Trends and Issues
June 2021

TIAA Institute

Employment volatility in the academic workforce: Implications for faculty financial and retirement plans

Manuel S. González Canché
University of Pennsylvania,
TIAA Institute Fellow

Ji Yeon Bae,
University of Pennsylvania

Taylor K. Odle,
University of Pennsylvania

Adam Edgerton,
Learning Policy Institute

Corrinne Fahl,
University of Pennsylvania

Abstract

Job insecurity among college faculty members has become a prevalent feature of the academic workforce in the United States. Recent data released by the Integrated Postsecondary Education Data System's (IPEDS, 2019) annual survey, indicate that 77.79% of the 4.30 million contingent positions in 2019 (corresponding to the academic year 2019-2020), had appointment contract lengths of one year or less. Here, contingent appointments are defined as nontenure line appointments, which can have different levels of job security, benefits, and support (Kezar, 2013). This implies that, among contingent faculty, there is a segment who hold full-time and/or multiyear contracts, and another whose contract lengths are short term and experience the greatest deal of employment volatility and insecurity (Kezar, 2013; Kezar & Sam, 2010).

The present report differs from previous work on contingent faculty in two aspects. First, it focuses on faculty members holding the most insecure appointments: nontenure track, full- or part-time faculty holding annual or less-than-annual contracts (representing about two thirds of the total professoriate). That is, we purposefully focus on faculty holding short-term contracts. The second point of departure from previous work is its focus on better understanding the financial implications of these volatile/insecure employment conditions while also identifying challenges and strategies these faculty members have used to participate in savings and retirement plans.

Based on this brief description, the purpose of the project is to offer a better understanding of how faculty members holding volatile academic employments navigate their savings and retirement plans and to explore the implications of these short-term contracts on the overall professional and economic well-being of these faculty.

We are grateful to Penn GSEs' higher education division Master's alumni: Qiaowen Yang, Gabriel Gutierrez Aragon, Chi L. Chan, and Arkadijs Zvaigzne for their support for data preparation and cleaning of transcribed data.

Despite some resistance to participate, given the vulnerability of their employment contracts, to address this purpose we were able to recruit and interview 40 faculty members holding volatile appointments at a diverse set of institutions, as detailed below.

Literature review

Our current understanding of contingent appointment types has been greatly informed by Kezar, who has documented roles and responsibilities of nontenure-track faculty (Kezar, 2013) as well as institutional practices around hiring, evaluation, and support for these faculty members (Kezar & Sam, 2013). Despite the relevance of this past work, this line of research has placed these nontenure-track appointments under a single category without further differentiating the analyses by the effects associated with differing levels of job security, namely contract length. This point of differentiation is important, because, as Kezar (2013) mentioned, adjuncts who are contracted semester-to-semester and full-time faculty with multiyear contracts may have very different levels of job security, benefits, and support. Since the latter may have working conditions and benefits that more closely resemble their tenured colleagues (Kezar, 2013; Kezar & Sam, 2010), analyses that aggregate these experiences may not be clearly capturing the specific challenges faced by academics holding volatile appointment contracts. This lack of representativity is also a concern in quantitative studies. For example, in a recent study on job satisfaction, less than 10% of the analytic sample was configured by faculty holding nontenure-related appointments (Webber, 2018) with no information about contract length.

Aside from the important contributions by Yakoboski (2018, 2019, 2020), few researchers have focused on the influence of adjunct faculty appointments—and their contract length constraint—on adjunct faculty behaviors *themselves*, especially their financial behaviors. In his 2019 report, Yakoboski found that 64% of adjunct faculty [part-time nontenure line] reported personally saving for retirement in the previous year. Among these, 56% contributed to a retirement plan offered by a college or university where they worked (Yakoboski, 2019).

