

Layoffs Should Start with Administrators, Not Faculty

We have heard about a need to lay off regular faculty members as a result of declining international student numbers and the resultant decline in revenue. The savings for laying off 69 faculty members? About \$6M in salary.

But at the same time, we can see the real increase to administration in the draft budget is about \$7.6M. This is made up of \$5M in unfilled positions which they intend to fill, and an additional \$2.6M in new admin positions.

If cuts to positions is the solution, then the most effective means to remedy a revenue shortfall is to cut administration.

Why is this so?

Revenue is largely generated by the work of faculty. Faculty members' work is the direct source of the largest proportion of revenue generation at KPU (via tuition fees), together with the government grant. Cutting faculty positions and laying instructors off reduces the institution's ability to generate revenue and also reduces the ability to recover quickly if enrolment grows.

On the other hand, administration is part of overhead, and is an increasingly expensive part of overhead. Our research shows administration has grown out of proportion with both student population and faculty population over the past several years. **If the chief concern is around revenue, it makes far more sense to lay off administrators than to lay off faculty.**

All salary increases for faculty are fully funded by the provincial government in the grant. That is, every single time we have had a salary increase, the province increases the grant to cover the full cost of the raise. Thus, a significant portion of faculty salary cost is not contingent upon student tuition fee revenues.

But administrators generate little to no revenue and they cost an ever-increasing amount of money.

How much do administrators cost and how has this changed since the start of the sudden increase in international enrollments, around 2017? (*Note: complete data tables are included at the bottom of this post.*)

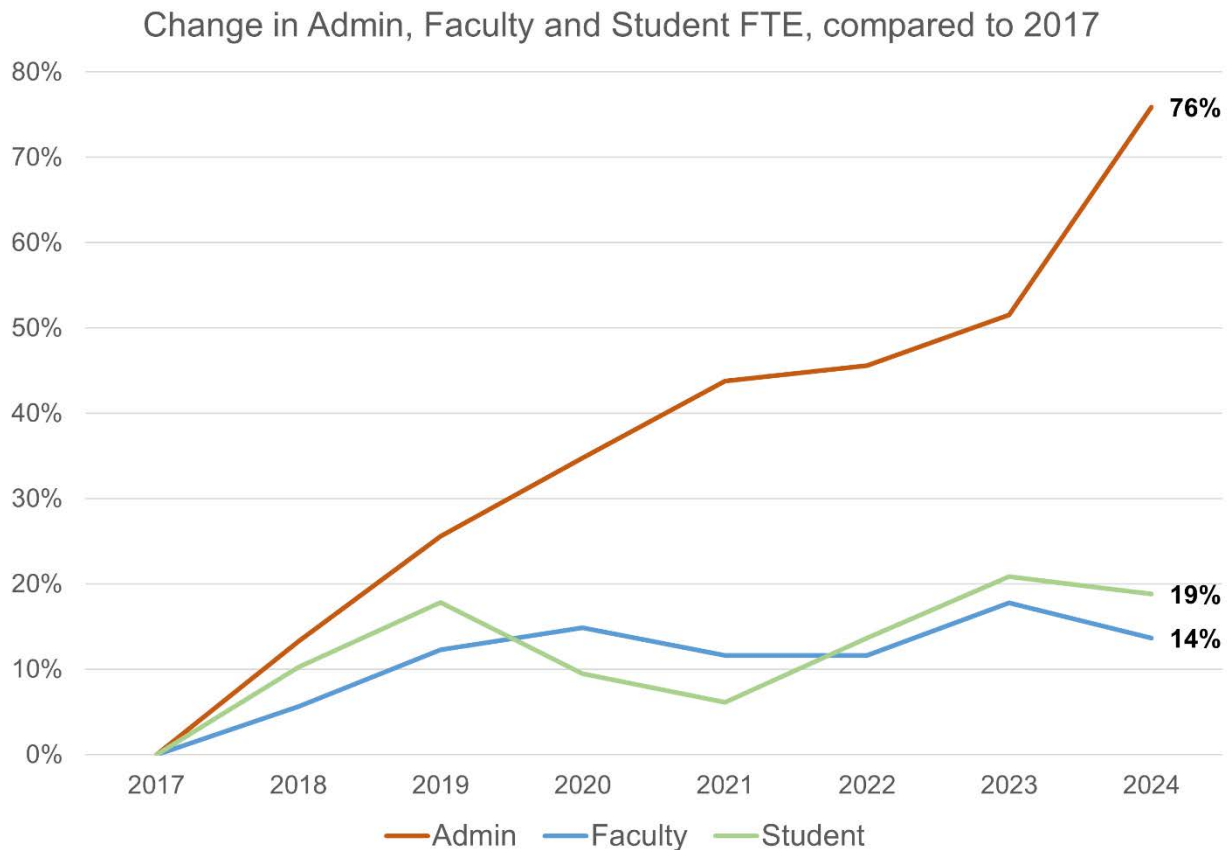
- Total administrative compensation budget in 2017 was \$13,147,499.17
- Total administrative compensation budget in 2024 was \$28,312,796.70
- Total administrative compensation budget from 2017 to 2024 change is a **115% increase**.

