

Calculation of Salaries and Benefits of Faculty Members in the Ministry of Health and Medical Education of Iran

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Abstract

Introduction: The suitability of the salaries and benefits of faculty members for their livelihoods is one of the most important factors in their job satisfaction. Therefore, this research was conducted to determine how the salaries and benefits of faculty members are calculated in the Ministry of Health and Medical Education of Iran.

Methods: This descriptive and analytical study was conducted to shed more light on the way the salaries and benefits of faculty members employed at the Ministry of Health and Medical Education of Iran are calculated. Research data were collected through searching published articles in Iranian and international reputable websites as well as the administrative and employment regulations of faculty members of universities and higher education institutions affiliated to the Ministry of Health and Medical Education of Iran, and further amendments and directives in this regard.

Results: The salaries of the faculty members in Iran are determined on the basis of the salary coefficient announced annually by the government of the Islamic Republic of Iran. In addition, their salaries will increase with regard to the type of service, the increase of the base level, promotion, lack of specific profit activities outside university, acquisition of managerial positions, marriage and having children for men.

Conclusion: Faculty members expect their salaries to be calculated and paid equitably and to increase each year in proportion to the inflation rate, so that they do not have to carry out unrelated and non-academic activities outside the university in order to solve their livelihood problems.

Key words: Salaries and Benefits, Faculty Members, Ministry of Health, Medical Education, Iran.

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Introduction

One of the factors that plays an important role in the growth and development of any society is the human resources of that country. Therefore, nowadays, there are a great deal of investments in educating and providing these resources in developing and developed countries (1-2). Experienced and motivated manpower is the most important human capital in maintaining and developing a society, and its advancement and development would not be possible unless by attracting, cultivating, maintaining and exploiting the elite and educated human resources (3). One of the effective ways of attracting, retaining, and motivating human resources is to provide them with material rewards in the form of different payment systems and methods (4). Payroll is defined as a payment that is paid to compensate employees for their activities in any institution or firm. Salary costs represent the share of labor in the production of products or services, and as one of the factors contributing to the final cost, salary costs call for measurement, control and continuous analysis (5). Determining the amount of salary that an organization must pay to its employees is one of the most key aspects of human resource management (HRM). This is firstly because the payment system (of which the payroll is only a part) has a significant impact on the attraction and satisfaction of employees, and secondly, because paying employees is one of the heaviest financial burdens that each organization must come to terms with for advancement and fulfillment of their goals. Therefore, a system of wages and salaries that is carefully designed and implemented on the basis of correct policies will play a pivotal role in the economic health of the organization as well as the effective and efficient use of the human resources in the organization (4). The employment of faculty members in the Ministry of Health and Medical Education of Iran, involves different forms, including geographical full-time and conventional full-time in terms of the scope of activities, and permanent, temporary-to permanent, under-a-contract, under conscription law in terms of the permanency of employment. Geographical full-time faculty members must serve at least 54 hours a week, according to the program, and do not have the right to work outside the university for professional profits (including working at a personal office, pharmacy or laboratory, an educational and diagnostic center, private hospitals, charity centers, etc.). A conventional full-time (non-geographical full time) faculty member is a person who serves at least 40 hours a week according to the university's program. Under exceptional circumstances, if necessary, universities and higher education institutions will be able to employ non-geographical full-time faculty members with the approval of the Board of Trustees under the conditions determined by the University Council (6). There are currently 65 universities and independent medical science faculties in Iran. Presently, 200,000 students are studying for different degrees from associate degree to clinical specialties and clinical fellowships in different fields at Iran's medical universities. There are currently 18,000 faculty members in the Ministry of Health and Medical Education of Iran, of whom 4,000 are faculty members who work temporarily under conscription law due to their commitment to

free studying at universities (7). The vital role of faculty members in the efficiency, productivity and performance of universities, institutes and research centers, has urged the authorities and academic directors to pay attention to their demands with the aim of enhancing their satisfaction in order to prevent undesirable effects on the educational and research system of the country (8-10). In Iran, in particular, with the recent state of higher education and the challenges it is facing due to the irrational and unusual expansion of universities, the issue of the quality of life of faculty members and their job satisfaction has gained currency and become one of the issues that should be considered more seriously (10). In the meantime, and based on the literature, the proportionality of the salaries and benefits of faculty members with their livelihoods is considered as one of the most important factors in their satisfaction (10-16). Therefore, this study was conducted to determine how the salaries and benefits of faculty members are calculated at the Ministry of Health and Medical Education of Iran.

