

COMPARING NURSE FACULTY AND  
NURSE PRACTICE SALARIES  
IN THE GULF COAST REGION OF TEXAS

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A Staff Report

Prepared by The WorkSource for  
The Health Services Steering Committee\*

Houston, Texas  
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*\*The Health Services Steering Committee is a joint venture of the Greater Houston Partnership and the Gulf Coast Workforce Board committed to helping the healthcare industry find the skilled workers it needs to compete in the global economy. The Committee is presently focused on solving the registered nurse shortage in Gulf Coast hospitals.*

## COMPARING NURSE FACULTY AND NURSE PRACTICE SALARIES IN THE GULF COAST REGION OF TEXAS, FALL 2006

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### The Bottom Line

All Gulf Coast nursing schools are at a distinct disadvantage when competing with area hospitals and clinics for master's-prepared nurses. Some are at bigger disadvantages than others.

#### SALARIES IN PRACTICE SETTINGS

- Nurse practitioners in the Gulf Coast region make \$82,000 a year.
- Clinical nurse specialists make \$79,000 a year.

#### SALARIES FOR NURSE FACULTY

- Nurse faculty at the community colleges make \$66,000 a year if they work 12 months of the year, \$16,000 (20 percent) less than nurse practitioners and \$13,000 (16 percent) less than clinical nurse specialists.
- Assistant professors at the general academic universities make \$68,000 a year if they work 12 months of the year, \$14,000 (17 percent) less than nurse practitioners and \$11,000 (14 percent) less than clinical nurse specialists.
- Assistant professors at the health-related institutions make \$74,000 a year, \$8,000 (10 percent) less than nurse practitioners and \$5,000 (6 percent) less than clinical nurse specialists.

Many faculty at community colleges and general academic universities hold 9-month appointments. Annual gaps between faculty and practice salaries are even wider for nurse faculty at these institutions who don't have summer jobs to make up the difference.

Among Gulf Coast nursing schools, the community colleges are at a distinct disadvantage when competing with the others. Instructional faculty salaries in associate degree nursing programs are not competitive with those in baccalaureate and graduate programs at the general academic universities and health-related institutions in the region.

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#### Important Notes:

1. Faculty salary data are for state fiscal year 2006 (Fall 2005, Spring and Summer 2006).
2. Practice salary data come from a 2005 Watson Wyatt & Company survey conducted for The Methodist Hospital and released February 2006.
3. Salary data for both faculty and practice jobs were converted to median monthly salaries to provide a more equitable basis for comparison. In cases where annual salaries were computed, monthly salaries were multiplied by 12 regardless of the actual appointment period.
4. Due to a lack of information, total compensation for nurse faculty was compared with base salaries for the six selected jobs in practice settings, making actual salary gaps wider than those found here.

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**HEALTH SERVICES STEERING COMMITTEE**  
**Comparing Nurse Faculty and Nurse Practice Salaries**  
**In the Gulf Coast Region of Texas, Fall 2006<sup>1</sup>**

**BACKGROUND: DECIDING TO UPDATE THE NUMBERS**

- The Health Services Steering Committee last surveyed nurse faculty salaries in the Gulf Coast region of Texas in 2002.
- Others, professional associations and state agencies, have conducted more recent national and state surveys of nurse faculty salaries, but they used instruments of varying scope and design.
- Differences among survey definitions and methodologies make valid comparisons of results difficult and highly suspect, so the Committee's Education Workgroup decided at its May 2006 meeting to update the 2002 survey. Members present also directed staff to use the updated results to compare faculty salaries with those paid master's- or doctoral-prepared nurses working in selected practice-setting jobs requiring comparable knowledge, skills, and credentials.
- The survey instrument staff subsequently designed and administered also allowed two other comparisons: 1) salary differences among the three types of educational institutions offering professional nursing programs in the region — community colleges, general academic universities, and health-related institutions and 2) salary differences between Gulf Coast nursing schools and nursing schools outside the region they must compete with for faculty. (The latter comparisons will come later.)

**PARTICIPATION: ENLISTING ALL GULF COAST INSTITUTIONS**

- All 13 institutions of higher education with professional nursing programs in the Gulf Coast region completed the survey: two health-related institutions, three four-year general academic universities, and eight community colleges.
- Twelve of these institutions are public. One, Houston Baptist University, is private.
- Total Fall 2006 enrollments in programs leading to initial RN licensure at these institutions ranged from 57 to 340.