With respect to more volatile/insecure appointments, the American Federation of Teachers (2020), has recently shown that 75% of all contingent faculty respondents had positions that were contracted only from term to term, and 41% did not have confirmation of their appointment until one month before the beginning of the academic year. Moreover, fewer than half of these participants had employer-provided health insurance and 37% of these respondents said that they viewed any plan for secure retirement as inaccessible.

Despite descriptively knowing these structural conditions, little is known about how faculty holding volatile appointments conceptualize and navigate this landscape. Therefore, this study seeks to better understand how nontenure-related appointments of *short length contracts* influence the financial perceptions and retirement behaviors of contingent faculty.

A focus on the sense-making and behaviors of faculty holding insecure or volatile appointments—while recognizing the heterogenous nature of this group—could inform bottom-up, rather than top-down, practices and policies that support this important segment of the professoriate.

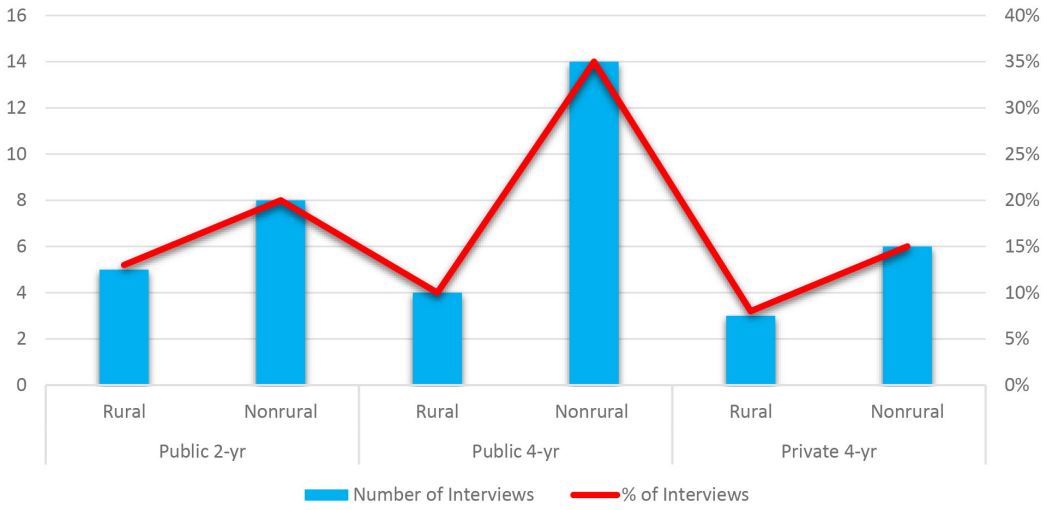
Data and methods

Description of participants

Based on our research purpose, we focused on gathering information from faculty holding annual and less-than-annual contracts—the majority of our sample (90%) held part-time appointments. Given that employment conditions, hiring, practices, and salary and benefits vary by institution type, we contacted faculty members employed at public two-year, public four-year, and private not-for-profit four-year colleges. Another important consideration for inclusion criteria was locale. Accordingly, we included institutions from both rural (town or rural as defined by IPEDS) and nonrural (suburban or urban) localities to capture heterogeneity arising from geographic differences, such as cost of living, for example.

During each site visit conducted in the spring, summer, and fall of 2019, our research team was able to conduct 40 semi-structured interviews, with each interview ranging from 50 to 70 minutes. The distribution of our participants by institution type is presented in Figure 1.

Figure 1. Distribution of participants' institution type and locale



Methods

The analyses relied on a fully mixed-methods equal design status design (Alexander, et al., 2019). In this design qualitative and quantitative methods are equally fundamental to build our understandings. First, all interviews were transcribed verbatim. Second, we qualitatively coded these transcriptions using inductive coding (Boyatzis, 1998). That is, we did not have any predetermined list of codes obtained a priori from theories, frameworks, or studies. Because of our use of inductive coding, as part of the coding process, the resulting codes were compared and refined through two additional rounds of review and deliberation.

