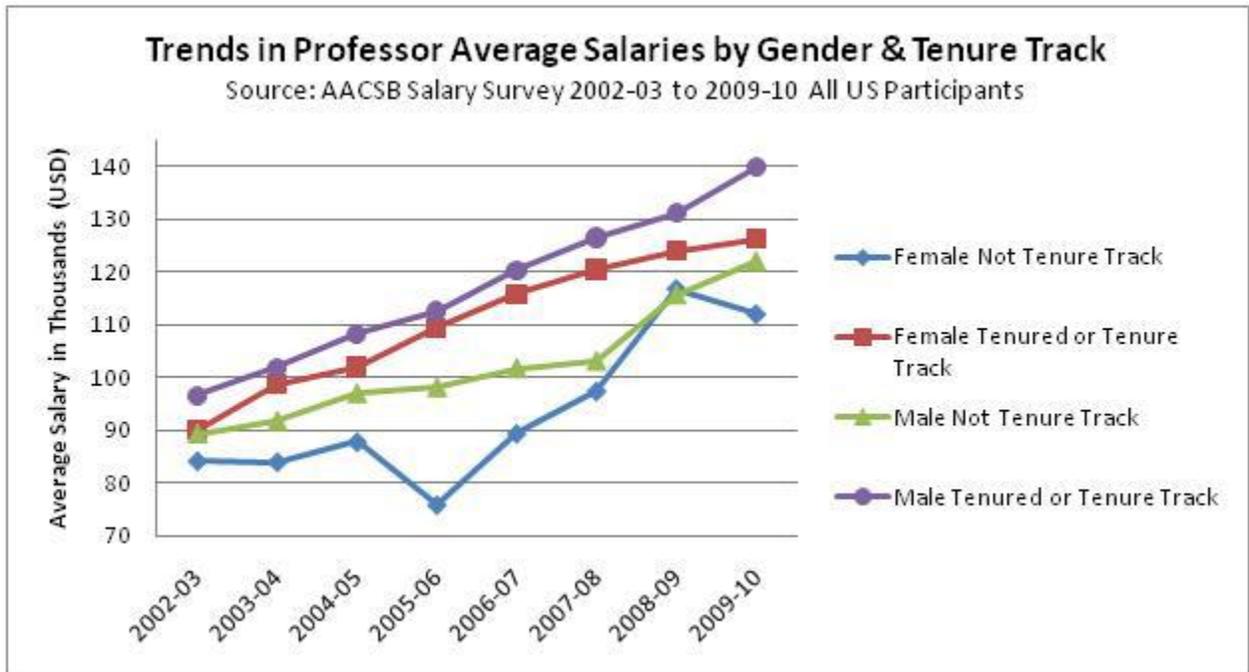


2008-2009 Business School Salary Trends

Throughout the years, business school salary data has continued to be a popular source of information. Particularly, as business school administrators recruit top faculty, and as top faculty seek to gain competitive compensation for their skills. AACSB International annually collects salary data from its member institutions around the world. The latest Global Salary Survey Report, representing 2008–09 data, examined the salaries of 30,971 faculty members and 5,924 administrators at 550 schools worldwide. This year's edition includes 28 business disciplines that are represented in 14 different currencies.

The majority of the salary trends from the last several years have continued to present themselves within the data. For example, new hires (professors, associate professors, and assistant professors) were paid higher than those that have greater seniority at their institution. Other trends, such as highly competitive new doctorate salaries have also continued. As of 2008–09, the average new doctorate salary averaged around 101,300 USD—which is just short of being equal to that of an associate professor's compensation. Another interesting data point is that new ABD hires are earning more than average instructors—likely signifying that these individuals will be applying their research abilities. Further, professors in tenured and tenure-track positions continue to consistently receive higher salaries than those that are not. Next, the highest salaries continue to be awarded to male professors in tenured and tenure-track positions, with the lowest and most variable salaries being reported for female professors in non-tenure track positions. As seen below in Figure 1.