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<sup>1</sup> Results of the Summer 2006 nurse faculty salary survey were compiled in Fall 2006. Faculty salary data are for fiscal year 2005-2006 (September 2005 - August 2006). Data for nurse practice salaries comes from a 2005 Watson Wyatt & Company survey of Gulf Coast hospitals and clinics released February 2006.

## METHODOLOGY: CAPTURING THE DATA

### Survey Instrument and Time Line

- The Committee's Nurse Faculty Salary Survey was designed and administered in the Summer of 2006. Along with the specific instructions summarized below, it went out to each of the 13 institutions with professional nursing programs in the Gulf Coast region on June 30. Responses were due back August 4. Staff completed verifying, tabulating, and analyzing the data in December.
- The survey instrument essentially duplicated the one used in 2002, but it was modified and again field tested before it was administered.

### Survey Instructions

- The survey was designed to identify annual salaries paid to full-time instructional faculty, whether appointed for 9, 10.5 or 12 months of the fiscal year. Instructional faculty were defined as those directly engaged in teaching didactic and/or clinical courses for students pursuing associate's, bachelor's, master's, or doctoral degrees in nursing.
- Survey instructions requested the following information for all full-time instructional faculty by rank and appointment period: 1) the number of full-time faculty, 2) the salary range, 3) the average salary, and 4) the median salary. Examples for computing median salaries were provided.
- Excluded from the survey were salaries of: 1) deans, associate deans, directors, department heads, and other faculty who spend more than half their time as administrators or researchers and 2) any faculty primarily engaged in preparing licensed vocational nurses.
- In cases where faculty were teaching courses leading to both RN and LVN licensure, only those teaching students seeking initial RN licensure at least half time were included.

In cases where faculty were teaching courses that included students seeking RN or LVN licensure, only those courses where at least half the students were seeking RN licensure counted in determining the number of faculty teaching least half time.

- Salary ranges and computed averages and medians reflect actual salaries paid to full-time nursing faculty by the employing institution for the fiscal year ending August 31, 2006 (i.e., base salary plus additional compensation: bonuses, special incentives, summer pay, teaching overload compensation, longevity, or any other form of cash compensation).

Put another way, total salaries reported equaled the W-2 equivalent for the 2005-2006 fiscal year.

- The estimated cash value of fringe benefits was excluded from salaries. Institutions were, however, asked to express fringe benefits as a percent of total salaries.

### **Information on Nurse Practice Salaries in the Gulf Coast Region**

- The information on salaries for jobs in practice settings requiring similar knowledge, skills, and credentials came from a 2005 survey of 100 Houston-area hospitals and clinics administered by Watson Wyatt & Company for The Methodist Hospital. The resulting data, effective February 1, 2006, are based on responses from 47 of the 100 organizations surveyed.
- With approval from Watson Wyatt, The Methodist Hospital provided median hourly rates for ten practice-setting jobs. Duties for all ten jobs were summarized and, in one or two cases, educational requirements/preferences were provided, but job requirements beyond RN licensure were not clearly communicated. This made selecting which practice-setting jobs to compare with nurse faculty jobs difficult and, ultimately, very subjective.
- Initial discussions with representatives of the three types of institutions with nursing programs in the region narrowed the list of comparable practice jobs to six: clinical nurse specialist, nurse manager I, nurse practitioner, director of education, nurse manager II and director of nursing. (Median monthly salaries for these jobs appear on Table 2.)
- Further investigation narrowed the list to two. The practice-setting jobs deemed most appropriate for comparison with faculty salaries are 1) clinical nurse specialist and 2) nurse practitioner.
- The Watson-Wyatt survey calculates hourly rates for practice-setting jobs from base salaries only. These are considered exempt positions, so incumbents do not receive overtime pay for working more than 40 hours per week. In profitable years, however, they receive performance bonuses, so the results of this survey actually underestimates the gaps between nurse faculty and practice salaries by the amount of such bonuses.

### **ANALYSIS: ORGANIZING THE SALARY DATA**

#### **Nurse Faculty Salaries**

- Survey responses from Gulf Coast nursing schools were reviewed and verified by Committee staff on two different occasions.
- This study classifies all community college faculty as *nurse faculty* because 65 percent of total full-time instructional faculty were reported as either instructors or nurse faculty.