Once these codes were finalized, we relied on Network Analysis for Qualitative Data (NAQD, see González Canché, 2019) and dynamic data analyses (Artale, et al., 2007) to map, organize, and visualize interdependent events (MOVIE) as the main analytic technique. MOVIE strengthens the transparency of the analyses by visualizing the evolution of the information provided by research participants. MOVIE also provides individual level information that allows both researchers and readers better contextualize the information provided by research participants along with measures of how relevant the information being shared by participants is in this network of responses. Another added value of MOVIE is that the relevance of a code can be captured as a function of such a code being shared by other participants (influence index) and a code may also be relevant given that such a code was quite predominant for a given actor (prevalence of a given code in an actor's discourse). The influence index in MOVIE ranges from 0 to 1, with 1 being the maximum value indicating that a given code was a prevalent concern or strategy for most or all of participants. The individual prevalence simply measures the percentage of times that a code was part of a given participant's contributions (González Canché, 2018). That is, if a code has a value of 20% for an academic, we can say that for her this code represented one fifth of her contributions to our study. Although our discussion in this report is based on the static representations of these networks, if readers are interested in interacting with these networks and observe the evolution of these pieces of information over time, a HTML version is available here https://msgc.github.io/movie/codes_codes_cat_TIAA.html.[1]

[1] To replicate the analyses, we offer access to a software to implement these MOVIE analyses here (https://movie.shinyapps.io/MOVIE/).

Findings

Our responses indicate that 29 of the 40 participants were employed at multiple institutions. The overall sample had about 60% representation of women, with a greater percentage (64%) of women being employed in a single institution. In terms of length in the academia, we found that with 54.5% and 58.6% of faculty employed at a single or multiple institutions, respectively, have been working in colleges and universities for at least 10 years.

Regarding their self-assessed knowledge of retirement plans or the retirement process in general, 55% of all participants reported feeling comfortable with their knowledge level. This percentage was higher among faculty employed at different institutions, reaching 58.6%, whereas for faculty employed at a single institution this percentage was 45.5%.

In terms of the availability of a provider in their employing institution, the most popular provider was TIAA (44.1%). Note, however, that the availability of a provider does not mean that the faculty interviewed were actively participating. Specifically, about 60% of our participants employed at multiple institutions reported that they are or have participated or are participating in retirement plans or that they have some amount in those plans, even if they are currently not contributing. Relatedly, only 45.5% of those employed at a single institution reported having participated. Health insurance participation rates are lower, with 44.8% of faculty employed at multiple institutions but only 27.3% of those employed at a single institution having a current insurance policy from their institution. Overall, about 44.8% of faculty employed at multiple institutions mentioned being worried about their ability to retire, with a lower proportion (36.4%) of those employed at a single institution expressing this concern.

Network analyses

The analyses of these relationships shown in Figure 2, indicate that adjunct faculty have different reasons for holding these type of appointments. Specifically, we can see four main groups (A) those who decided to take this appointment because they enjoy teaching (upper left side of the map); (B) those who took this appointment because it is a secondary source of income that is not their primary job (middle left side); (C) those who took this appointment because it was their first job after graduate school (upper right side); and (D) another group of four faculty who accepted this appointment because it was a full-time offer (middle right side, representing 4 of the 40 participants).

Figure 2. Main reasons for accepting a short-term adjunct position

Our analyses allows us to observe how the information shared by participants evolved. Figure 3 shows that a subset of adjunct faculty members hold these appointments because they enjoy teaching but also because they have other primary appointments. So, in a sense, one could even say that for these faculty, this appointment is an activity that they can afford to participate in because it is not their primary job. The box information displayed in Figure 2 contains the influence index of the codes “enjoy_teaching” and “adjunct_is_not_primary.” These displays indicate that “enjoy_teaching” has a much more relevant presence among the participants with an influence index of 1 (the highest) and doubles the influence of the code “adjunct_is_not_primary.” This difference in influence indicates that the enjoyment of teaching was consistently mentioned by most or all faculty members as an important code, whereas “adjunct_is_not_primary” does not apply to all participants, meaning that for a subgroup of respondents this type of employment is their primary source of income as further discussed next.

