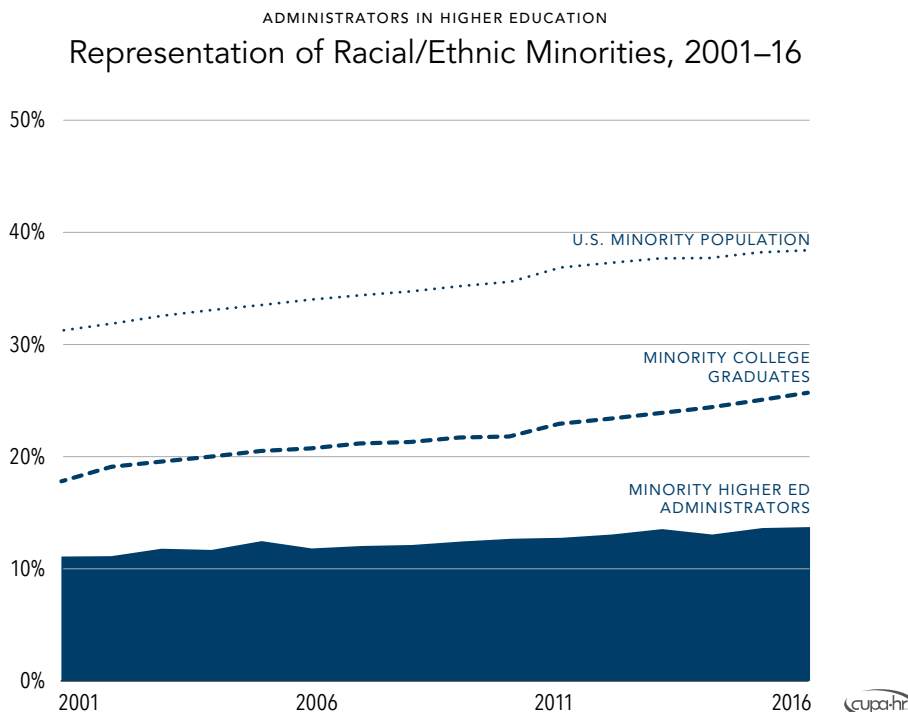


Figure 2. Representation of Racial/Ethnic Minorities, 2001-16

16 The U.S. population figures come from U.S. Census data:
<https://www.census.gov/quickfacts/table/PST045215/00>

17 Minority college graduate data obtained from: Ruggles, S., Genadek, K., Goeken, R., Grover, J., & Sobek, M. (2015). Integrated Public Use Microdata Series: Version 6.0. Minneapolis: University of Minnesota.
<http://doi.org/10.18128/D010.V6.0>

18 To find a list of the administrative positions surveyed and analyzed in this brief, go to:
<http://www.cupahr.org/surveys/ahe.aspx>

Figure 3 shows the current representation of minorities in administrative positions in each major U.S. Census region, plotted against the minority population in each region¹⁹ and the percentage of college graduates in each region who are racial/ethnic minorities.²⁰ The Western and Southern regions hire a greater percentage of minorities into administrator positions, likely in part because there are greater numbers of minority college graduates in those regions. However, based on the population of minority college graduates in the region, the Northeast is the least likely region for a racial/ethnic minority to occupy a higher ed administrative position; less than half of the minority college graduate population is represented in these positions. In contrast, the Midwest—despite having a similar percentage of minority administrators—has better minority representation proportionate to their population of minority college graduates.