Only two of the eight community colleges reported faculty with other titles:

professor, associate professor, or assistant professor. Beyond having at least a master's degree in nursing, the criteria for earning these titles at the two community colleges are teaching excellence, length of service at the school, and institutional and community service. At the general academic and health-related institutions, however, holding the same titles depends on research, publications, national reputation, and academic achievement. While these differences in criteria reflect the distinct missions of community colleges and four-year colleges and universities, the job titles are really not comparable.

- All faculty salary information was converted from annual to median monthly amounts by dividing annual salaries by the length of the appointment period (i.e., 9, 10.5, or 12 months). Setting median monthly salaries as the standard unit of measure provided a more equitable basis for comparisons and sidestepped the confusion of comparing annual salaries for different appointment periods.
- In cases where appointments at a given faculty rank (e.g., professor, associate professor, assistant professor, nurse faculty, or instructor) encompassed more than one time period, minimum and maximum monthly salaries in Table 1 reflect the low and high values for all full-time faculty at that rank at that institution. For example, an appointment for nine months at the associate professor rank at a minimum salary of \$6,173 per month and another at the same rank for 12 months at a minimum salary of \$4,665 per month at the same institution sets the low end of the monthly salary range for that rank at \$4,665 at that institution. The high end of the salary range for that rank was determined the same way.

This methodology was used to set ranges for all salaries in Table 1.

- In cases where appointments at a given faculty rank (e.g., professor, associate professor, assistant professor, nurse faculty, or instructor) encompassed more than one time period and different monthly median salaries, the number of full-time faculty in each time period was multiplied by the median monthly salary for that time period. The resulting products were summed and then divided by the total number of faculty in that rank to get a weighted median salary for that rank.

Take, for example, a total of 15 full-time faculty with the rank of associate professor. The three appointed for nine months have a monthly median salary of \$5,000. The remaining 12, appointed for 12 months, have a monthly median salary of \$7,500. The weighted median is computed as follows:  $3 \times \$5,000 = \$15,000$ ;  $12 \times \$7,500 = \$90,000$ ;  $\$90,000 + \$15,000 = \$105,000$ . This sum (\$105,000) divided by 15 (the total number of faculty with the rank of associate professor) yields a weighted monthly median salary of \$7,000 for that rank.

This methodology was used to compute weighted monthly median salaries in all cases where faculty of the same rank were appointed for different time periods and had different monthly median salaries. These cases are identified in Table 1 with an asterisk.

- Table 1 shows monthly salary ranges and medians (or weighted medians) by type of program, type of institution, and faculty rank.
- The final organizational task was to combine median (or weighted median) salaries for instructional faculty at each institution in the Gulf Coast region by type of institution and faculty rank so nurse faculty and practice salaries could more accurately be compared. This was done as follows:
  - For nurse faculty at the eight community colleges, a single weighted median (weighted by the number of full-time instructional faculty at each institution) was computed.
  - For nurse faculty at the three general academic and two health-related institutions, a single weighted median was computed at each faculty rank for each type institution. Assume, for example, that median or weighted monthly salaries for associate professors at the three general academic universities in the region were as follows: Four full-time faculty had a median monthly salary of \$5,000; for six it was \$7,000 and for 13 it was \$6,000. The weighted monthly median for this rank at the general academics is found by multiplying each of the three amounts by the number of faculty with those median salaries (i.e.,  $4 \times \$5,000$ ;  $6 \times \$7,000$ ; and  $13 \times \$6,000$ ) and dividing the sum of the products by 23. This calculation produces a weighted median monthly salary of \$6,087 for associate professors at the three general academic universities.
- Table 2 shows median and weighted median monthly salaries for nurse faculty for the 2005-2006 fiscal year.

### **Salaries in Practice Settings**

- As indicated above, salary information from Watson Wyatt & Company was provided as median hourly rates. To arrive at the median monthly salaries for each practice job shown in Table 2, the hourly rates were multiplied by 2,080 (to get annual salaries) and then divided by 12.