In other words, there was a 115% increase in total administration compensation budget in just 7 years, but there is no plan to actively cut back on administration. **Cutting back this excessive growth in cost is a tremendous cost-savings opportunity, now that student numbers are declining.**

Revenue and cost are important, and so is rate of increase. **Administration numbers have grown out of proportion with student and faculty numbers, so we say that if layoffs are the answer, then it makes more sense to lay off administrators than faculty.**

Faculty FTE increases are tied directly and proportionately to student FTE increases, which directly relates faculty FTE to student enrollments and revenue. However, administration growth has far exceeded student enrollment growth and faculty FTE growth.

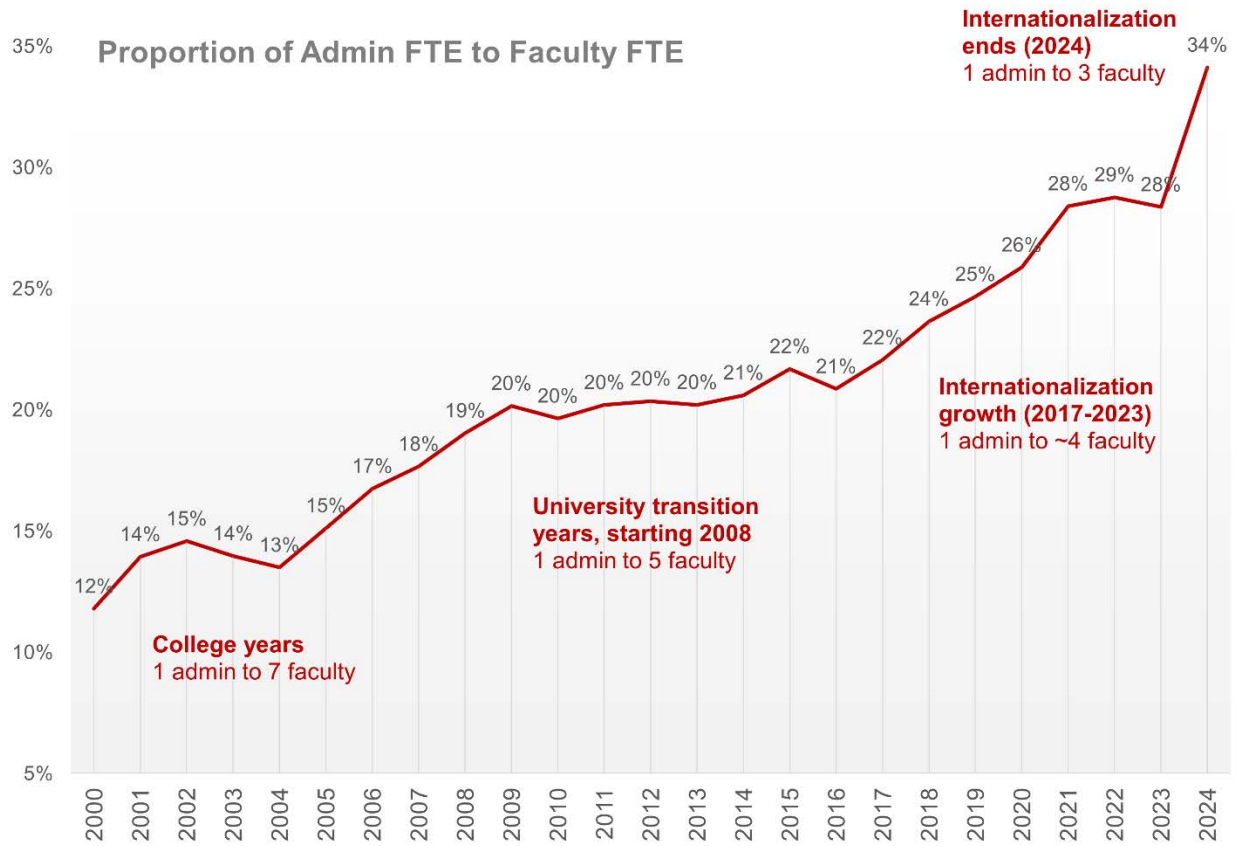
The following chart illustrates these facts.