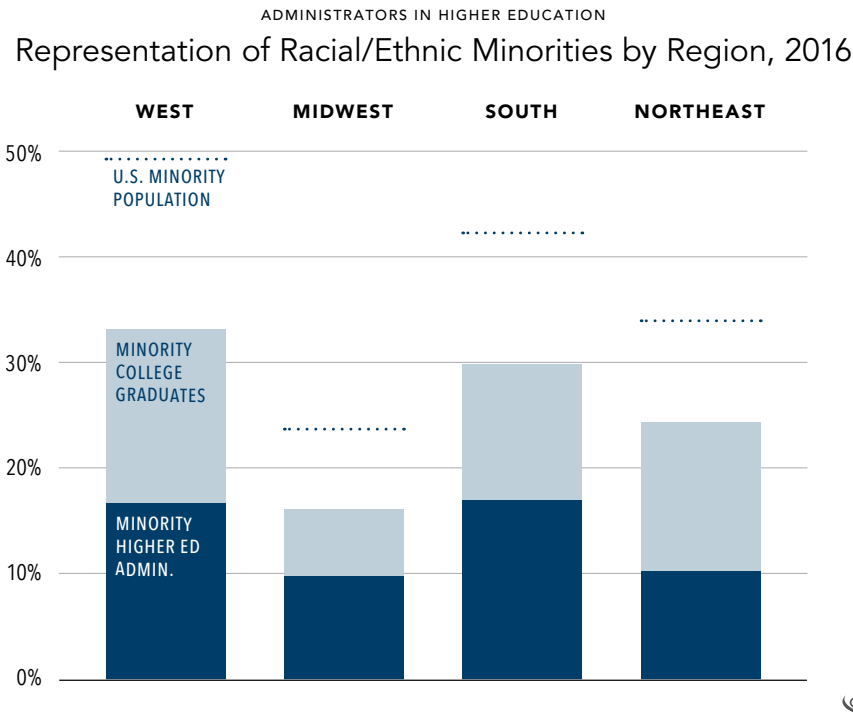


Figure 3. Representation of Racial/Ethnic Minorities by Region, 2016

19 The U.S. population figures come from U.S. Census data: <https://www.census.gov/quickfacts/table/PST045215/00>

20 Ruggles et al., 2015.

Figure 4 shows that in each region, there has been a steady increase in the representation of minorities in administrative positions. The only exception is the South, which has been slightly more erratic. However, in none of these regions do we see anything close to parity representation for the minority college graduates in each region (Figures 2 and 3). Therefore, increases in the numbers of minority administrators over time are a false indicator of progress, since increases in the minority population and minority college graduates outpace these numbers.