Figure 3. Influence index analyses of the codes "enjoy_teaching" and "adjunct_is_not_primary."

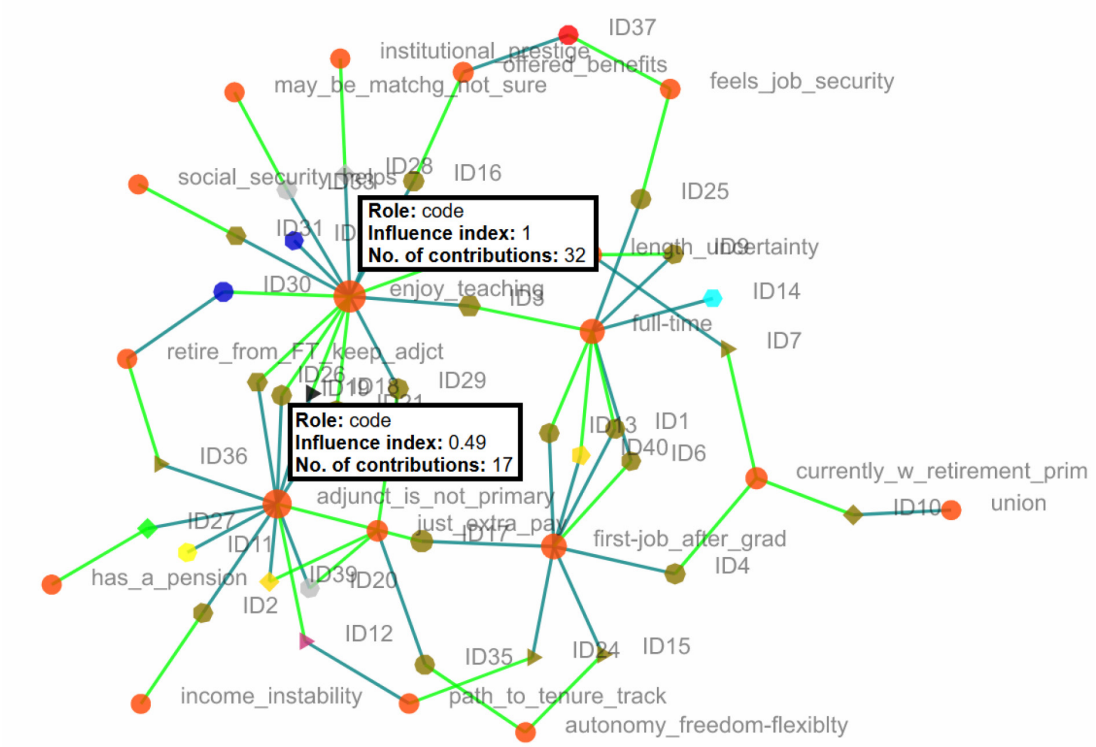


Figure 4 shows that the code representing it is "just extra pay" has a relevance of 0.7 and connects adjunct faculty members whose enjoyment of teaching is a prominent reason to accept this type of employment. From a retirement and savings plans design perspective, organizations like TIAA should consider the implications of these conditions and reasons to accept an adjunct volatile employment. That is, the needs of faculty members for whom volatile appointments are their main source of revenue may be quite different than the needs of those who treat this employment as extra pay and may have other full-time employment that offers saving and retirement benefits.

Across our analyses, the presence of unions was an important code. Indeed, the code representing the availability of unions had an influence index of 0.98 and consistently was equated to bringing more security to these volatile academic appointments.

