

# LEARNING ABOUT NEW FORMS OF TEACHER COMPENSATION

A DAY FOR SUPERINTENDENTS,  
SCHOOL BOARD MEMBERS, AND  
TEACHER ORGANIZATION LEADERS

Susanna Loeb  
Stanford University & PACE

# TODAY

- Many systems
  - Denver
  - Minneapolis
  - New York City
  - Texas – Teacher Advancement Program
  - Austin
  - San Francisco
  
- Many alternatives – both in goals and approaches
  - Skill development
  - Difficult-to-staff schools
  - Difficult-to-staff subjects
  - Student test performance
  - Teacher-level, School-level

# BEHIND ALL THIS STRATEGIES TO IMPROVE EDUCATIONAL OPPORTUNITIES

- Can't say for sure what the best approach is
  - Little research
  - Context determines goals and opportunities (TNTP examples)
  - No single element is key
- Aim to be strategic so as to improve instruction
  - Articulating goals
  - Making use of opportunities
  - Making use of information

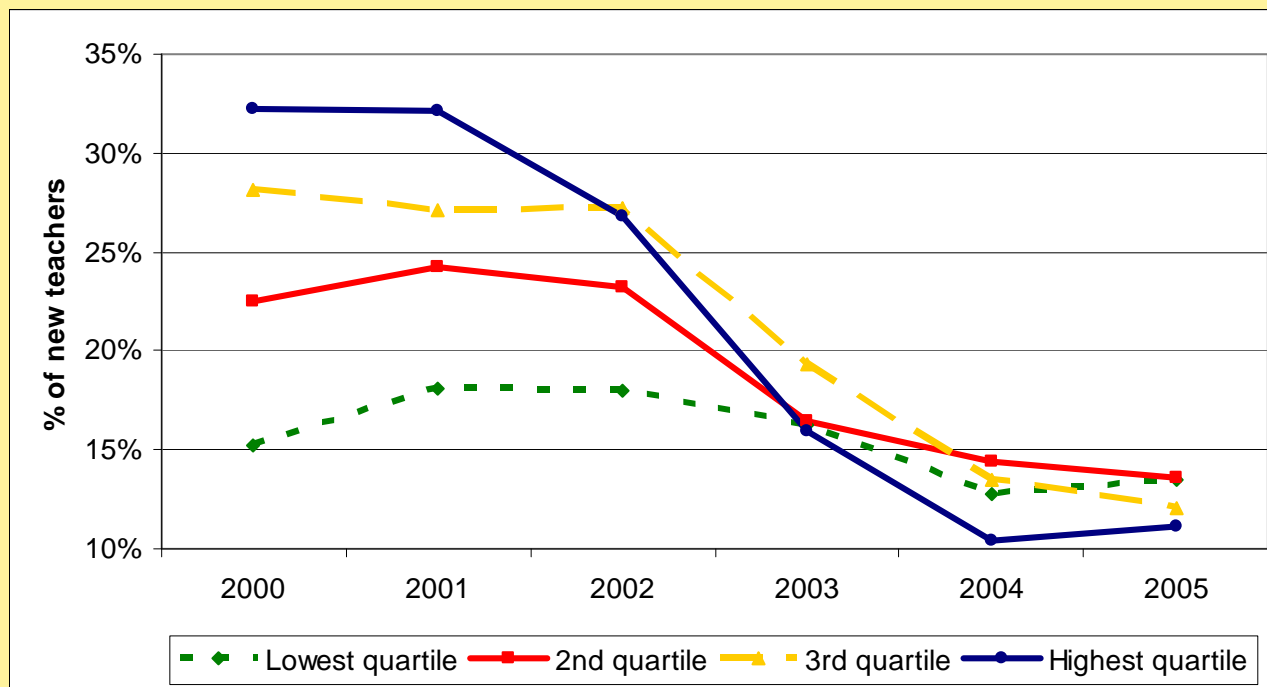
# CLEAR THAT TEACHERS MATTER

- Teachers and peers are schooling for students
- Teachers differ in the learning of their students as measured by standardized tests
- We can observe good teaching

