
Librarian salaries: Paid what we're worth?

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Librarians have made some progress in the market place.

Herb White expressed the concern of many librarians when he posed the question, "Why don't we get paid more?"¹ Although the issue of earnings may be fraught with emotion, this question takes on meaning only when a frame of reference is added: "more compared to whom?" In the case of academic librarians, the comparison is relevant to teaching faculty; that is, to those people at colleges and universities who get paid to teach students and to work on favored research projects. Librarians often perceive themselves to be underpaid relevant to this group. Those perceptions are usually based on a comparison of anecdotal evidence or on average salary data. Often, these comparisons look at faculty and librarians in similar ranks.² When data is available, librarians as a group always seem to be lumped in with the instructors at average salaries substantially below even assistant professors. Comparisons seldom include any information on how salaries are determined in general, nor do they include comparisons of large groups of

data on individuals. The intent here is to provide a better framework for understanding by exploring the factors related to determination of salaries in the market and by summarizing an examination of salaries at the individual level.

Some comparisons of salaries have been made using statistical techniques to examine data on individuals such as teaching faculty and administrators.³ Additional work has examined the various determinants of librarian salaries from overall viewpoints.⁴ These studies often focus on the issue of sex as a determinant of salary and they appear to

³David A. Katz, "Faculty Salaries, Promotion, and Productivity at a Large University," *American Economic Review* 63 (June 1973): 469-77; Bharat R. Kolluri and Michael J. Piettee, "Determinants of the Salaries of Chief Academic Administrators," *Atlantic Economic Journal* 13 (July 1985): 61-89.

⁴Anita R. Schiller, James K. Grimm, and Margo Trumpeter, *Characteristics of Professional Personnel in College and University Libraries* (Springfield, Ill.: Illinois State Library, 1969); Ung Chong Kim, *A Statistical Study of Factors Affecting Salaries of Academic Librarians at Medium-Sized State-Supported Universities in Five Midwestern States* (Ph.D. dissertation, Indiana University, 1980).

¹Herb White, "Why Don't We Get Paid More?" *Library Journal* 111 (March 1, 1986): 70-71.

²John Buschman, "The Flip Side of Faculty Status," *C&RL News* 50 (December 1989): 972-76.

show that, other conditions held constant, male librarians make higher salaries than women.⁵ Further study by others indicate that the library labor market is substantially free of control by employers.⁶ The erection of barriers to restrict the supply of librarians and bargaining to increase earnings among academic librarians appear to be issues unexplored by systematic means. Given this environment, a general overview of market factors provides illumination of the causes that establish earnings levels. This overview can then be followed with a description of how librarians have attempted to influence market forces and what success they may have had.

Salaries of librarians are determined in the market place, just like salaries in general or the price of any commodity. However, librarians appear to exert some force in the market that affects their salaries positively. When people perceive their earnings to be low, an effort may be made to do something about it. In the case of academic librarians that effort may have been underway for some time, but remain largely unrecognized for lack of understanding of the economic forces at work.

The rest of this paper proceeds in three sections. First, an overview is provided of the general forces driving wage rates. Second, forces that librarians have already exerted to improve earnings are described next. Third, a report on an analysis is summarized which indicates that academic librarians may be paid salaries comparable to faculty. A complete report of the econometric analysis will appear in a paper to be published later. Fourth, some additional factors are suggested that may affect librarian salaries. These factors need to be addressed if librarians expect to achieve still higher earnings. Some final thoughts conclude the paper.

The factors that establish wages

The market determines salaries in the absence of restrictions to open competition.⁷ At any instant in time, at a given wage, there will be an equilibrium between supply and demand that will determine the number of laborers employed. Salaries are determined by the interaction of the supply of human capital available through laborers and the

⁵David R. Dowell, "Sex and Salary in a Female Dominated Profession," *Journal of Academic Librarianship* 4 (May 1988): 92-98.

⁶Judith S. Braunnagel, "Job Mobility of Men and Women Librarians and How It Affects Career Advancement," *American Libraries* 10 (December 1979): 643.

⁷Lloyd G. Reynolds, Stanley H. Masters, and Colletta H. Hoser, *Economics of Labor* (Englewood Cliffs, N.J.: Prentice-Hall, 1987).

demand for that capital by employers. Competition may be restricted by monopoly effects such as collusion through trade unions or other organizational approaches. Market size or labor market immobility may also limit competition by providing too few jobs to allow individuals promotional opportunity. Models existing in the economic literature to explain salary levels generally focus on either the demand side where conditions are controlled by the employer or the supply side, which depends on the characteristics of individuals such as human capital appreciation. These are not competing models, because both demand and supply considerations need to be understood to get a clear picture of how the market determines salaries.