Figure 4 also highlights another important subset of participants, those currently holding a retirement plan. This subset can be categorized as those who have a retirement account from a previous job, are eligible to participate in an employer-sponsored plan which will match their contributions, and/or have an independent savings account (which in some instances represents short-term savings for nonteaching months as described below). Additionally, we can also observe that a subset of these participants view their adjunct job as their post-retirement job. This latter group should also be considered when crafting potential plans targeting adjunct faculty members.

Figure 4. Net of codes depicting currently with retirement plans at the center

Another quite relevant code was "having independent savings" of any type. Not only did this code have an overall influence index of 0.85, indicating that for these faculty this is a prevalent strategy, but this code, along with "having an account from a previous job," connected the majority of faculty as shown in Figure 5. Considering these relationships, it is worth asking that, if faculty are saving independently, what features (e.g., tax breaks, matching, flexibility to withdraw in case of emergencies) might entice them to instead participate in formal saving and retirement plans?

Figure 5. Representation of code independent savings

An important interest that participants shared involved the possibility of having matching plans across all employing institutions. This concern resembles the idea of having or enacting a centralized savings system so that these faculty do not have to worry about changing plans when moving from institution to institution or when simultaneously employed at multiple institutions.

Although the enjoyment of teaching is an important motivator, faculty also shared concerns related to holding an adjunct appointment. Among these concerns was the notion that their adjunct position feels "degrading at times" (influence index of 0.97), mostly based on the low pay associated with the appointment and that full-time nonadjunct professors are matched double the amount that they contribute to their retirement plans (even though this 2 to 1 matching was true in the institutions sampled, this benefit varies across institutions).

To be able to participate in retirement plans, full-time adjunct faculty mentioned a number of strategies that they have used or were considering using, included getting more education or training to increase their chances of obtaining an actual full-time or even a tenure-track academic job. Notably, even though participation in the study was based on employment volatility due to short-term contracts, none of the participants mentioned securing multiyear contracts as a strategy. Another strategy that some academics mentioned was investing in real state as a strategy to generate income post-retirement. On a more negative note, some academics viewed their current short-term employment conditions as unsustainable and were considering leaving academia altogether. Without a doubt a key factor enhancing the retirement plans of these full-time adjunct faculty was the presence of a union.

Finally, among the incentives to participate that faculty members mentioned were pretax direct deductions, that is the possibility of contributing to retirement plans pretax, as well as becoming more proficient in using tax breaks and tax advantages for retirement. There were no specific discussion of Roth options in our conversations.

Discussion

This is not a homogeneous group. We detect at least two main groups: faculty who are completely dedicated to academia and hold one or multiple adjunct appointments, and faculty for whom holding these semester-to-semester or year-to-year contracts is an opportunity to make extra money. Those in the latter group are financially stable and have retirement plans available from their primary employers; some in this group go so far as to view their earnings from this employment as "vacation money" (examples include respondents ID5, ID19, ID20, and ID34).

Given these disparities, it is worth asking what the implications may be of potentially serving adjunct faculty on a year-to-year contract who have retired from their main jobs and who also may have decades invested in their retirement plans? Is there a specific screening mechanism to craft plans that serve those in actual need?

Relatedly, faculty holding these appointments as their main source of income (i.e., full-time adjunct) tend to be unable to afford participation in retirement plans even when at least one of their employers offers matching contributions. For members of this group, what some of them refer as the "not teaching season," typically the summer months, is a period of struggle; many report having to save their teaching salary during the teaching months to cope with these nonteaching months. These faculty clearly already have a savings mentality and attitude, but their need to save money for the short term precludes their participation in longer-term savings plans. Although there is little to nothing that organizations like TIAA can be do about low pay for adjunct faculty, it is important to consider that having this job as a main source of income makes it difficult to pay bills and participating in retirement plans. For example, participant ID15 said that "there is a 6% match retirement plan available to me at community college of Philadelphia. I haven't taken advantage of it because […] I don't want to give up that 6% because, uh, I don't make that much money."