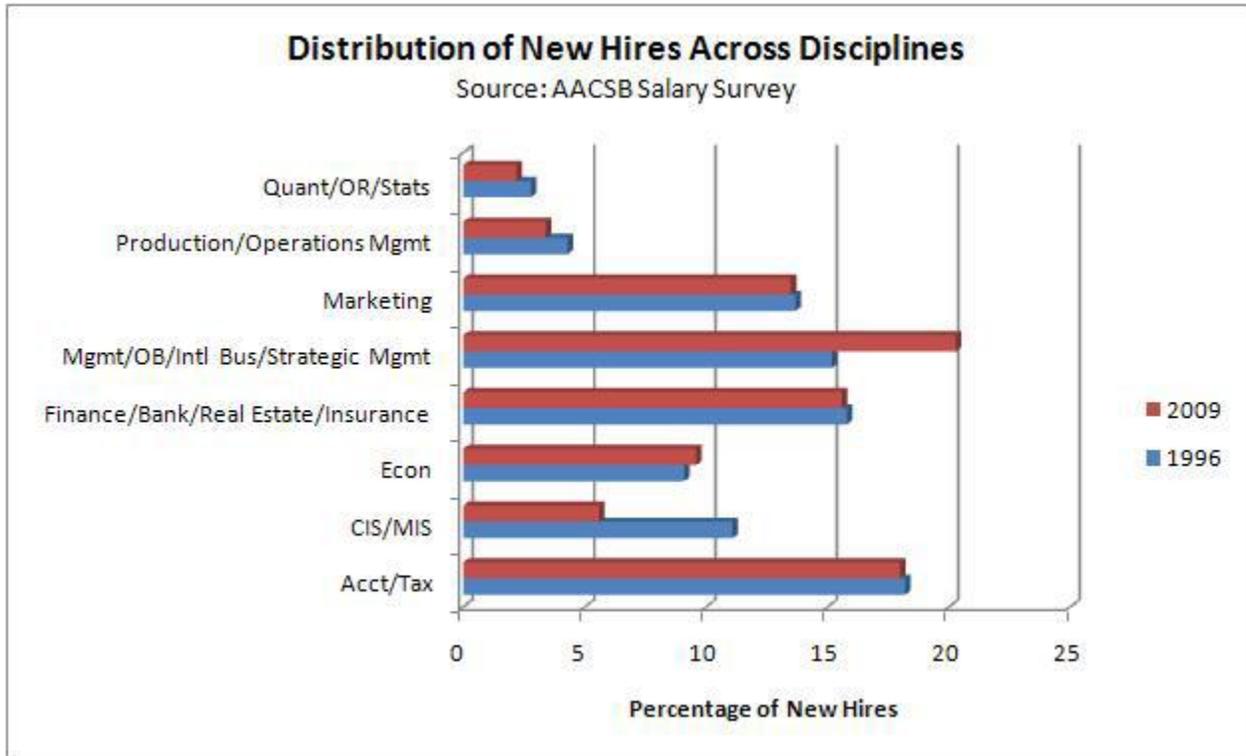
Figure 1.



Additionally, there were also large gaps in the salaries of faculty at public versus privately held schools. For example, the average salary for a professor at a private institution was 148,300 USD compared to 125,700 USD at public institutions. Overall, there have been only slight increases in salaries during 2008–09. The average full-time, nine-month faculty member across all disciplines received only a 1.7 percent increase in compensation. Whereas, in 2007 the same group experienced a 3.5 percent increase in pay.

Not only were raises on the decline, so were hiring trends. Newly hired full-time faculty increased by 6.7 percent compared to a 9.3 increase in 2007. As seen below in Figure 2.

Figure 2.



Additionally, hiring practices have seen some interesting movement during the last thirteen years. The greatest increases in new hires have been seen in fields such as management, behavioral science, international business, and strategic management. The next largest increases were seen in economics and managerial economics. The largest decreases in new hires have been in CIS/MIS—possibly because many business schools are either no longer offering these programs or moving computer/IT based courses to other schools. The second largest decreases were found in productions and operations management.