### **PRESENTATION: GETTING EVERYTHING ON ONE PAGE**

Converting both nurse faculty and practice salaries to median or weighted median monthly salaries enables the presentation of comparable information in a single bar graph so readers can easily and accurately compare: 1) salaries between types of educational institutions by faculty rank and selected practice jobs in hospital and clinical settings in the Gulf Coast region and 2) faculty salaries among the three types of educational institutions and 3) salaries between Gulf Coast schools and those found in other parts of the country

## FINDINGS: COMPARING NURSE FACULTY AND PRACTICE-SETTINGS SALARIES

### **Qualifications and Reminders**

- Due to a lack of information on total cash compensation in practice settings (e.g., performance bonuses), this study compares total compensation for nurse faculty with only the base salaries for the six selected jobs in practice settings. To the extent that incumbents in practice settings received performance bonuses or additional cash compensation, salary gaps are wider than reflected here.
- In cases where monthly salaries are annualized and gaps between faculty and practice salaries identified, this study assumes that all appointments were for 12 months. In cases where faculty appointments were for either 9 or 10.5 months, the annualized faculty salary differences would have been wider.
- The previous two points produce more conservative salary gaps between nurse faculty and practice settings than other studies reviewed for this report.
- Data in Tables 1 and 2 are not likely to reflect the actual salary paid to any individual at any faculty rank at any institution participating in this study. That is because this study consolidates information on nurse faculty salaries to permit comparisons among different ranks and practice jobs.
- Salary data for both nurse faculty and practice salaries excludes any estimates of the cash value of fringe benefits.
- The focus in this study is on salaries for instructional faculty only.

### **Sizable Gaps**

- This survey duplicates the finding of other national and state surveys of nurse faculty salaries, namely that sizable gaps exist between nurse faculty and practice salaries. This suggests that the nurse faculty shortage is due to these differences, at least in part, particularly at certain faculty ranks and types of institutions.
- Based on salary gaps identified by this study, all Gulf Coast nursing schools are at a distinct disadvantage when competing with area hospitals and clinics for master's-prepared nurses. Some, however, are at a bigger disadvantage than others.
- Schools recruit nurses with master's degrees to work as instructors, nurse faculty, assistant professors and, in some cases, associate professors. Healthcare providers want to employ these same nurses as nurse practitioners and clinical nurse specialists. Since these two practice-setting jobs require education and experience similar to what the schools want, they best illustrate the head-on competition that's occurring as well as the nursing schools' disadvantage.

### **At the Community Colleges**

- The median monthly salary for nurse faculty at Gulf Coast community colleges is \$5,510 a month. The comparable salary for nurse practitioners is \$6,809, a difference of \$1,299 a month or \$15,588 a year.

*Nurse practitioners make \$82,000 a year while nurse faculty at the community colleges earn \$66,000 if they work 12 months of the year, less otherwise.*

- Clinical nurse specialists in the Gulf Coast region earn median salaries of \$6,585 a month, \$1,075 more a month and \$13,000 more a year than nurse faculty at the community colleges.

*Clinical nurse specialists make \$79,000 a year while nurse faculty at the community colleges make \$66,000 a year if they work 12 months of the year, less otherwise.*

- Median monthly salaries for nurse faculty at community colleges in the Gulf Coast are not competitive with median monthly salaries for any of the six practice jobs selected for comparison. The psychic income from teaching and the time off associated with nine- and 10.5-month appointments are not likely to offset the differences in income.

### **At the General Academic Universities**

- The median monthly salary for assistant professors at the general academic universities is \$5,673 a month. The comparable salary for a nurse practitioner is \$6,809, a difference of \$1,136 a month or \$13,632 a year.

*Nurse practitioners make \$82,000 a year while assistant professors at general academic universities earn \$68,000 a year if they work 12 months of the year, less otherwise.*

- Clinical nurse specialists in the Gulf Coast region earn \$6,585 a month, \$912 more a month or \$11,000 more a year than assistant professors at the general academic universities.

*Clinical nurse specialists make \$79,000 a year while assistant professors at general academic universities make \$68,000 if they work 12 months of the year, less otherwise.*

- Median monthly salaries for assistant professors at the general academics are not competitive with the median monthly salaries of any of the six practice jobs selected for comparison.
- Median monthly salaries for associate professors at the general academics (\$6,492) are competitive with four of the six practice jobs (ranging from \$4,658 - \$6,897).

- Median monthly salaries for professors at the general academics (\$7,889) are competitive with all but one of the practice jobs, director of nursing (\$8,308).

#### **At the Health-Related Institutions**

- The median monthly salary for assistant professors at health-related institutions is \$6,146 a month. The comparable salary for a nurse practitioner is \$6,809, a difference of \$663 a month or \$8,000 a year.

*Nurse practitioners make \$82,000 a year while assistant professors at health-related institutions earn \$74,000 a year if they work 12 months of the year, less otherwise.*

- Clinical nurse specialists in the Gulf Coast region earn \$6,585 a month, \$400 more a month or \$5,000 more a year than assistant professors at the health-related institutions.