# ALSO CLEAR THAT HUMAN RESOURCE POLICY MATTERS

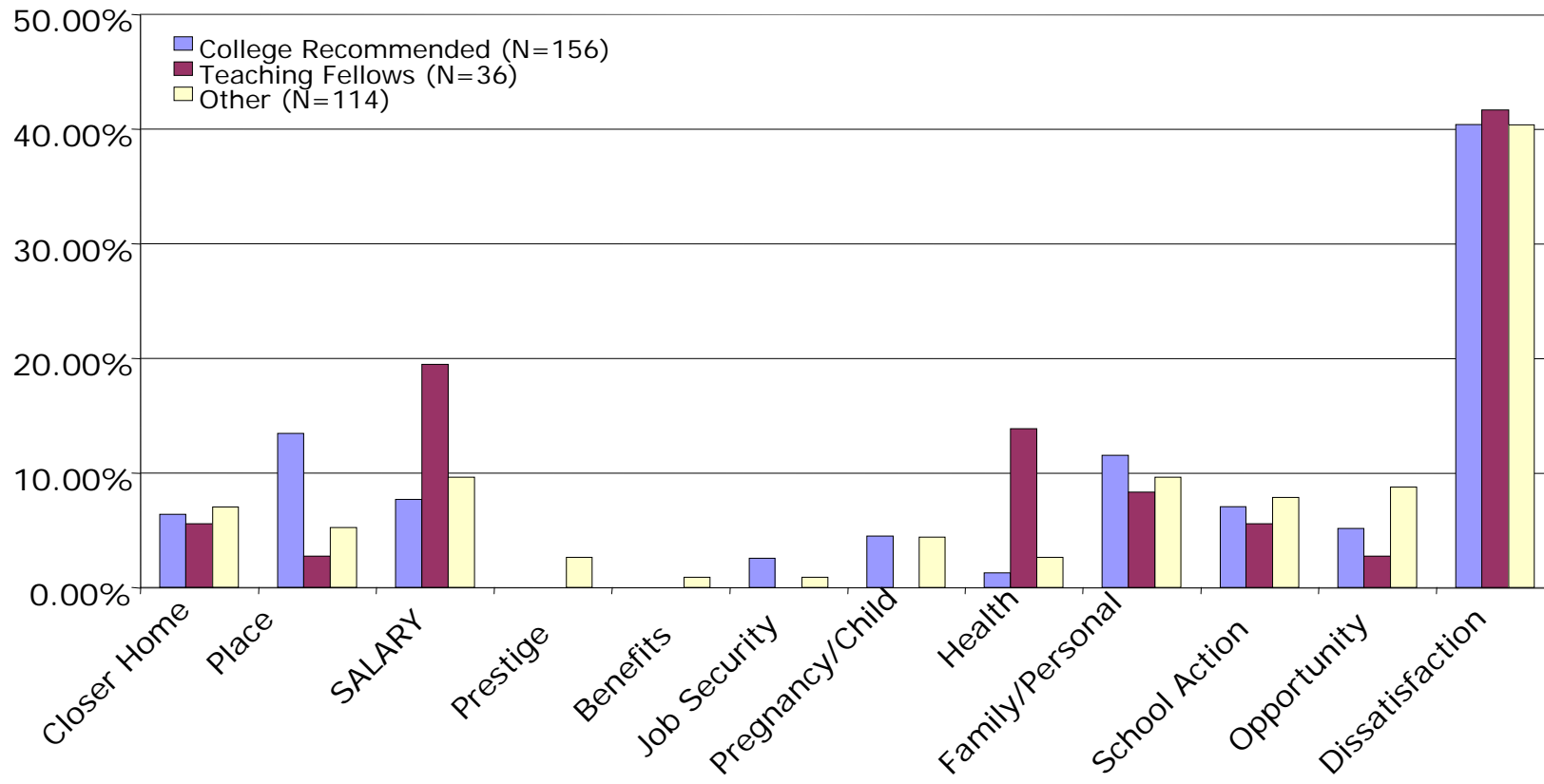
## ○ Example: NYC 2000-2003

- 2000 NYS Regents created alternative certification routes
- 2000 NYC DOE created its first cohort of Teaching Fellows
- 2001 NCLB Required teachers to be fully State-certified,
- 2003 NYS Regents eliminated temporary licenses
- NYC increased starting salaries from \$33,186 to \$39,000



