

PLANNING

A SEVENTH-DAY ADVENTIST HIGHER EDUCATION REMUNERATION STRUCTURE FOR THE TWENTY-FIRST CENTURY

By Richard Osborn

Seventh-day Adventist higher education in the North American Division is currently experiencing some of its greatest days, however, it also faces a number of challenges. As it has grown during the last decade, one of the greatest challenges has been to find qualified, committed Adventist professors with doctorates.

While thinking about this problem, let's focus on three major trends in the Church: institutionalism, the grayling of the professoriate, and denominational remuneration structures.

Institutionalism

George Knight, a professor at the Seventh-day Adventist Theological Seminary, has highlighted the work of sociologist David Moberg, who argues that churches founded in America go through the following five stages: (1) incipient organization, (2) formal organization, (3) maximum efficiency, (4) institutionalism, and (5) disintegration.¹

Polls of lay people, church leaders, pastors, and educators around the division indicate that most feel we are in stage four—institutionalism—headed for stage five—disintegration—if we are not careful. I would suggest that, although the Church relies on institutions to carry out its mission, institutionalism represents one of our greatest risks. Why?

During this stage, formalism drains the group's vitality. According to Moberg, its leadership comes to be "dominated by an established bureaucracy more concerned with perpetuating its own interests than with maintaining the distinctiveness that helped bring the group into existence." Administration tends to center in committees and boards that often become self-perpetuating. The church becomes a "bureaucracy," with mechanisms of the group's structure largely becoming ends in themselves.

For individuals at this stage, doctrinal platforms become "venerated relics from the past," and for most "worshippers" organized worship gradually degenerates into a repetitive ritual. At this stage, the institution "has become

the master of its members instead of their servant, making many demands upon them, suppressing personalities, and directing energies into serving the organizational church."

The human resource implications of a stage-four church caught up in institutionalism represent one of the greatest challenges for North American Adventists in the twenty-first century.

Using data from research by Monte Sahlin, we discover that only about 65 percent of our members can be considered "attending" members, if limited to those who attend church at least once a month. If we add a faithful tithe to our definition, the percentage decreases even further. In addition, about 20 percent of our members are from the World War II generation, which is now retired and thus ineligible for church employment.²

What are the human resource implications of these figures? We are looking at a human resource pool of only around 450,000 members from which to draw workers for a large institutional structure.

Graying of the Professoriate

Let's look at the second trend. The September 3, 1999, issue of *The Chronicle of Higher Education* contained an article titled, "The Graying Professoriate," with the following lead paragraphs:

The aging of the American professoriate is no secret in academe, but just how gray has it become? A survey has found that nearly a third of the nation's full-time faculty members are 55 or older, compared with about a quarter of them a decade ago.

Over the same period, the survey shows, the proportion of college professors who are under 45 has fallen from 41 per cent in 1989 to 34 per cent today.

Recently John Brunt, vice president for academic affairs at Walla Walla College, gave a startling report to his board that could be repeated at other Adventist colleges. His fundamental premise was that the most serious threat to the spiritual mission of a college is a lack of qualified and committed faculty. The average tenure track faculty member at Walla Walla today is fifty-one years old and has worked there for an average of sixteen years. In comparison, twenty years ago the average faculty member was forty years old and had eight years of residency. Overall, the faculty has aged

eleven years over a twenty-year period. Brunt suggests that a great shortage exists of committed Adventists already possessing doctorates or currently working on doctorates to replace those retiring in the next few years.

In the next fourteen years, we'll need to find around 500 professors with doctorates just to replace retirees. In addition, we will need personnel for administration, support areas, and other functions. Furthermore, all of our campuses are trying to hire more individuals from ethnic backgrounds and females doctorates—a great need in the public marketplace for universities and the corporate world, as well—which raises the price of those individuals.

What will it take to attract Adventists currently working on doctorates to work for the Church?