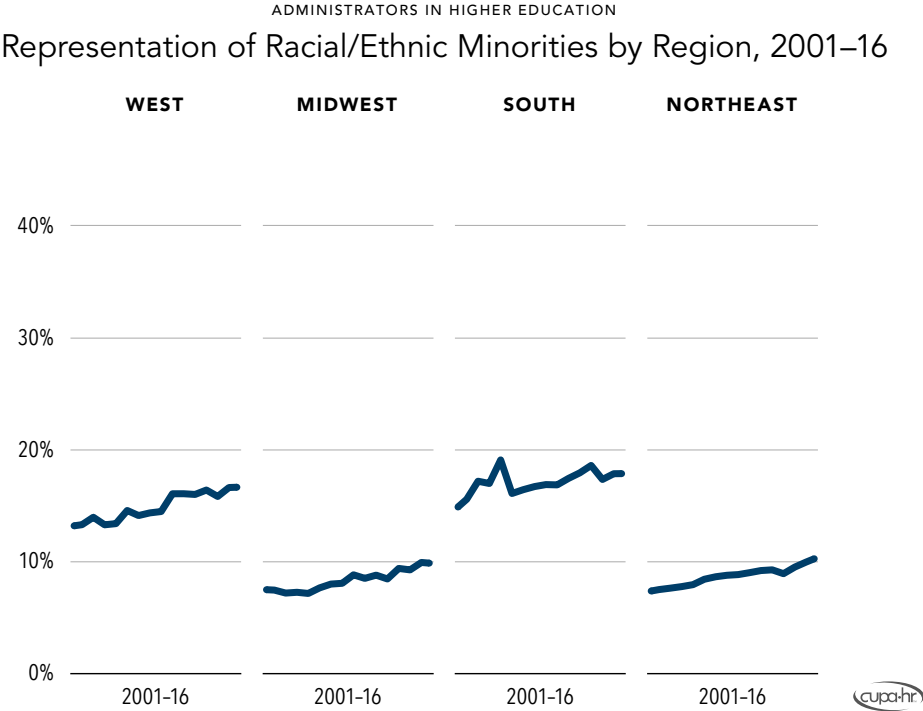


Figure 4. Representation of Racial/Ethnic Minorities by Region, 2001-16

Representation of racial/ethnic minorities varies widely when looking at select executive positions (Figure 5). Positions with better than average representation include the chief officers of legal affairs, human resources, and student affairs. In fact, the chief student affairs officer comes close to parity representation with the percentage of minority college graduates (Figure 2). The position with the worst minority representation is chief development officer, in which only 6% are minorities.

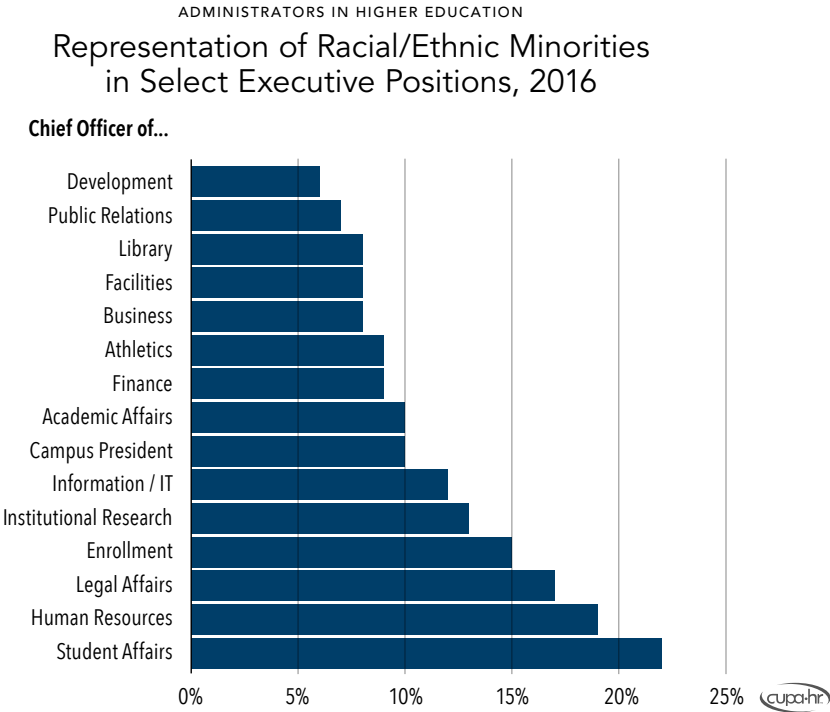


Figure 5. Representation of Racial/Ethnic Minorities in Select Executive Positions, 2016

In Higher Education Administrative Positions, Racial/Ethnic Minorities Are Paid Equitably

Data on private industry salaries shows that Asian employees tend to make higher salaries than do White employees.²¹ An examination of our recent data shows this is true for higher ed administrator salaries as well (Figure 6). However, unlike in private industry, all other ethnicities earn similar salaries. Given the outlier salaries of Asians, one might expect that our remaining analyses might be skewed given that we are including Asians in the “minority” category. However, Asians make up only 2% of administrative positions, and removing them from analyses done since 2012 does not change any of the conclusions of this brief.²² Therefore, we’re confident that making comparisons based on minority/non-minority status from 2001 to 2016 is appropriate.