One basic economic model shows that, from the employer's point of view, the salary offered to an individual is driven by the equilibrium of marginal revenue product (MRP) and salaries demanded by labor. Firms will hire labor up to the point where the cost of the next unit of labor just equals the marginal revenue product of that unit. Marginal revenue product is the added revenue to the firm from the last unit produced. Firms will stop producing and thus stop hiring labor, at the point where the cost of producing the last unit just equals the revenue from that unit.

MRP may does not remain constant for a variety of reasons. MRP may increase at first, because four hands can often be more efficient than two. For example, two people can hang a piece of paneling easier than one person. A third may make the project of paneling even easier, but after a fourth or fifth laborer is added, efficiency begins to decline unless labor is assigned to different tasks. Depending on the industry and the wage rate, the optimal amount of labor will occur at different levels. As a library example, consider the number of librarians working at a reference desk at the same time. After the second or third reference librarian is scheduled at the desk, they start getting in each others way. As a result, while two librarians may be able to handle more than twice as many students as one librarian, it doesn't hold that you can add librarians to the schedule indefinitely and continue to work efficiently.

Since universities are engaged in non-profit activities, it is less clear how they determine the level of salaries to offer prospective employees. However, it is likely that they have downwardly sloping demand curves for labor. Instead of an MRP curve, non-profits have a measure of the extra value to constituents resulting from the added output of employees. Again, consider the reference desk. At some point, perhaps after the third librarian is scheduled at the desk, physical arrangements begin to make it difficult to serve patrons without stumbling over each other. The added value to users

from a third librarian may be very low compared to the wage paid if the desk is too crowded for the librarian to serve users efficiently. When the cost of an additional unit of labor exceeds the value of the added benefit to constituent users, that unit of labor will not be hired. Although it may be difficult to observe this as a conscious process, through the budget, the university communicates its decision on the number of positions allocated to the library by means of an evaluation based upon this kind of decision analysis. It may be easier to see how the university determines the level of salary appropriate to each kind of position and collection of skills needed.

Some collusion between campus administrators may be evident in that productivity analyses made by universities tend to be limited to comparing average salaries for similar positions at similar institutions. Budget setting activities between the library and university administration related to salaries at the institutional level usually involve negotiations about comparisons of average salaries between institutions. However, as shown by others, this administrative collusion does not appear to have restricted mobility within the academic segment of the profession.⁸ Therefore, the potential for imposition of employer control on librarian salaries may be limited to sharing of salary information between institutions. However, this sharing of information along with the analysis described above, results in a determination of the salaries the university is willing to pay for the particular job skills of individuals. Universities then ultimately make positions available with discreetly determined wages for specific attributes; so much for a reference librarian, so much for an administrator, and so forth. Who fills these positions depends upon those individuals who choose to develop specific human capital appropriate to the positions.

To explain salary levels from the supply side, other models concentrate on employee based characteristics such as choice and training. In accordance with this human capital model, laborers increase their potential for higher salaries through acquisition of education, on the job training, migration, and job search skills. The amount of schooling is particularly important to the individual as leverage for higher salary through increased productivity or as a sorting mechanism for employers selecting employees. On the job training, signaled to the employer through years of experience, also plays a role in determining salary. In other words, an individual's salary is affected by the amount of effort they extend to learn new skills through education and job experience. Given a higher level of skill, labor will demand a higher level of salary. This is intuitively obvious; if you can't get a higher level of

wage for training acquired, why acquire it? For example, many libraries are particularly concerned that reference librarians speak the same language as the research users they serve. As a result they are willing to pay a premium for librarians who possess a second masters degree in an academic discipline. That, in turn, creates an incentive to librarians to acquire the human capital associated with a second degree. All of this is not to say that either model determines salaries. Rather, it is the interaction of the factors that of these models represent, which establishes the salary of each set of skills required for particular tasks that need to be accomplished.

