

The Relationship between Tenure and Guaranteed Salary for U.S. Medical School Faculty

Across all types of higher education in the United States, tenure has been historically linked to the concepts of academic freedom and economic security.¹ In medical schools, however, the link between tenure and a financial guarantee has changed appreciably over the past decade into something much more tenuous. In the current economic environment where medical schools operate with limited and, arguably, unstable bases of “hard” funding,² the liability of a financial guarantee to tenured faculty presents schools with a fiscal risk they often must manage. Accordingly, schools continue to revise their policies and increasingly provide no financial guarantee at all, or when they do, it is on a much more limited basis. This *Analysis in Brief (AIB)* presents data on the current relationship of the financial guarantee associated with tenure for both clinical and basic science medical school faculty, and how that relationship has evolved over time.

Methodology

Data in this *AIB* come from multiple sources. In summer 2008, the AAMC fielded a survey of faculty personnel policies of all U.S. medical schools accredited by the Liaison Committee of Medical Education (n=126, at that time). In the survey—which has been fielded every three years since 1994—medical school deans or designated

Table 1: Number and Percent of Institutions with Various Relationships between Tenure and Financial Guarantee for Faculty at U.S. Medical Schools, 2008

Response	Clinical Faculty	Basic Science Faculty
	No. of Institutions (%)	No. of Institutions (%)
Tenure has a specific financial guarantee	49 (44)	59 (50)
<i>Total institutional salary</i>	3 (6)	7 (12)
<i>State-funded base salary</i>	13 (27)	14 (24)
<i>Base salary, otherwise defined</i>	22 (45)	23 (39)
<i>Fixed dollar amount</i>	4 (8)	7 (12)
<i>Amount referenced to an internal standard</i>	5 (10)	6 (10)
<i>Amount referenced to an external standard</i>	2 (4)	2 (3)
<i>Subtotal in above categories</i>	49 (100)	59 (100)
Financial guarantee is not clearly defined	9 (8)	12 (10)
Other	7 (6)	3 (3)
No financial guarantee	46 (41)	45 (38)
Total for all	111* (100)	119 (100)

*Number reflects the total number of institutions offering tenure at the time of the survey in 2008.

staff members answered questions about faculty policies and procedures related to appointment, tenure, and compensation structures. The survey received a 100 percent response rate. These 2008 data are supplemented by data from previous administrations of the survey, institutional faculty policy documents (e.g., faculty handbooks), and personal communications with medical school faculty affairs administrators.

Results

Clinical Faculty

In 2008, of the 111 medical schools that offered tenure for their clinical faculty, 46 (41%) had no financial guarantee associated with tenure (see Table 1). Of the 49 (44%) schools that did offer some type of guarantee to clinical faculty, only 3 (6%) offered total institutional salary. Most often, schools provided a base salary (state-funded or otherwise defined). The

¹ “Tenure is a means to certain ends; specifically: (1) freedom of teaching and research and of extramural activities, and (2) a sufficient degree of economic security to make the profession attractive to men and women of ability.” AAUP, *1940 statement of principles on academic freedom and tenure*. Available at: <http://www.aaup.org/AAUP/pubsres/policydocs/contents/1940statement.htm>. Retrieved August 21, 2009.

² Across institutions, “hard” money (i.e., from state/local support, tuition, and endowment) comprises 14.7% of medical school revenue (17.7% for public; 10.9% for private). Source: LCME Part 1-A Annual Financial Questionnaire (2008). Available at: https://services.aamc.org/mepsreports/index.cfm?fuseaction=AnnualReports.Download&file_id=24376

percentage of schools offering no financial guarantee with tenure for their clinical faculty has steadily increased over the past decade: in 1999, 29 percent of the medical schools offered no financial guarantee with tenure³; in 2002, 36 percent had no guarantee⁴; and in 2005, 38 percent had none.⁵

Basic Science Faculty

Of the 119 schools that offered tenure for their basic science faculty in 2008, 45 (38%) had no specific financial guarantee (see Table 1). Of the 59 (50%) schools that did offer a specific financial guarantee, 7 (12%) offered total institutional salary, and, similar to clinical faculty, schools making a partial financial guarantee most often offered some type of base salary. The percentages of schools that had no financial guarantee associated with tenure for their basic science faculty has also increased over the past decade: in 1999, 24 percent had no guarantee⁶; in 2002, 31 percent had none⁵; and in 2005, 35 percent had none.⁴

In addition to the increased percentage of schools offering no financial guarantee with tenure over the past decade, results from the 2008 survey indicate that 15 schools were actively considering revising or clarifying what portion of compensation is guaranteed by tenure for at least some of their faculty.

Discussion and Conclusion

As economic trends have changed and exacerbated the financial uncertainty and volatility under which medical schools operate (e.g., decreased state

and federal support, reductions in clinical revenues from changes in the health care marketplace, etc.), more schools have redefined and limited the financial guarantee associated with tenure for their faculty. Now 4 in 10 medical schools offer no financial guarantee. Clinical faculty compensation structures are increasingly tied to performance and productivity. Basic science faculty are increasingly expected to cover a portion of their salary through external grant funding.⁵ These changes in the institutional liability to faculty—in which tenured faculty can have their salaries reduced, in effect, to zero—raises the question of what the economic security component of the concept of tenure really refers to for medical faculty.

In fact, some institutions explicitly acknowledge this change by incorporating the term “tenure of title” into their institutional policies for some of their faculty. For example, at Drexel University College of Medicine, “Faculty members who acquire *Tenure of Title* at the college hold that designation as an honorary title at the discretion of the college, and without any right to, interest in, or expectation of any compensation or other property right.”⁷ At the University of South Florida College of Medicine, “*Tenure of Title* is an honorary title granted at the discretion of the college without any right to, interest in, or expectation of any compensation or guarantee for compensation or future employment and is granted only in the department in which the faculty member has his or her primary appointment.”⁸ These tenure

designations open up new questions. Are faculty members measured by the same requirements as those with tenured appointments who do have some associated financial guarantee? What does tenure mean for these faculty going forward?

This shift in policy is an explicit alteration of the economic security component of tenure, as originally outlined by the American Association of University Professors in 1940.¹ These trends of limiting financial liability by either not offering or restricting the financial guarantee associated with tenure for faculty are likely to continue to evolve in the future in order to align better with the uncertain and tenuous economic realities that medical schools continue to face.

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³ Jones RF, Gold JS. The present and future of appointment, tenure, and compensation policies for medical school clinical faculty. *Acad Med.* 2001;76:993-1004.

⁴ Unpublished data from the 2005 AAMC Faculty Personnel Policies Survey (www.aamc.org/facultyepersonnel/policies). Retrieved August 21, 2009.

⁵ Bunton SA, Mallon WT. The continued evolution of faculty appointment and tenure policies and U.S. medical schools. *Acad Med.* 2007;82:281-289.

⁶ Liu M, Mallon WT. Tenure in transition: Trends in basic science faculty appointment policies at U.S. medical schools. *Acad Med.* 2004;79:205-213.

⁷ Policy available at: <http://www.drexelmed.edu/Home/FacultyAffairs/TenureandSabbaticalPolicies/TenurePolicy.aspx>. Retrieved January 4, 2010.

⁸ Policy available at: <http://hsc.usf.edu/facultyaffairs/COMAPTGuidelines.htm>. Retrieved January 4, 2010.