Future directions

Since these groups of faculty members are not homogeneous, it would be useful to see what proportion of them nationwide hold these volatile appointments as their primary source of income and what proportions hold these appointments *in addition* to their main appointment. Moreover, one could inquire whether they consider this appointment as their retirement job (a job they can conduct when they retire from their main job, or a job they now hold in retirement). Similarly, particularly among full-time adjuncts, it would be useful to know if they have individual savings even if such accounts are intended to be used in the short term, such as during nonteaching months. Such information is a useful indicator of their overall commitment to saving money.

Although the prevalence of full-time adjunct faculty is currently unknown at the population level, developing plans with programmatic features that may benefit these academics is relevant and worth pursuing. The repercussions of the pandemic are yet to be observed, and the design of plans to serve this subset of population is perhaps needed now more than in past decades for the presence and prevalence of full-time adjunct faculty may increase as institutions face enrollment declines. Since these faculty are less costly, institutions may rely on their services even more. The long-term negative effects of temporary employment without seniority or retirement plans could be ameliorated with well-crafted plans designed to serve those most at need.

References

Alexander, E., Eppler, M. J., & Bresciani, S. (2016). Visual replay methodology: A mixed methods approach for group discussion analysis. *Journal of Mixed Methods Research*, *13*(1), 33-51.

Artale, A., Parent, C., & Spaccapietra, S. (2007). Evolving objects in temporal information systems. *Annals of Mathematics and Artificial Intelligence*, *50*(1), 5-38.

Boyatzis, R. E. (1998). Transforming qualitative information: Thematic analysis and code development. United States: Sage.

González Canché, M. S. (2018). Geographical network analysis and spatial econometrics as tools to enhance our understanding of student migration patterns and benefits in the US higher education network. *The Review of Higher Education*, *41*(2), 169–216.

González Canché, M. S. (2019). Geographical, statistical, and qualitative network analysis: A multifaceted method-bridging tool to reveal and model meaningful structures in education research. In M. B. Paulsen (Ed.), *Higher education: Handbook of theory and research, Vol. 34*. Springer.

IPEDS (2019). Employees by Assigned Position, Number of staff by occupational category, faculty and tenure status: Fall 2019. National Center for Education Statistics. Available here: https://nces.ed.gov/ipeds/datacenter/data/EAP2019.zip

Kezar, A., & Sam, C. (2013). Institutionalizing equitable policies and practices for contingent faculty. *Journal of Higher Education*, *84*(1), 56–87.

Webber, K. L. (2018, March). *The working environment matters: Faculty member job satisfaction by institution type* (*Research Dialogue* Issue No. 142). TIAA Institute.

Yakoboski, P. (2018). Adjunct faculty: Who they are and what is their experience. TIAA Institute: *Trends and Issues*. Available from https://www.tiaainstitute.org/publication/adjunct-faculty-survey-2018

Yakoboski, P. (2019). Adjunct Faculty: Personal Finances and Retirement Savings. TIAA Institute: *Trends and Issues*. Available from https://www.tiaainstitute.org/publication/adjunct-faculty-personal-finances-and-retirement-savings

Yakoboski, P. & DiCesare, P. (2020). Retirement benefits for adjunct faculty. TIAA Institute: *Trends and Issues*. Available from https://www.tiaainstitute.org/publication/retirement-benefits-adjunct-faculty

About the author

Manuel S. González Canché holds a Ph.D. in Higher Education with cognates in Biostatistics and Economics. He joined the Higher Education division as an associate professor in 2017 and serves as affiliated faculty with the Human Development and Quantitative Methods division and the International Educational Development Program. His research follows two interconnected paths. The first concerns issues of access, persistence, and success, with an emphasis on institution effects—such as 2-year versus 4-year college and distance from home—on students' outcomes. The second focuses on higher education finance, with emphases on spatial modeling and competition based on spatial proximity and spillover effects. Methodologically, González Canché employs econometric, quasi-experimental, spatial statistics, and visualization methods for big and geocoded data, including geographical information systems and network modeling.