

X. Equal pay for knowledge workers in academia: an unrealistic proposition

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Knowledge worker, an idealistic call or just another job

This chapter argues for unequal pay among knowledge workers in the academic labour market, specifically. The academic labour market is a unique case as knowledge workers are expected to work independently, the academic workforce is highly trained, and some specialized knowledge workers are very hard to recruit. Moreover, academia is predominantly funded by the taxpayers, at least in a Norwegian context, and the use and misuse of taxpayer money is indeed a topic of public interest.

The study of pay equity has a long history (Barbezat 2002; Weick 1966). There are convincing arguments for introducing equal pay in academia specifically, as all knowledge workers, at least on a perceived level, seemingly do the same job. That is, knowledge workers teach students, conduct research, and participate in public debates. Should such jobs not be rewarded in a uniform manner? Many academics do not view their profession as an ordinary job, but rather as a call similar to the call of religious leaders or artists. Many academics express that they are less concerned with pay but place high importance on the content of their work. Some academics describe their jobs as indistinguishable from a personal hobby as the job allows them to be paid to follow their interests.

Clearly, some academics are, according to some measures, more successful than others. Some academics have “the magic touch of Midas”, seemingly making any project they are involved in successful. The dynamics of success in academia is indeed a complex issue as it is a combination of many factors such as opportunities, timing, and simply luck. Being at the right place at the right time can make all the differences. Rewarding people according to luck does not seem like a meaningful proposal. Clearly, equal pay for all would eliminate much discussed problems associated with gender pay gaps (Arvanitis et al. 2011; Baker 1996; Barbezat and Hughes 2005; Barnard 2008) and other unfair biases (Neumark 1988; Melly 2005). Moreover, perceived pay fairness is a much studied area (Rambo and Pinto 1989; Till and Karren 2011; Rasch and Szytko 2013) and a regime of equal pay would eliminate the disgruntlements and dissatisfaction of individuals who do have their pay rise claims accepted during appraisals. As will be discussed herein, the proposal of equal pay is indeed not as straightforward.

This chapter on equal pay in academia starts by discussing the needs for differentiation between knowledge workers by the means of incentives. Incentives are justified as a motivator for the individual, as a control mechanism for the organizations and quantifier of interest in the competition for talent across organizations. Next, various types of incentives in academia are discussed where non-monetary incentives such as honours and special privileges are contrasted against monetary incentives. It is concluded that unequal

pay is the most pragmatic incentive as it is both operationally feasible for the organization, sustainable as a resource and may benefit the entire family unit of the knowledge worker.

Do we need incentives?

Currently, it is possible to identify a wide range of monetary and non-monetary incentives that are actively used in academia, and for good reason. Incentives in academia have also been addressed in the research literature (Hansen and Guidugli 1990; Sandnes 2018). As illustrated in this section, incentives, especially unequal pay, can be viewed from many perspectives, namely for motivating individuals to generate results, as a leadership tool to persuade and change behaviour, and to win in the competition for the most talented academics.

Unequal pay for individual motivation

A key driving force for individuals is motivation, and much has been written on this topic (Law et al. 2009). Academics indeed report feeling the satisfaction of seeing their students succeed and achieve research breakthroughs. Many academics are intrinsically self-motivated by such achievements. But extrinsic motivations are also important for academics. Receiving praise for good teaching and ground-breaking research, seeing papers being published, getting awards and honours, and pay raises are elements that motivate us. Much has also been written about the perceived fairness resulting from the match or mismatch between pay level and achievements (Rambo and Pinto 1989; Till and Karren 2011; Rasch and Szytko 2013). Also, the perception of moving forward after years of employment, that is, reward for loyal service, should not be underestimated. Extrinsic motivations have also been criticised for often causing pressure (Chang 2003), and some claim that the brain does not perform well under pressure.

Unequal pay as a tool for change

Academia is an unusual workplace with strong traditions and values of academic freedom (Altbach 2001) where most knowledge workers are very self-driven, self-motivated, and independent (Goode 2007). Some would even argue that academia would survive without leaders. It is also much harder to lead a workforce of very independent workers (Middlehurst 1993) as they are trained to be critical and trust their own judgements as opposed to those of others (Corley and Eades 2004). Instructions, or orders, are easily perceived negatively. Yet, some level of control is unavoidable even in academia due to changing circumstances in society, political signals, political situation, and external factors affecting the funding situations. Incentives are therefore a tool that can be used to impose a change in behaviour. Simple examples include getting academics to cover courses due to sickness, colleagues leaving, or increase in student numbers giving them increased workload for a limited period. With increased workload the knowledge worker has less time for his or her own, perhaps more fun, projects. Other additional and time-consuming tasks include examinations, committee work, mentoring of colleagues, etc. A study by Jacobson (1989) showed that pay incentives had a positive effect on attendance and on reducing sick leave. Without incentives, how can we possibly get workers to take on extra work? This question may also be reversed: Why should it not be possible to obtain more pay if a worker has more pressing financial needs? For example, supporting a family with young

children can be costly, but the raising of children is an activity that also benefits the entire society. It will probably not be perceived as unfair if someone received a higher pay in compensation for extra work. However, an interesting question is whether colleagues will accept if some colleagues receive more pay than themselves for such well-justified reasons without putting in extra work, that is, pay according to differentiated needs? From a more critical perspective, there is a risk that pay according to differentiated needs could be abused and raise negative and demotivating perceptions among colleagues. Families with young children may of course be compensated through other means such as tax deductions or other government-administered financed privileges. This raises the question of whether the responsibility of compensating young families, or families with special needs lies with the employer, the government, or simply the private household. Moreover, the role of the welfare state and its economic sustainability is a topic of much debate (Castles 2002).

