



April 19, 2021

Re: Externally commissioned gender-based pay equity study report

The Joint Diversity and Equity Committee's (JDEC's) primary task since the last report, dated July 27, 2018, has been to commission a pay equity study on MRU's full-time faculty members. As part of this process, the Board of Governors of Mount Royal University and the Mount Royal Faculty Association entered into a Memorandum of Understanding (p. 145 of the 2018-2020 Collective Agreement), tasking the JDEC to work with an external consultant to "conduct a Pay Equity Review to assess equity in the area of compensation amongst Faculty members regardless of gender."

We acknowledge some challenges with the search for an external consultant. The initial request for proposals only garnered one response, which far exceeded our available budget, and, after an interview, it was deemed unsuitable for the environment or population. Following the Request for Proposals (RFP) process, Canadian Equality Consulting (Marcie Hawranik, Principal) was referred to the JDEC. After an interview, and in spring 2019, we contracted with Canadian Equality Consulting to complete this work. The committee's intention in contracting this work was to take a first step in the larger goal to explore pay equity and assess gaps in institutional data collection and processes.

The study was designed to entail three sections: 1) a statistical analysis of MRU's HR data, to be provided by MRU to the consultant and analyzed by the consultant; 2) a survey of all full-time faculty to ascertain their perceptions of pay equity; and 3) a review of the Collective Agreement and relevant MRU policies. MRU provided current HR data to the consultant in April 2019. The survey of full-time faculty members was conducted the summer and fall of 2019, and was considered a supplement to the quantitative data. An initial draft of the study was delivered to the JDEC in November, 2019 and several limitations were identified by the committee. JDEC worked with the consultant to resolve these limitations and a new draft of the study was received on August 16, 2020. The JDEC redoubled its efforts to work with the consultant and to provide further feedback. A final version was received October 20, 2020.

Attached to this letter is the *Pay Equity Study* submitted by Canadian Equality Consulting.

The full report, with some redactions for reasons of privacy and confidentiality, is being released to the community, in the interest of full transparency. These redactions were performed by the university's FOIP officer, in compliance with the FOIP statute, and not the JDEC. Though the

process has been challenging and the consultant's report has limitations, which will be identified below, the report does identify issues that are important to the university and pay equity. There are a number of important broad recommendations that have emerged from both the process and the consultant's findings. In the following section, we outline specific steps that could be taken to improve the assessment of pay equity as well as implement relevant recommendations.

We recommend:

- **Salary Anomaly Identification and Resolution Process**
 - A salary anomaly identification and resolution process should be developed by the university
- **Data Analysis**
 - Conduct additional regression analyses using internal HR data, leveraging the learnings that the committee has had with respect to how the dataset can be best constructed
 - In addition, performing more rigorous analyses, such as Decomposition Analysis (Blinder-Oaxaca Decomposition) that is specifically designed to delineate pay gaps due to position characteristics (experience, performance, education) from discriminatory (unexplained) aspects
 - Regular analysis of full-time faculty salaries by internal processes using the aforementioned improved dataset
- **Data Collection**
 - Collection of more intersectional data for analysis. Intersectional analysis of institutional data once more detailed demographic information is collected/available in a sustainable manner.
 - Continual collection of qualitative data in order to explore the faculty experiences associated with equity and diversity
- **Topics for further exploration**
 - Further explore the importance of initial grid placement and time to promotion (i.e., associate to full professor) as potential roots of pay inequity
 - With the understanding of the influential role Chairs hold in both hiring and salaries, that the university consider implementing training or support for Chairs to manage such transitions

The external consultant's report found that there is "pay inequality on the basis of binary gender" (p. 5). These results warrant more nuanced conversation and explanation. The pay difference displayed in the regression results represents an average difference at one snapshot in time. This difference does not exist for every woman full-time faculty member. There may be individual cases where the difference is greater than the average as well as individual cases where women make more than comparable men. The importance is that a general, on average, difference was identified that warrants more fine-grained assessment. An anomaly identification process will need to follow up this preliminary analysis to identify those individuals to whom this would apply.

This high level picture is corroborated by subsequent institutional analysis. It should be noted that salary anomalies at the department or discipline level of analysis were not examined. In addition to the level of analysis, we have many concerns with the methodology of the analysis and the interpretability of the results.

The gender difference in salary is inconsistent across faculties and the pay inequity represents an average. These results warrant more nuanced conversation and explanation. The difference is not the case for every female professor. The importance is that a general, on average, at a particular point in time, difference was identified. However, an anomaly identification process needs to follow up this preliminary analysis. Further analysis is necessary in order to identify potentially anomalous cases of pay inequities. In addition, at MRU, as we know, full-time faculty are compensated using a grid-based system, and so, as a general rule, pay corresponds exactly to particular grid steps. This means that an overall average is driven by a proportion of individuals at a particular grid step, and therefore two particular areas emerged as potential sources of inequity that need further examination: initial grid placement and length of time to promotion to full professor.

In that regard, we believe it is important for the JDEC to document what we see as outstanding issues in the study:

- In the statistical analysis of the report, there were numerous technical issues, ranging from interpretation of the data to the conduct of the analysis, some of which resulted from misunderstandings due to the complexity of the data provided. The historical data provided to the consultant was limited in its uniformity due to coding changes that took place as a result of the move from the 'old' grid to the 'new' grid. The final analysis relied solely on current data, and not the historical information.
- The Collective Agreement and policy analysis, unfortunately, misunderstood many key provisions in our Collective Agreement and included many policies that do not apply to faculty members (e.g., the Management/Exempt PD policy, the Staff Recruitment and Selection Policy, and the Maternity/Paternity Leave Policy), and was therefore not included in the final report.
- Terminological issues, for example, inconsistent labelling of credential levels in conflict with CA terminology.
- Issues of process/policy understanding, for example, misunderstanding the tenure and promotion process that applies to full-time faculty (and is typical in Canadian universities), references to "job descriptions" for faculty (which is atypical in the university context). For example, "years to promotion" is a different concept within the tenure process, compared to other industries, but this distinction was missed.

The committee thanks the whole community for your patience with this process. We feel that the recommendations suggested above are critical to guide next steps in the process of exploring pay equity for the university and MRFA.

Sincerely,

MRU Board of Governors' Representatives

Rhonda Cooper-Burgess Manager, Academic Initiatives
Evan Cortens Institutional Research and Planning
Jennifer Pettit (co-chair) Faculty of Arts

MRFA's Representatives

Tom Buchanan (co-chair) Department of Sociology & Anthropology
Christian Cook Academic Development Centre
Rachael Pettigrew Department of General Mgmt. & Human Resources

Encl: *Mount Royal University Pay Equity Study* by Canadian Equality Consulting