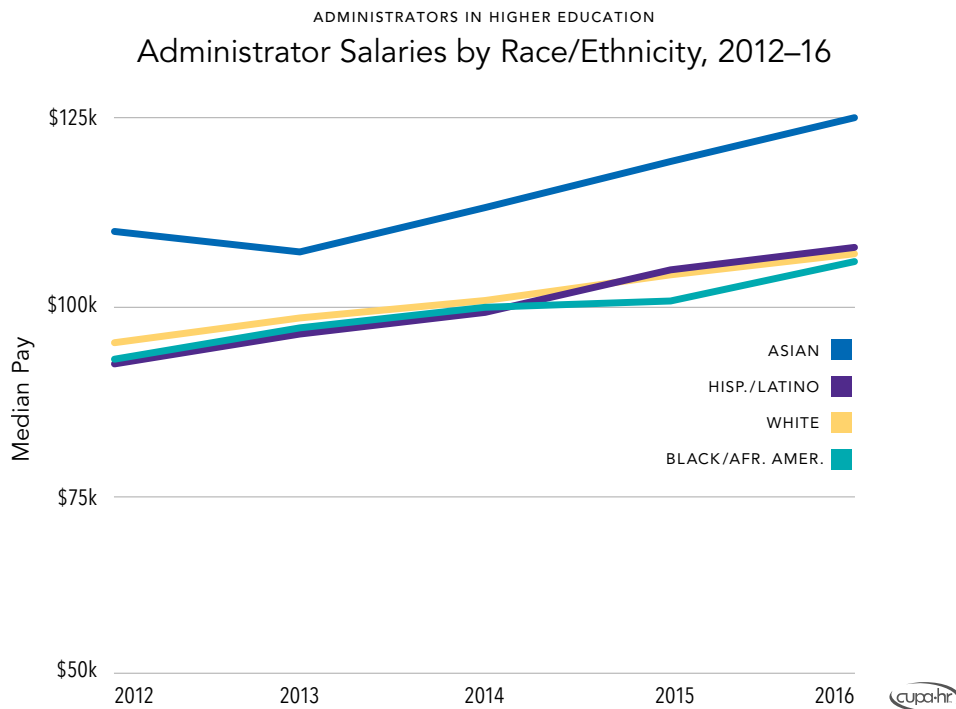


Figure 6. Administrator Salaries by Race/Ethnicity, 2012-16

²¹ Patten, 2016.

²² Except where noted.

Figure 7 shows the good news for minority administrators. When it comes to salaries, minority administrators as a whole are paid equitably in relation to their non-minority (White) colleagues. In other words, minority pay matches non-minority pay dollar for dollar. What’s more, this salary parity has remained fairly steady for the past 15 years. (The slight uptick seen in 2016 is primarily due to increases in the salaries of Asian administrators.) This parity in minority to non-minority pay ratio exists across the board for administrators. In other words, minorities receive equal pay regardless of the type of administrative position they hold.