Another strategic application of incentives includes making academics change the content of what they do. For instance, several countries have introduced distinguished teaching fellows rewarded for focusing specifically on quality in education. In Norway, the government has introduced financial incentives for increased publishing in general, and for publishing in certain types of prestigious journals more specifically (Haugen and Sandnes 2016; Sandnes 2018). The official intention was for this to be a group incentive. Most of the large public institutions have utilised the incentive at group level while a handful of smaller private institutions have rewarded individuals directly. Clearly, receiving personal financial rewards for publishing efforts is indeed noticed and appreciated by the individual, while the group incentives may remain invisible to the individual. Some knowledge workers in Norway are even unaware of the publication incentive system. Some productive researchers may even perceive the collective use of such incentives as unfair and demotivating if less productive colleagues in their research group benefit more from the incentives than themselves. These incentives have been much debated and criticized, but undisputedly they have worked as publications have increased nationally as intended since the introduction of the incentive system (Sandnes and Grønli 2018; Sandnes and Brevik 2019).

Competition and unequal pay

Academic organizations are in constant competition with each other in terms of resources, attention, and talent. Pay is a much-used incentive for attracting employees with attractive academic profiles, and much has been written on the topic of pay and recruitment (Metcalf et al. 2005; Lewis and Durst 1995; Ballou and Podgursky 1996, 1998). In this regard, academia is not much different from other labour markets. One may speculate that academics may be less affected by a prospective pay when considering employment compared to other professions; however, it would be naïve to claim that pay is of no importance. An academic is likely to consider issues such as geography in relation to their family. Especially for academics who have established a family, the work-life has to co-exist with private life. Next, the actual content of a given position is probably of high importance to ambitious academics. A position with certain responsibilities and with opportunities to create something new and influence may be appealing to many. Yet, pay is also important as money is needed to live and set up a home and support a certain lifestyle. Academics have been known for changing employers for the purpose of obtaining higher pay.

Some academics develop and become more valuable to the organization over time. Some strike gold in their research and become national or international leading researchers who are also highly attractive collaborators. Such academics generate large streams of income and positive reputation for the organization. It is fundamentally good business practice for an organization to take careful steps to keep such employees in order to maintain the stream of income. Clearly, monetary reward is one pragmatic way of keeping valuable employees.

Another interesting case is academics who have served as leaders in the organization. Clearly, leaders generally receive a higher pay than others proportional to their responsibilities and inflexible work situation. Having an inflexible work situation is costly as one may have to privately choose more expensive options such as travelling during high peak periods. An inspection of pay formation among academics in Norway (Sandnes 2018) reveals that academics who have held leadership positions within the organizations for some time get to keep part of their leadership pay once they return to their ordinary academic position without leadership responsibilities. This is evident when inspecting the pay of former rectors. Why is this so? One explanation for this phenomenon is that academics who have served as leaders expand their competences and skill sets, and this leadership experience is useful for the organization even when the individual no longer is a leader on active duty. Most individuals who have been leaders do change and become more responsible and aware of their surroundings in the organization and get a more complete understanding of the workings of the entire organizations. Such individuals become small support beacons that help their fellow colleagues and local leaders by sharing their experience through advice.

Although the pay of former rectors constitutes examples of visible outliers in terms of pay, this phenomenon is more fine grained as the appraisal systems in Norway rewards a multitude of experiences such as committee work, entrepreneurial work, establishing new units, creating new innovative study programmes, etc. Academics can accept various opportunities and responsibilities that lead to valuable experience and insight that are of high value to their own and other organizations. In fact, the academic environment is more diverse in terms of the actual work that needs to be done than one would imagine, and incentives are probably the only way to get this work done. All knowledge workers do not all do the same job.

Pay versus other incentives

The discussion so far has identified the diversity of the work needed to be done in the academic environment, and that incentives are probably the most effective means to get these jobs done. Nonetheless, incentives can constitute more than just unequal pay.

Honours

Academics are seemingly obsessed with titles and honours, and the allocation of a fancy title can serve as an incentive. Academics worked hard to earn their doctorates and put in much effort to qualify to become full professors. Memberships to journal editorial boards, PhD-supervisor responsibilities, and best paper awards are often flagged as medals on a military uniform. Providing intermediate titles such as coordinators, experts and chairs

motivates individuals, and many are eager to add such titles to their name without remuneration. Fancy titles help in our quest to collect acknowledgement and admiration from our peers. A fancy title that goes with a job announcement may also sway potential job applicants in a positive direction. One drawback of honours is that they are not sustainable and should be used sparingly to avoid losing their perceived value through title-inflation.