Remuneration Structures

A college teacher generally starts low in the pay scale, with only about 30 percent reaching full professor status late in their careers. In contrast, a pastor or K-12 teacher can reach maximum pay in seven years. In terms of career earnings, a college teacher paid more than a pastor or K-12 teacher only during the last few years of his or her career might actually have lower or equal overall compensation.

The new NAD retirement plan (see above, pages 33-35) complicates the issue. If you begin your career later because of spending several years in graduate school, under the Defined Contribution Plan, you will have considerably less money in your retirement bank at the end of your career. For example, a pastor starting at twenty-two years of age could end up with \$1.3 million in his retirement account at the end of a full career. But if the same individual didn't begin until twenty-seven years of age (typical for a young person working on a doctorate), he would have only \$990,000—a difference of \$310,000.

Solutions

Higher education remuneration has been a topic of discussion for many years. Recently, the North American Division Higher Education Cabinet (NADHEC) heard three formal presentations on surrounding issues. The cabinet voted unanimously to establish a task force to give further study. The task force received a formal recommendation from the Seventh-day Adventist

College and Business Officers (SDACUBO), and that advice formed the basis of their report (see sidebar). NADHEC approved the recommendations in February, 1999, but sent back a few issues for further study.

A number of questions related to this proposal have been raised. Since the Church's subsidies to Adventist colleges are produced from tithe dollars raised by local pastors, will the pastors continue to support tithe giving if another category of employee receives more than they do? Will we have growing jealousy between workers? Will the pressure increase to raise the salaries of all workers in order to achieve parity? Will this market-driven salary rate, even though based on a sacrificial Christian college average, result in a decline of a service ethic and culture that has existed in our Church for most of its history?

Although this proposal suggests that no further subsidies will be granted from the Church for higher remuneration, what will happen if a college needs a "bail out?" Will compensation levels based on averages at other Christian colleges lead to even higher averages, similar to what happened in Adventist health care? Will higher remuneration in higher education worsen the "brain drain" from other Adventist employment areas? Should we recognize that some areas of church employment—such as higher education—may require higher salaries?

How do we keep our church work force unified while recognizing the needs of the twenty-first century? How can we best accomplish God's will to provide quality, service-oriented, Christ-centered Adventist higher education to the twenty-first century student? Where will we get our next generation of professors with doctorates? Can we recreate the culture of service that earlier generations had?

Notes and References

1. George Knight, "Adventism, Institutionalism, and the Challenge of Secularization," *Ministry*, June 1992, 6-10, 29.
2. Monte Sahlin, *Trends, Attitudes and Opinions in the Seventh-day Adventist Church in North America* (Lincoln, Nebr.: Center for Creative Ministry, 1998).

Richard Osborn is vice president of education for the North American Division. He delivered a longer, unedited version of this presentation at the North American Division Year-End Meeting in Silver Spring, Maryland, November 2, 1999.

A Summary of NADHEC Recommendations on Higher Education Remuneration February 1999

A. Annual Report. Annually, all colleges and universities will submit information to the North American Division Office of Education about the total salaries/benefits paid faculty and administrators in a format similar to that used by the *Chronicle of Higher Education*.

B. Proposed Wage/Benefits for Higher Education.

1. Staff: Support staff remuneration will be in harmony with local parity.

2. Administrative/Faculty Remuneration: The ceiling for each faculty member's remuneration including benefits will not be more than the average for similar Christian institutions, regionally based, using the Carnegie classification.

3. Benefits: Employee benefit plans will be in harmony with local parity.

4. Performance Standards: Adjustments to remuneration will be based on performance standards and accountability.

5. Funding: Funding for adjustments in remuneration will be derived from existing revenue sources.

6. Implementation: Each institution's administration will report to the Trustee's Finance or Compensation Committee on implementation on an annual basis.

7. Annual audit: Boards will receive an annual audit report of salaries/benefits for each employee.

8. Common Source for Determining Regional Averages: The North American Division Office of Education will pursue a national contract with the College and University Personnel Association (CUPA) or John Minter to have a common source to determine regional averages.

Source: Richard Osborn.