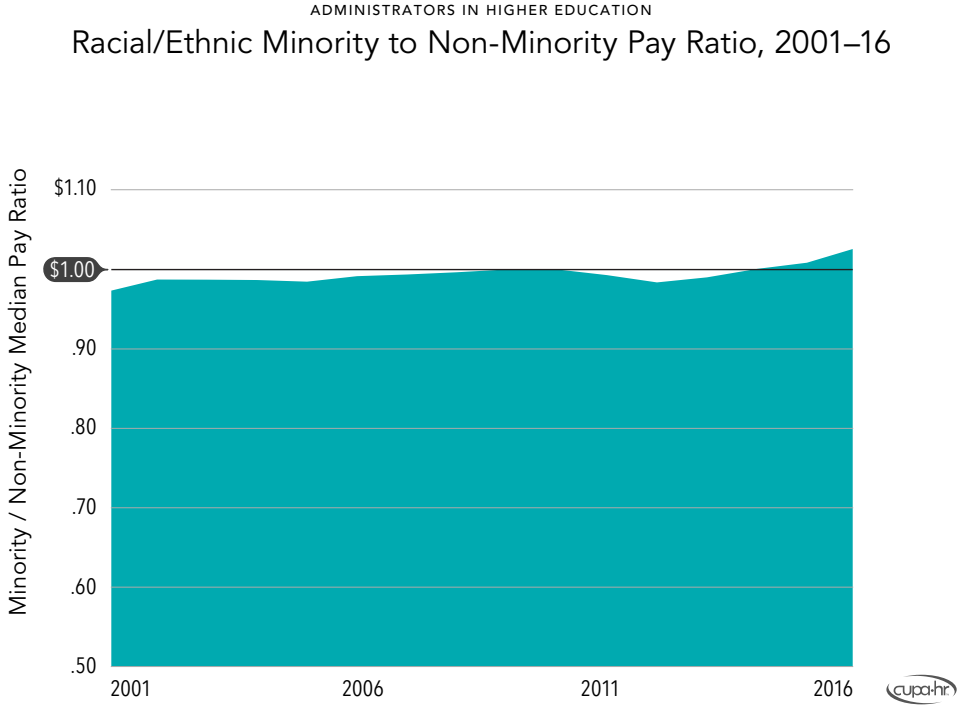


Figure 7. Racial/Ethnic Minority to Non-Minority Pay Ratio, 2001-16

In looking at current data by region, we see that the Midwest and Northeast both exceed pay equity for minority administrators (Figure 8). Previously, we saw that these were the regions with the lowest percentage of minorities (Figure 3). It appears that in regions where there are fewer minorities in administrative positions, there may be a special effort to attract and retain them.²³

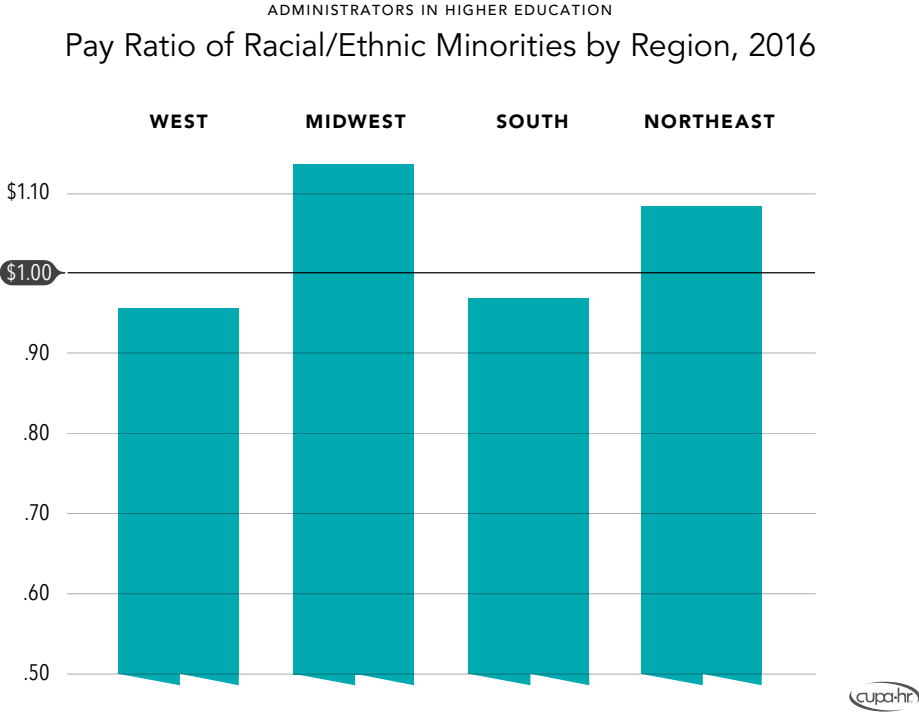


Figure 8. Pay Ratio of Racial/Ethnic Minorities by Region, 2016

23 These results are similar to the ones obtained in the first CUPA-HR research brief in this series, which found that in administrative positions where women were extremely underrepresented, they were paid more than their male counterparts. Bichsel & McChesney, 2017: http://www.cupahr.org/surveys/files/briefs/cupahr_research_brief_1.pdf

Viewed over time, minority pay ratios have been on the rise in recent years in all regions except the West, in which the pay ratio is erratic and has decreased over time (Figure 9). These increases are not entirely due to increases in Asian salaries alone. Black and Hispanic administrator pay ratios have also increased.