Publication lists are a curious phenomenon in academia. Publication lists serve as a self-driven extrinsic motivator – the longer the list, the higher the status. Institutions often flag academics' publishing merits via lists. These acknowledgements of achievements serve as a type of incentive even when they are not associated with any monetary reward. Such acknowledgements are indeed also sustainable.

Special privileges

Incentives can be utilized by allocating special privileges such as more flexibility in work conditions, a better office, higher priority in given allocation tasks, or special resources such as equipment. Unlike pay, special privileges cannot usually be brought home from work, but benefit the academic with their work. Increased work flexibility can be crucial for academics with young children or with responsibility with family members who need special care – this may be a strong incentive for a job applicant with young children. Special privileges can indeed be motivating, both practically for academics who for instance want an especially quiet office for increased concentration, and also from a vanity perspective of having the largest office with the best view to impress colleagues. Special privileges may also be used for attracting prospective job applicants and for keeping colleagues with particularly attractive profiles. A challenge with special privileges is that they are not sustainable as their availability is in finite supply. Some special privileges such as attractive offices may be hard to reallocate at short notice making this type of incentive hard to operate and use to solve immediate problems. Special privileges such as equipment may also have a momentary cost.

Differentiated pay

To provide incentives, unequal pay is indeed simple to operationalize assuming one has enough resources. It can provide the employer with much flexibility to handle uneven workloads and sudden challenges or crises. Pay is a sustainable incentive as it can be maintained over time or even increased.

A curious situation in Norway is that academics are not allowed to receive extra pay for extra work on a temporary basis unless they report their work on an hourly basis, and few academics do report on an hourly basis due to the dynamic and diverse nature of the academic work. One effect of this is that one temporarily employs academics at other institutions to conduct these jobs as the limitations do not transfer across organizational borders. Such jobs typically include grading of exams, committee work, and teaching. Although external representation often is formally required with the purpose of serving as a “fresh set of eyes” in committees or national alignment of examinations, institutions often employ external help to simply handle large workloads. The net effect is that most academics get extra pay for extra work, but from secondary employers. Does work done with secondary employers count towards unequal pay when one is in the same academic ecosystem?

Most Norwegian academic employers will accept that employees take on paid tasks such as serving on national or international panels and accreditation committees during formal working hours, while in certain countries the income resulting from such tasks goes straight to the employer if this work is done during formal work hours. Such differences may influence an individual's decision to accept such duties or not. Sometimes accepting such duties leads to learning new things and positive reputation if the duty is of a prestigious nature.

Publishing incentives in Norway have been implemented, ranging from benefitting a group, directly allocated as a resource at the workplace, or as an economic bonus in pay. Clearly, incentives that benefit the group may not stimulate an individual to increase their productivity; in fact, it may have the opposite effect. A direct personal reward, being it related to work or via pay, is noticeable and is more likely to have an effect.

Conclusions

This chapter has discussed equal pay in academia, especially in a Norwegian context. The chapter has attempted to explain why there is unequal pay and that there is a need to provide incentives and maintain inequality. The academia expects knowledge workers to be independent and self-driven and incentives that stimulate individual motivation to achieve results is therefore important. Despite this independence, organizations occasionally have a need to handle sudden situations that require effort and incentives can be an effective persuader. Organizations also compete for the same talent, and the highest bidder will, in many situations, win. Various forms of incentives in academia were discussed. In conclusion incentives in the form of personal pay is deemed the most pragmatic solution, both from an operational perspective of the institution and from the individuals' perspective as money is intended as a unit of easily transferrable other services and objects. People have different money needs in their different phases of life, and having the opportunity to earn a pay that matches someone's actual monetary needs seems rather logical.

The discussion herein exemplified the benefits of unequal pay in academia, yet most of the arguments are likely to generalise to a wider segment of the labour market. Academia was chosen as case for the independent nature of the work and the need for highly trained workers. However, most professions require some degree of independence and specialized training. The motivational effect of pay in academia are likely to be quite similar to how pay motivates workers in other professions. Academia is not alone in facing unforeseen situations resulting in periods of larger workload, and arguments for using pay to persuade workers to accept extra work or change behaviour is universal. Finally, all professions have workers that become invaluable to the employer. Such workers also become attractive to other employers who must compete for these attractive workers by offering higher pay. One may thus conclude that unequal pay to some degree is indeed necessary in all professions.

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Abstract

This chapter argues for unequal pay in the cultural context of Norwegian academia. Academia is an interesting case to study as knowledge workers are often idealistically driven rather than through pay. Contrary to the stereotypical views, the content of knowledge work is rather diverse. It is argued that incentives are indeed necessary for both the individual knowledge worker and the organization. Although incentives can be realised in many forms, it is argued that the incentives rooted in pay are the most pragmatic and realistic ones.

Keywords: unequal pay, incentives, academic leadership