Librarians appear to be in the market at a particular equilibrium that reflects the value placed on their skills. We can accept as given that there is no general monopsony effect existing; that is, the market is free of employer control of the wage rate. If wages available are too low in one location, librarians will decline to apply for jobs there. This will tend to provide an incentive to employers to raise the wage rate, which ultimately increases interest in the positions. On the librarians' side, individuals each decide how much effort to invest in the acquisition of skills. Ultimately, the average librarian develops a certain level of education and experience, for which there is a certain maximum salary level that can be demanded and still have reasonable success in finding work. At any point in time, an equilibrium occurs where the total smorgasbord of positions available equals the total collection of skill packages offered by the collective group of librarians. From this point of equilibrium, some mechanism in addition to the human capital acquisition is required in order for librarians to increase earnings. This is where collusion may come into play.

Additional forces that may affect earnings

Various attempts at collusion have been used to positively affect the level of salaries of a group or profession. Generally, two approaches are available to the individual or group which is interested in increasing wealth. One approach is to seek additional wealth through increased production. The other is to seek to effect a transfer of wealth from another party or parties, such as employers. In the case of labor, collusion offers a couple of ways to accomplish a wealth transfer.

One way to transfer wealth from employers to employees is to restrict the supply of laborers available. In a competitive market, a shortage of supply elevates the price that can be demanded for a commodity or service. The same is true of wages. For instance, the fewer doctors that are available to handle your medical problems, the higher you likely are to bid for their skills. In order to restrict

⁸Braunnagel, "Job Mobility."

supply, laborers have to create some barrier to entry into the trade or profession. Many trades accomplish this by requiring practitioners to be members of an organization or to possess specific attributes such as a certificate. Librarians appear to accomplish something similar to this by establishing minimum credentials. Typically, the majority of advertisements for academic library positions carry the caveat that applicants must possess an MLS degree from an accredited institution and must demonstrate academic library experience for non-beginning librarians. Nancy Van House carefully explored the effects of market segmentation on the salaries of librarians.⁹ Her study shows that there is little mobility of librarians between special, school, public and academic segments of the profession even though their graduate school training is nearly identical. Therefore, entry into the marketplace as an academic librarian is largely restricted to beginners. In economic terms, this is a barrier to entry, which restricts the supply of librarians. When supply is restricted, wage rates are elevated.

A second way collusion may be effective is to bargain collectively for improved working conditions, higher salaries, and so forth. On this basis, some gains may also be acquired by collusive efforts through the profession to bargain with university administrations for specialized status. The academic segment of the library profession has established the standard that librarians should be granted faculty status.¹⁰ Preliminary results by others suggest that collusion exists in the form of wide-scale adoption of the standard requiring implementation of faculty status among academic institutions. Recent surveys of the literature confirm that somewhere between 50 and 80 percent of academic libraries have adopted faculty status at least in part.¹¹ Implementation of the concept may be an effort to collude for higher salaries from employers. If so, its effectiveness will be revealed in terms of a positive impact on salaries at those institutions with faculty status. The next section summarizes work that suggests that faculty status has been effective in elevating earnings of librarians who have it.

⁹Nancy Van House, "Salary Determination and Occupational Segregation among Librarians," *Library Quarterly* 56 (April 1986): 142-66.

¹⁰ACRL Academic Status Committee, "ACRL Standards for Faculty Status for College and University Librarians: A Draft Revision," *C&RL News* 51 (May 1990): 402-404.

¹¹Kee DeBoer and Wendy Culotta, "The Academic Librarian and Faculty Status in the 1980s: A Survey of the Literature," *College & Research Libraries* 48 (May 1987): 215-23; Emily Werrell and Laura Sullivan, "Faculty Status for Academic Librarians: A Review of the Literature," *College & Research Libraries* 48 (March 1987): 95-103.

Successful efforts to improve earnings

A complete description of an econometric analysis of three data samples related to librarian's salaries will be provided in a later article.¹² A brief summary describing how librarians have collectively attempted to improve earnings will suffice to show that the academic segment of the profession has achieved some success.

Some libraries have entered into collective bargaining through a union to elevate the earnings, but this is not common. The cost of collective bargaining involves substantial legal efforts along with the involvement of government officials who may be perceived as bureaucratic and hard to work with. A less expensive and more common approach to collective bargaining by librarians may be to enter into less formal negotiations with local university administrators on the basis of a professional standard. If the library staff at an individual university can convince the university administration that professional status for librarians is the accepted standard and would be good for the university, there may be little reason to withhold that status. Presumably acquisition of that status would also entitle librarians to salaries comparable to other faculty. That presumption may be unwarranted, but the attempt portends gains far in excess of the effort extended.