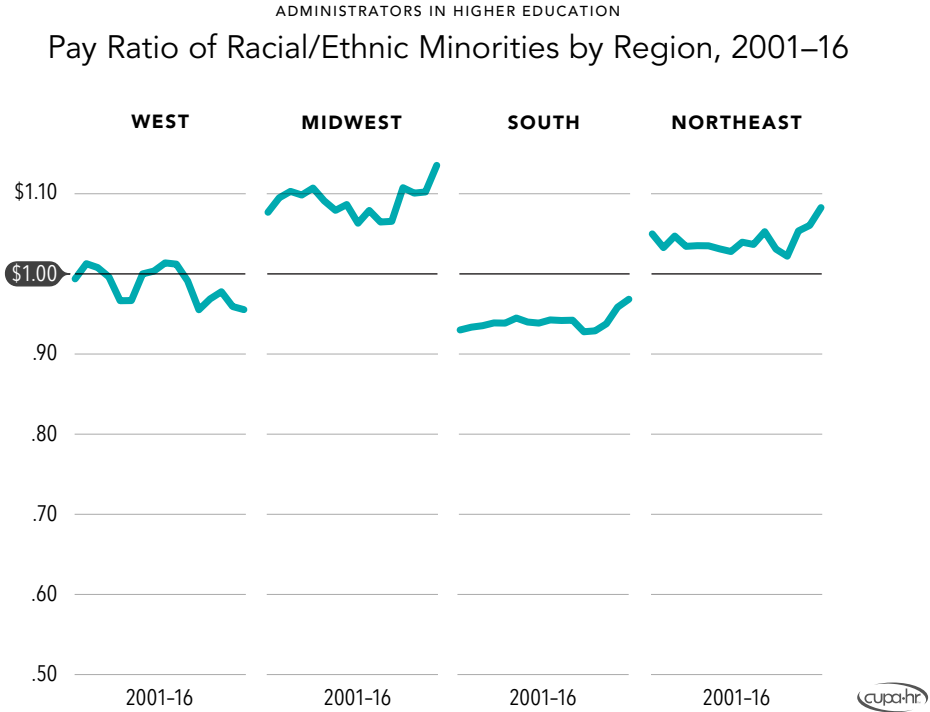


Figure 9. Pay Ratio of Racial/Ethnic Minorities by Region, 2001-16

The minority pay ratio varies when examining select executive positions. In each case (except for the chief legal affairs officer), racial/ethnic minority pay exceeds that of non-minorities. Positions in which the pay ratio is greatest are the chief library officer and the chief human resources officer.