Between 2017, when international student numbers started rising significantly, and 2024, when they began to drop off, there was a 76% increase in administration FTE, from 138 to 242 positions.

Student FTE increased during this period by just 19%, from 11,734 to 13,942. Faculty FTE increased by just 14%, from 627 to 709.

Also important: the ratio of administration to faculty has steadily increased, measured by relative FTE. During the latter college era, the ratio was 1 admin to about every 7 faculty. Around the start of the University transition, in 2008 the proportion was 1 admin to about every 5 faculty. Currently, the ratio of administrators to faculty members slightly more than 1 admin to about every 3 faculty. If the planned faculty layoffs and administration hires proceed, there will be significantly fewer faculty per admin.



The excessive growth in administration should be removed before faculty layoffs occur.

Not only is KPU administration disproportionate in terms of the internal proportions, it is also disproportionate in a sectoral comparison. A comparison of admin to faculty at similar post-secondary schools shows us that KPU's proportion of admin to faculty is much higher than at most comparable institutions for 2024. **Laying off faculty will make this ratio worse, not better.**

Institution	Proportion of Admin FTE to Faculty FTE	RATIO
Langara College	38%	1 admin to 2.6 faculty
Kwantlen Polytechnic University	34%	1 admin to 2.9 faculty
Capilano University	27%	1 admin to 3.7 faculty
Vancouver Island University	25%	1 admin to 4.0 faculty
Douglas College	22%	1 admin to 4.6 faculty
University of the Fraser Valley	21%	1 admin to 4.7 faculty
BC Institute of Technology	18%	1 admin to 5.5 faculty

No matter how we look at it, in terms of revenue, in terms of disproportionate growth, in terms of cost, and in terms of comparable institutions in our sector, there is an excessive amount of administration at KPU.

If layoffs are the way to address the budgetary situation, then reducing administrative FTE should be the first step KPU takes, not faculty layoffs.

The planned faculty layoffs are a choice, not a necessity, and a different choice should be made.

Notes and Tables

Data has been compiled from the following sources:

1. Admin FTE and Faculty FTE: Human Resources Data Base (HRDB), Post-Secondary Employers Association (PSEA), 2000-2024.
2. Student numbers: KPU's annual accountability plans and reports, 2010-2024.

Notes on the data:

- Admin data is for excluded (non-union and non-instructional) positions and does not include BCGEU staff
- Faculty data includes classroom and non-classroom faculty (counsellors, librarians, learning centres, learning specialists)
- Admin and Faculty FTE includes regular and non-regular; for admin, it also includes casual
- 2012 student data is not available (the accountability report for that year is not posted on the KPU website); the 2012 student number has been calculated as an average of 2011 and 2013 numbers

Summary table of numerical data drawn from the HRDB and from KPU Accountability Plans & Reports:

Administration (Excluded) FTE Compared to Student and Faculty FTE

Year	Excluded (Admin) FTE	Student FTE	Student FTE per Admin FTE	Faculty FTE	Faculty FTE per Admin FTE	Faculty FTE per Student FTE
2024	235.872	13942	59.11	708.9	3.01	19.67
2023	208.317	14182	68.08	734.7	3.53	19.30
2022	200.161	13338	66.63	696.0	3.48	19.16
2021	197.657	12451	62.99	696.1	3.52	17.89
2020	185.247	12843	69.33	716.2	3.87	17.93
2019	172.661	13826	80.08	700.3	4.056	19.67
2018	155.707	12935	83.07	658.6	4.23	19.30
2017	137.466	11734	85.36	623.7	4.54	19.16
2016	132.278	11471	86.72	634.3	4.80	17.89
2015	136.558	11496	84.18	630.0	4.61	17.93
2014	129.394	11679	90.26	628.4	4.86	19.74
2013	126.696	11433	90.24	627.2	4.95	19.64
2012	123.749	*	*	608.1	4.91	18.81
2011	121.135	11013	90.92	599.9	4.95	18.08
2010	119.894	10577	88.22	610.5	5.09	18.25
2009	113.405	**	**	562.7	4.96	**
2008	109.29	**	**	574.4	5.26	**

2007	99.757	**	**	565.0	5.66	**
2006	93.414	**	**	557.9	5.97	**
2005	83.648	**	**	553.6	6.62	**
2004	72.885	**	**	541.5	7.43	**
2003	67.931	**	**	486.5	7.16	**
2002	68.217	**	**	468.0	6.86	**
2001	64.596	**	**	463.7	7.18	**
2000	60.452	**	**	513.0	8.49	**

*2012 Student FTE not available as accountability reports are not on the KPU website.