At the request of librarians, some universities have endowed them with faculty status and some have not. Comparing salaries over a group of libraries, roughly half of which have implemented faculty status, may reveal the success of this effort to improve earnings. The comparison must be made by looking at individual librarians in order to hold constant for differences in human capital appreciation. Data was collected on all the librarians employed at fourteen randomly selected institutions and at Clemson. Information collected on individuals included salary, race, sex, age, number of subordinates, number of publications, rank, tenure status, whether the individual possessed a second masters and whether employed in a main, law, business or medical library. This data was augmented with information on whether the institution endows faculty status or not, the regional location, enrollment, whether the institution is public or private, and the size of the city in which it is located. The salaries of all the individuals were regressed on the other variables using an ordinary least squares model. The regression analysis revealed that, holding constant for all the variables listed here, librarians earn approximately six percent higher salaries at institutions with faculty status. This is to say that, taking into account the

¹²*Library Administration and Management*, Fall 1990.

regional differences, enrollment, city size, and other institutional factors, as well as the major individual variables, librarians with faculty status earn more than those without.

Furthermore, a second analysis compared the salaries of librarians at Clemson with about one-third of the teaching faculty selected randomly. Data collected included salary, race, sex, whether the individual is an administrator or not, educational level, publication rate, years at Clemson, and rank. A set of dummy variables to isolate the academic unit in which each individual was employed was also included. Although this analysis was limited to Clemson, this university pays salaries that are similar to other schools. In fact, the librarians at Clemson are indistinguishable from their peers at other universities in the first analysis. An ordinary least squares regression was run to determine the extent that these variables explain salary. The analysis revealed that librarians at Clemson are paid salaries which are statistically indistinguishable from teaching faculty in the arts, humanities, social sciences, and forestry. They are paid less than faculty in sciences, engineering, business and architecture. These results are not inconsistent with subjective expectations. Scientists and engineers with a Ph.D. can demand and receive high salaries in the non-academic world, as can economists, finance experts, and so forth. Conversely, those in the humanities, along with librarians, appear to have fewer opportunities in the non-academic world.

The fundamental point of the analysis is straightforward. Faculty status for librarians provides a low cost substitute for officially recognized collective bargaining through a union. Furthermore, this substitute is nearly as effective as unions commonly are at raising wages. Depending on the industry, unions typically elevate wages by no more than about ten percent.¹³ In addition, the analysis also indicates that librarians can achieve equity with at least some segments of the faculty, although there is little doubt that the average teaching faculty member is better paid at Clemson. Regardless, librarians appear to have been somewhat successful in doing something as a group about their perceived low pay by restricting entry to their segment of the profession. What's more, those librarians who have been able to implement faculty status are even better off.

Added factors that have to be addressed

One issue that may affect the supply-demand equilibrium is the availability of substitutes for the services of librarians. Alternative information sources compete with librarians. Anyone can use

an open library. Although information seeking activities of a user may be less successful than if the assistance of a librarian had been sought, self help may be less costly than the information transfer effort and emotional costs required to obtain effective help from a librarian. Even though librarians tend to be very approachable at the reference desk, some cost to users is associated with securing assistance. In addition to the effort needed to overcome natural reticence, it takes an effort to communicate one's need sufficiently to get appropriate assistance. This effort may be greater than that required to simply seek an answer oneself. To some people, it may even be less costly to do without the information than to bother a librarian. Anyone who has ever worked at a reference desk has experienced these characteristics of users. Furthermore, as information seeking skills improve, the relative cost of getting help compared to doing it oneself, will increase. The number of faculty at Clemson who have their own online searching accounts with vendors, suggests that quite a few consider communication costs with a librarian to be higher than the effort required to learn how to help oneself.

Two points that affect salaries also can be made about the relationship of the supply demand equilibrium for librarian workers relative to the values of society and demand for other kinds of work. First, at some point workers tend to price themselves out of the market, because of productivity limitations. Professional actors provide a simple example. Legitimate theatre has disappeared at a top professional level from all but a few cities in the United States. This is due to the limited audience available in the theatre compared to the movies. For a given productive unit of acting in the theatre, a small audience can be reached. That same productive unit can reach far more people through a movie. However, most actors would set a similar price for an hour of their services whether they perform on stage or in a movie. Or at any rate, the opportunity cost of stage work is lost movie work, which is often very highly paid. As a result, ticket prices at major theatres greatly exceed the price of movie tickets. One unit of viewing by a member of an audience may be purchased for \$5 or \$6 at the movies. That same unit of viewing will cost \$40 or \$50 at the theatre. Therefore, demand for theatre is greatly diminished relative to movies. Given this lower demand, many theatres throughout the country have closed and actors are out of work.