Methods

This descriptive and analytical study was conducted in 2017 to investigate how the salaries and benefits of faculty members are calculated at the Ministry of Health and Medical Education of Iran. Research data were collected through searching published articles in Iranian reputable sites both national and international, including (SID, MAGIRAN, PubMed, Scopus, and ISI) as well as the administrative and employment regulations of faculty members of universities and higher education institutions affiliated to the Ministry of Health and Medical Education of Iran, and further amendments and directives in this regard.

Results

The salaries of faculty members in Iran are determined on the basis of the salary coefficient announced annually by the government of the Islamic Republic of Iran for all faculty members of universities, institutes of higher education and public research, and for judges of the Ministry of Justice (To the Iranian Rial Currency/ 1 US dollar = 41,000 Rials). In addition, the salaries of faculty members will increase with regard to the type of service, the increase of the base level, promotion, lack of specific profit activities outside university, acquisition of managerial positions, marriage and having children for men, which will be further explained in more detail below. Overall, salaries and benefits are paid to the faculty members in three general ways: firstly, it is included in their HR notification letters of all faculty members, regardless of the type of employment, gender, type of work, etc. In addition to the base salary, specific allowance, special allowance, attraction allowance, and retirement and insurance deductions are also included in the HR notification. Secondly, it is again included in the HR notification letter and is, according to the type of work, gender, executive position, allowances for children, management, radiation, full-time, etc. The third way, which is not included in the faculty member's HR notification letter, is according to the contract between the faculty members and the educational/medical center where they

are working. The most important cases in point are the office deprivation allowance, good performance allowance, tuition, etc. According to the formula in Table 1, the base salary is calculated.

$$\text{Base salary} = \text{salary coefficient} * \{\text{base number} + (\text{grade of the faculty member} * 5)\}$$

Table 1: Calculation of base salary

Base number				
Full professor	Associate professor	Assistant professor	Instructor	TA
170	145	125	100	90

In the HR notification letters of the faculty members of the universities and higher education institutions affiliated with the Ministry of Health and Medical Education of Iran, in addition to the base salary which is calculated according to the above formula, other benefits under name of dearness allowance, specific allowance, and attractions allowance are included, which are calculated according to the following formulas. In fact, all of these items included in the HR notification letter are a certain percentage of their base salary, which is calculated on the basis of their scientific level and base.

$$\text{Specific allowance} = \text{Base salary} * \text{specific allowance coefficient}$$

Table 2: Calculation of specific allowance

Specific allowance coefficient				
Full professor	Associate professor	Assistant professor	Instructor	TA
2.98	2.87	2.6	2.1	1.77

$$\text{Attraction allowance} = \text{Base salary} * \text{Attraction coefficients approved by each university (for geographical members the coefficient of 1.6 also applies)}$$

Table 3: Calculation of attraction allowance

Amendment of attraction allowance coefficients for faculty members with different positions at medical universities and schools					University
Full professor	Associate professor	Assistant professor	Instructor	TA	
2.72	2.67	2.54	2.30	2.14	

$$\text{Special allowance} = \text{Base salary} * \text{Dearness allowance coefficient}$$

Special allowance coefficient					
Full professor	Associate professor	Assistant professor	Instructor	TA	Effective Date
4.8	5.2	5.6	4	3.6	From January 31, 2005 to March 20, 2010
7.7	8.5	9	6.5	6.5	Since March 21, 2010

In addition to the above items, for some members of the faculty with special conditions, the following items are paid:

1-Office deprivation allowance or geographical full-time: To full-time faculty members of the university, the amount of this allowance is maximally equivalent to the total amount of the base salary and specific allowance and is paid based on the calculation of educational, research, and clinical activity of the faculty member. This allowance is not payable during education, scholarship, or sabbatical leaves.

2- Job difficulty allowance: faculty members of the Anatomy Department, who work with cadavers are paid 50% of the basic salary and the specific allowance combined as a job difficulty allowance determined by the University's Board of Directors.

3. Managerial allowance: The faculty members with executive and management positions in accordance with Table 4 are paid managerial allowance.

4. Allowance of bad weather and deprivation from facilities: The faculty members who serve in disadvantaged

areas are paid a sum of money for the bad weather and deprivation from facilities.

5. Family allowance: Married men faculty members are paid an amount of money which is announced annually by the government.

6. Children's allowance: Married men faculty members who have children are paid an amount of money according to their number, and the amount of this allowance is announced annually by the government.