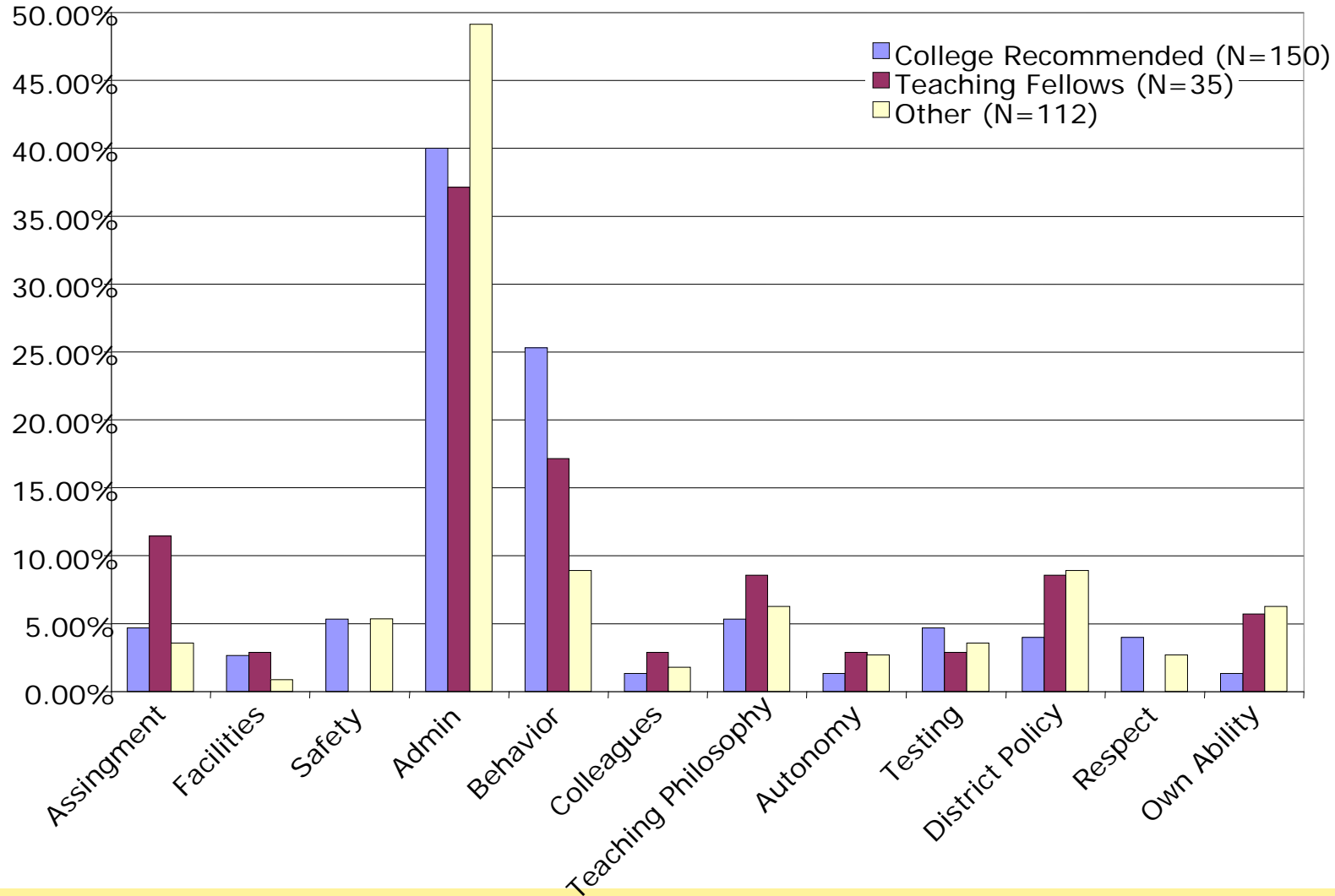
# MONEY ISN'T EVERYTHING

- For example, money is not the main reason teachers leave



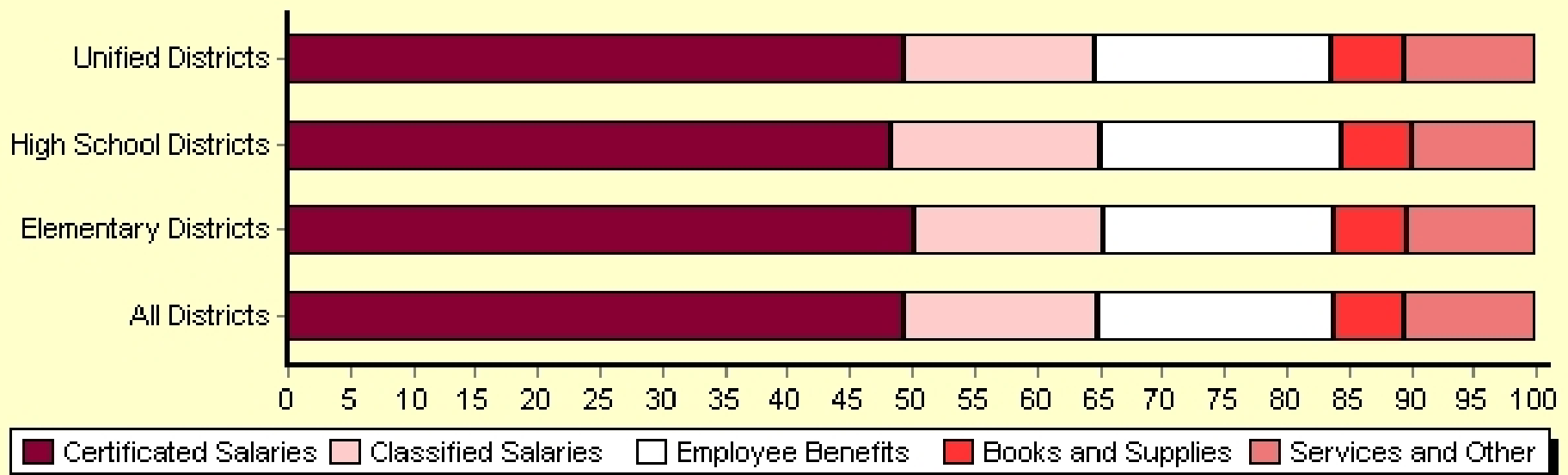
# WHEN WE LOOK WITHIN SCHOOLS...