*Clinical nurse specialists make \$79,000 a year while assistant professors at health-related institutions earn \$74,000 a year if they work 12 months of the year, less otherwise.*

- Median monthly salaries for assistant professors at health-related institutions (\$6,146) are marginally competitive with the two lowest practice salaries selected for this study.
- Median monthly salaries for associate professors at health-related institutions (\$7,432) are competitive with five of the six practice jobs.
- Median monthly salaries for professors at the health-related institutions (\$9,254) are more than competitive with the highest-paying practice job, director of nursing (\$8,303).

#### **Another Look at the Salary Gaps**

- Annualized median monthly salaries for assistant professors in the Gulf Coast region range from \$68,000 to \$74,000. That compares with \$82,000 for nurse practitioners and \$79,000 for clinical nurse specialists.
- The annualized median monthly salary for nurse faculty at Gulf Coast community colleges is \$66,000. That is \$16,000 less than nurse practitioners make and \$13,000 less than clinical nurse specialists make.

## FINDINGS: COMPARING NURSE FACULTY SALARIES AMONG DIFFERENT TYPES OF INSTITUTIONS OF HIGHER EDUCATION

- Ranges and median monthly salaries vary significantly among the three types of institutions in the Gulf Coast region.
- For the most part, community colleges in the Gulf Coast region compete among themselves and with outsiders for nurse faculty while the general academic universities and health-related institutions compete between themselves and among each other for instructors and assistant professors. Here, where here differences between minimum and median salaries are small (see Table 1), competition is likely the most intense, with all three types of institutions experiencing gains and losses.

For example, median monthly pay for instructors at the general academics is \$5,569. The median salary for nurse faculty at the community colleges is \$5,510 a month, only \$59 a month difference. Schools are going head to head on these two positions with something other than salary likely to be the deciding factor. However, median pay for instructors at the health-related institutions (\$4,940) is \$7,500 a year lower, making them significantly less competitive.

- Instructional faculty salaries in associate degree nursing programs at community colleges are not competitive with those in baccalaureate and graduate programs at the general academic universities and health-related institutions.

## END NOTE: WRAPPING IT UP

- This report compares faculty salaries with those master's- or doctoral-prepared nurses can earn in two selected practice-setting jobs requiring similar knowledge and credentials, namely clinical nurse specialist and nurse practitioner.
- The following two tables provide enough information that readers can use them to make additional comparisons that may be useful to them.

Table 1  
Nurse Faculty Salaries in the Gulf Coast Region of Texas  
Fiscal Year 2005 – 2006<sup>1</sup>

INSTITUTIONS BY TYPE OF PROGRAM	MONTHLY SALARIES	
	Range (Min – Max)	Median or Weighted Median*
<b>Associate Degree of Nursing (ADN)</b>		
1. Nurse Faculty	4339 – 5168	5031*
2. Nurse Faculty	4789 – 5920	5130*
3. Nurse Faculty	4116 – 8027	5470*
4. Nurse Faculty	4999 – 6500	5531
5. Nurse Faculty	4934 – 6882	5555*
6. Nurse Faculty	4136 – 6620	5629
7. Nurse Faculty	4792 – 8558	5634*
8. Nurse Faculty	5075 – 5655	6443*
<b>Baccalaureate (BSN/BS) and Graduate Degrees in Nursing</b>		
1. Instructor	4500 – 5040	4770
Assistant Professor	5360 – 7800	5933*
Associate Professor	6767 – 9444	7569*
Professor	8683 – 11472	9378
2. Instructor	5250 – 5579	5109*
Assistant Professor	5525 – 7972	6358
Associate Professor	7082 – 8750	7296
Professor	7917 – 13106	9129
3. Assistant Professor	4665 – 6173	5187*
Associate Professor	5000 – 5939	5275*
4. Instructor	5267 – 5267	5267
Assistant Professor	4731 – 6732	5668
Associate Professor	5516 – 6955	6283
Professor	7113 – 9622	7889
5. Instructor	5150 – 6294	5619*
Assistant Professor	5036 – 7280	5893
Associate Professor	6556 – 8101	7814*
<i>'Salaries here do not include fringe benefits. They do include all forms of cash compensation (base salaries, bonuses, longevity pay and payments for faculty overload).</i>		

**Table 2**  
**Comparing Nurse Faculty and Clinical Practice Salaries**  
**in the Gulf Coast Region of Texas**  
**Fiscal Year 2005 – 2006**

**Median and Weighted Median Monthly Salaries**