7. Radiation allowance: Faculty members exposed to radiation receive this allowance according to the type and percentage determined by the Atomic Energy Organization and paid by the experts of the physical health unit of the university (radiation experts)

8. Dearness allowance: The salary and benefits of faculty members who have annual promotion will also be increased.

The following table illustrates the calculation of the managerial allowance of independent medical university chancellors and faculty members having managerial positions.

Percentage of Managerial Allowance	Positions at a university or faculty or affiliated institutions of the Ministry of Health	Row
100%	The Chancellor	1
Up to 80%	Vice-chancellors	2
Up to 65%	Head of Faculty or Associated Facility	3
Up to 55%	Heads of hospitals with more than 400 beds	4
Up to 50%	Academic Staff Directors and Heads of Offices Subordinated to the University Chancellor, Managements Subordinated to the University Vice-chancelleries, Heads of Independent Research Centers (with a budget credit), Director of the Medical Education and Development Center, Advisors of the University Chancellor, Heads of Faculties or Independent Institutes, Heads of Hospitals with 200-400 beds, Health Network Administrators with a population of 200,000, Heads of the Health Centers of the provincial capital, Heads of the Secretariat of the Board of Trustees.	5
Up to 40%	Deputies of Academic Staff Directors of the University / Faculty / Institute, Deputies of Independent Research Centers, Head of the Emergency Center, Head of the Central Library, Head of the Central Laboratory, Directors and Deputies of Hospitals with fewer than 200 beds.	6
Up to 30%	Heads of offices subordinated to the vice-chancelleries of the University or Institute, Heads of hospital wards and Faculty Departments, those in charge of laboratories of hospitals, faculties and institutes, Heads and administrators of colleges	7

Discussion and Conclusion

Several studies on the satisfaction of faculty members in Iran have shown that there is a direct relationship between job satisfaction and the salaries and benefits of faculty members (10-14). This satisfaction has also been reported to be influenced by their age factor. In fact, the age variable has a significant relationship with the creation of job satisfaction. This relationship seems to be influenced by the faculty members' professional concerns such as the amount of salary, work stability and working environment conditions, which are all of specific importance at different ages (10). For example, many faculty members under the age of 30 are mainly concerned about the salary, while the main concern of faculty members aged 30-39 is occupational security, and those aged 40 and above consider the conditions of the workplace as a cause of job motivation. This result can also be attributed to the employment status and academic rank of the faculty members. That is, faculty members under 30, due to lower academic rank and lower salaries, are more concerned about obtaining salaries as a motive for satisfaction. It seems that their concern for having a stable job is not as much as that of faculty members between 30 - 39, which is apparently because their age conditions make it possible for them to earn other job opportunities. However, in the age group of 30-39, the concern for having a stable job is more important. Faculty members in this group usually have temporary-to-permanent or under-a-contract type of employment; therefore, the motivation to create job stability is higher for them, because their scientific life has begun many years ago and this situation needs to be consolidated to earn symbolic capital. Job stability is seen as a condition for obtaining mental well-being and a fixed salary and benefits consistent with the job position. However, faculty members aged 40 and over who mostly have a more stable position in terms of personal and professional life, are more likely to pursue a suitable environment for academic activities and express it as an incentive for job satisfaction. Of course, such generalizations are not exact given the moderate and low quality of working life of faculty members. In particular, earning a stable job position or a satisfying income, which is influenced by social, political, and economic conditions, leads some faculty members to feel insecure at any age and rank. However, a few studies also show that individuals with higher education, and full professors compared with associate professors, and associate professors compared with assistant professors, and those with executive responsibilities, have more satisfaction.

Faculty members expect their salary to be fairly calculated and paid every year and be in proportion to the inflation rate, so that they do not have to do unrelated and non-academic activities outside the university to solve their livelihood problems. .

In general, the salary and benefits system of any organization must be designed in such a way to have these features:

1. It should be sufficient for the employees to earn a living and meet their basic needs for food, clothing, housing and safety.
2. It should motivate staff to improve performance.
3. It should be economic and effective. That is, it should be compatible with the financial power of the organization in the first place, and with the employees' skills and capabilities, in order to achieve the maximum returns from the salary and benefits paid.
4. It should enable the organization to compete with other organizations. That is, the system of salaries and benefits, compared with other similar systems, needs to be better or at least have the same incentives. It goes without saying that this is effective in attracting and retaining forces.
5. It should be rational and the staff accept its rationality.
6. It should be fair. First, the salary and benefits should be in proportion to the specialty, skill, experience and work experience of individuals. Secondly, the terms and conditions for granting these benefits should be the same for all individuals. Obviously, the fairness of the system of salaries and benefits is an important factor in accepting it and also in creating job satisfaction.

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