Similarly, over time, a higher and higher wage could be demanded for the same unit of librarian production. However, unless the rate of productivity of librarians matches the increase in salary required, demand for librarians will decrease. Or, conversely, librarians will not be able to require as high a real salary for the same unit of production over time in order to maintain the same level of

¹³Reynolds, et al., *Economics of Labor*.

demand for librarians. This phenomenon of declining real salaries may be mitigated by automation and other productivity enhancements. The use of integrated automation systems and utilities such as OCLC appears to have affected positively the productivity of catalogers. Although it may be less easily observed, public access catalogs probably have increased the productivity of reference librarians as well. In fact, online information retrieval has certainly had this effect. However overall, these productivity increases have been less than sufficient to maintain real salaries of librarians at the same level over the past twenty years. Salaries of beginning librarians reported in 1967 were \$7,305 per year; in 1987 they were \$20,874 per year. Librarians should have been at \$23,971, just to stay even with the Consumer Price Index.¹⁴ Greater productivity gains are required to maintain earnings, much less to boost them substantially.

Second, the value society places on the productive output of particular kinds of labor seems to relate to the ease with which the consumer can express a description of the service provided. For example, physicians get a high rate of return for their labor. If you ask the average person what a doctor does, you will get some form of the same very terse answer: that is, a doctor cures people. On the other hand, if you ask what a librarian does, the answer will often be a vague expression of what a library is rather than what a librarian does. Intuitively, people can not be expected to pay a high price for something they can not even describe. Ergo, librarians' salary demands may be limited by a lack of understanding of what it is librarians do. The point was made a few years ago by an administrative dean who said that "academic administrators and most faculty do not think about librarians; they think about libraries."¹⁵ When librarians can make it more apparent what value they can provide, they may be able to demand a higher price for their services.

Without getting into a theory of value, it may be noted further that a hierarchy of values may be operable here. Consider the effect of illness on one's lifestyle. Serious illness may make it extremely difficult or even impossible to carry on any manner of activity. Consequently, a very high value might be accredited to the services of a physician who can cure or alleviate disability. Similarly, a suit or legal criminal procedure against one might re-

sult in placing a high value on legal services. In contrast, lack of information may often be an inconvenience, but seldom life threatening. Therefore, the services of a librarian may not be highly valued. The eventual effect this has on establishing the level of salaries offered to librarians results, to some extent, in the ultimate dismay librarians display about their pay.

Concluding comments

The concern over salaries so often expressed by librarians frequently lacks a frame of reference or a systematic analysis. When the concern is examined in terms of academic librarians compared to faculty, and when the comparison is based on clearly stated economic principles, a better understanding of conditions emerges.

Librarians' salaries are relatively low. One might guess that librarians are paid salaries similar to those employed in disciplines that are restricted to the academic market. Unlike scientists, who can find competitive employment in government service and industry almost at any point in a career, librarians are more restricted. That restriction is self-imposed, but produces gains that are probably better than the alternative. However, overall librarian salaries may not be out of line with their faculty peers. Further analysis using a data set containing information on faculty and librarians from many institutions would be needed to affirm this. However, the more important point is that librarians have some mechanisms open to them to do something about their perceptions, and it appears that they have.

Librarians have taken two low-cost approaches to leveraging salaries upward. Given control of the credentials sought during searches, librarians have required minimum credentials. That requirement serves as a barrier, which restricts the supply of individuals available to hire. Given a means through their professional association to determine a standard on working conditions, librarians have leveraged salaries still further. It is an interesting mental exercise to compare these techniques to those of other professions. Lawyers and accountants, typically, have invoked standard examinations to restrict entry into their professions. Beauticians restrict entry through licensing. Other trades restrict entry and bargain for wages through governmentally recognized agents. All of these approaches require substantial investments in legal mechanisms. Librarians appear to have been very creative in making use of low cost mechanisms to achieve similar results. Whether this is all that can be done to elevate wages remains to be seen, but it appears to be clear that the profession has not accepted salary conditions without making an effort to improve them. ■ ■

¹⁴*The Bowker Annual of Library and Book Trade Information*, 33d ed. (New York: R.R. Bowker, 1989); *Statistical Abstract of the United States: 1989*, 109th ed. (Washington, D.C.: Bureau of the Census, 1989), 469.

¹⁵Rebecca Kellogg, "Faculty Members and Academic Librarians: Distinctive Differences," *C&RL News* 48 (November 1987): 602-606.

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