** No KPU Accountability Reports are available prior to 2010.

2017 marked in red text as this was the approximate beginning of increases in international student enrolments

Here is a summary table of administration compensation totals since 2000. Again, this data is drawn directly from the HRDB, produced by PSEA.

Fiscal Y/ E	Salary	Overtime / Overload	Benefits In Lieu	Stipend / Allowance	Other	TOTAL
2024	\$27,646,800.4 0	\$25,047.0 5	\$525.00	\$0.00	\$640,424.2 5	\$28,312,796.7 0
2023	\$21,982,693.4 9	\$42,736.4 9	\$0.00	\$0.00	\$764,730.3 8	\$22,790,160.3 6
2022	\$21,029,085.2 9	\$9,330.72	\$0.00	\$0.00	\$625,391.6 5	\$21,663,807.6 6
2021	\$19,911,406.2 2	\$9,502.14	\$0.00	\$0.00	\$510,445.4 3	\$20,431,353.7 9
2020	\$18,172,039.5 4	\$13,885.8 9	\$0.00	\$0.00	\$471,204.5 1	\$18,657,129.9 4
2019	\$16,209,735.8 8	\$3,040.84	\$0.00	\$1,779.21	\$304,462.4 2	\$16,519,018.3 5
2018	\$14,175,949.7 4	\$1,785.92	\$0.00	\$531.57	\$643,114.7 7	\$14,821,382.0 0
2017	\$12,367,605.4 5	\$10,674.0 6	\$0.00	\$1,426.95	\$767,792.7 1	\$13,147,499.1 7
2016	\$11,850,541.1 4	\$5,155.08	\$1,721.8 5	\$4,423.13	\$434,807.0 7	\$12,296,648.2 7
2015	\$12,277,741.4 5	\$5,672.45	\$4,606.7 8	\$11,459.74	\$468,396.5 1	\$12,767,876.9 3
2014	\$11,899,100.2 0	\$1,109.76	\$4,141.0 2	\$7,284.58	\$343,172.1 6	\$12,254,807.7 2
2013	\$11,518,344.8 8	\$2,367.66	\$1,672.3 4	\$18,120.70	\$127,243.5 3	\$11,667,749.1 1
2012	\$11,089,845.1 9	\$0.00	\$0.00	\$16,242.92	\$219,252.3 4	\$11,325,340.4 5
2011	\$10,596,997.2 8	\$262.46	\$0.00	\$8,285.00	\$391,115.2 6	\$10,996,660.0 0

2010	\$10,434,337.64	\$5,133.63	\$0.00	\$14,795.46	\$335,684.92	\$10,789,951.65
2009	\$9,709,096.24	\$7,615.82	\$0.00	\$36,572.48	\$384,514.10	\$10,137,798.64
2008	\$9,125,142.11	\$7,647.61	\$0.00	\$93,037.95	\$450,214.79	\$9,676,042.46
2007	\$8,191,778.51	\$6,853.40	\$0.00	\$415,368.67	\$377,298.12	\$8,991,298.70
2006	\$7,410,831.49	\$55,302.96	\$0.00	\$52,119.12	\$306,326.82	\$7,824,580.39
2005	\$6,539,900.67	\$8,659.44	\$0.00	\$19,200.75	\$170,178.63	\$6,737,939.49
2004	\$5,780,220.72	\$0.00	\$1,385.26	\$14,539.09	\$85,376.67	\$5,920,380.01
2003	\$5,087,552.06	\$0.00	\$0.00	\$12,196.73	\$144,744.88	\$5,244,493.67
2002	\$4,848,585.30	\$1,530.02	\$0.00	\$15,462.11	\$79,250.00	\$4,944,827.43
2001	\$4,283,904.87	\$1,693.11	\$0.00	\$18,023.66	\$169,030.14	\$4,472,651.78
2000	\$3,876,629.87	\$6,396.43	\$0.00	\$12,000.00	\$21,739.89	\$3,916,766.19