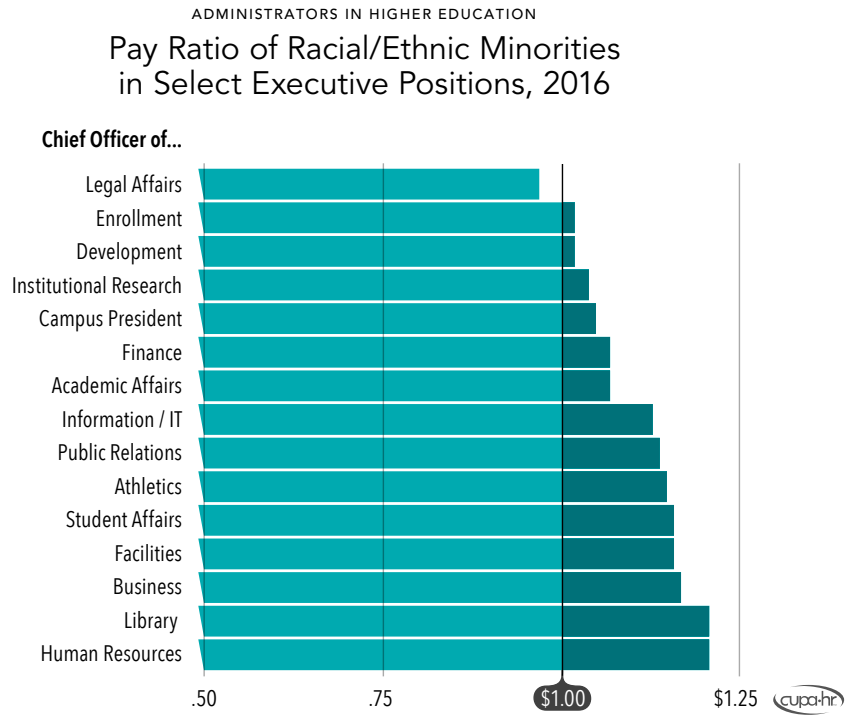


Figure 10. Pay Ratio of Racial/Ethnic Minorities in Select Executive Positions, 2016

Conclusions and Next Steps

We won't solve the challenges of adequate representation with data alone, but information provides a vehicle to understand the extent of the challenge. From the data, we can draw the following conclusions:

- The minority representation gap in higher ed administrative positions is not narrowing. It has been fairly consistent for the past 15 years, and—if anything—it is widening.
- Racial/ethnic minorities are equitably compensated in administrative positions as a whole. In most select executive positions, minorities earn higher salaries than do non-minorities.
- In geographic regions where there are fewer minorities in administrative positions, they are paid more than their non-minority counterparts, which may indicate efforts to attract and retain minorities in these regions.

The data presented in this brief suggest the following next steps:

- Examine the data at your own institution to answer the following questions:
 - *How well-represented are minorities in administrative positions?*
 - *Are minorities being paid comparably to non-minorities in similar positions?*
- Benchmark your administrative salaries to compare your salaries with those of other institutions.²⁴
- Recognize that equitable pay is not the only issue for racial/ethnic minorities in administrative positions. There is still a considerable representation gap in all administrative positions. Identify whether such gaps exist at your institution.
- Inform your leadership of the data contained in this brief and the comparison data relating to your own institution. Identify any areas in need of change. This data will help leaders more fully understand the magnitude of the challenges and the importance of making needed changes. For example, is representation a pipeline problem? Are there initiatives in which your institution can engage to increase the proportion of minorities in the pipeline for administrative positions?
- Based on the data, begin to identify what steps can be implemented or updated in your efforts to recruit and retain top, diverse talent.²⁵

²⁴ For more information on benchmarking and participating in the *CUPA-HR Administrators in Higher Education Salary Survey*, visit: <http://www.cupahr.org/surveys/ahe.aspx>

²⁵ For resources on improving diversity in recruitment efforts, visit: <http://www.cupahr.org/diversity/index.aspx>

It is clear that we need a metric to measure progress in the representation of minorities, as well as other issues of diversity, equity, and inclusion. However, to develop such a metric, we need to define what success looks like. Consider the following question:

What does an institution need to have in place for us to consider it successful in its diversity, equity, and inclusion efforts?

We in CUPA-HR research are interested in knowing your responses to this question. We know the answers are multi-faceted and nuanced. This question is an effort to glean preliminary information that will help our research team develop more tools to assess the progress of diversity, equity, and inclusion efforts and to move those efforts from discussion to action. To provide your response and be a part of the discussion, send an email to:

Jacqueline Bichsel, Director of Research, CUPA-HR, jbichsel@cupahr.org.