## LEADERSHIP



# BUT MONEY MATTERS

- Teachers respond to monetary incentives
  - More individuals seek teaching positions when salaries are higher
- Labor is by far the largest expense
  - here general fund expenditures in California





# MONEY IS ALSO A RELATIVELY SIMPLE POLICY LEVER TO SUPPLEMENT MORE NUANCED APPROACHES

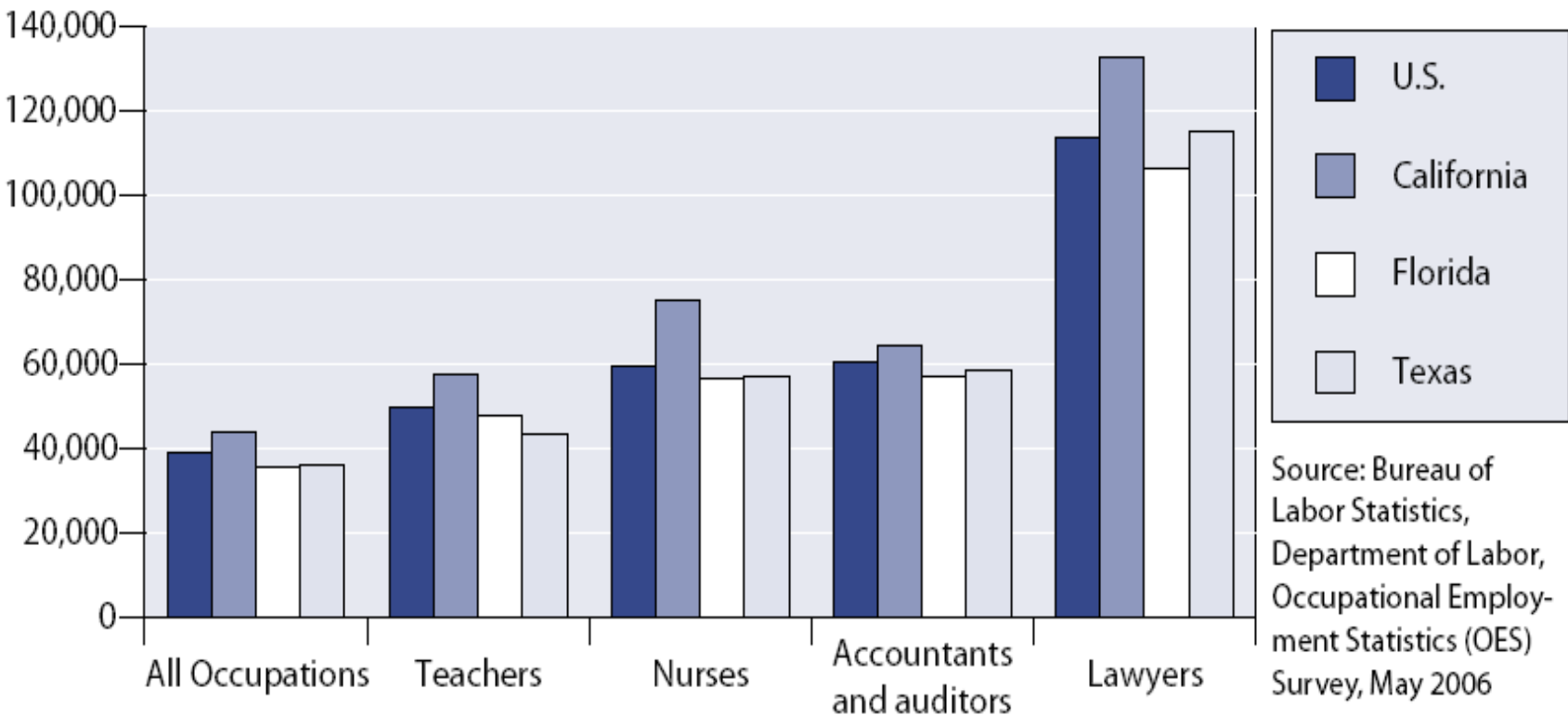
- Recruitment
- Selection
- Effective assignment
  - individuals
  - work groups
  - student teachers
- Monitoring
- Promotion

*Essential but tricky*

- *Design choices*
- *Implementation*
- *Quality*

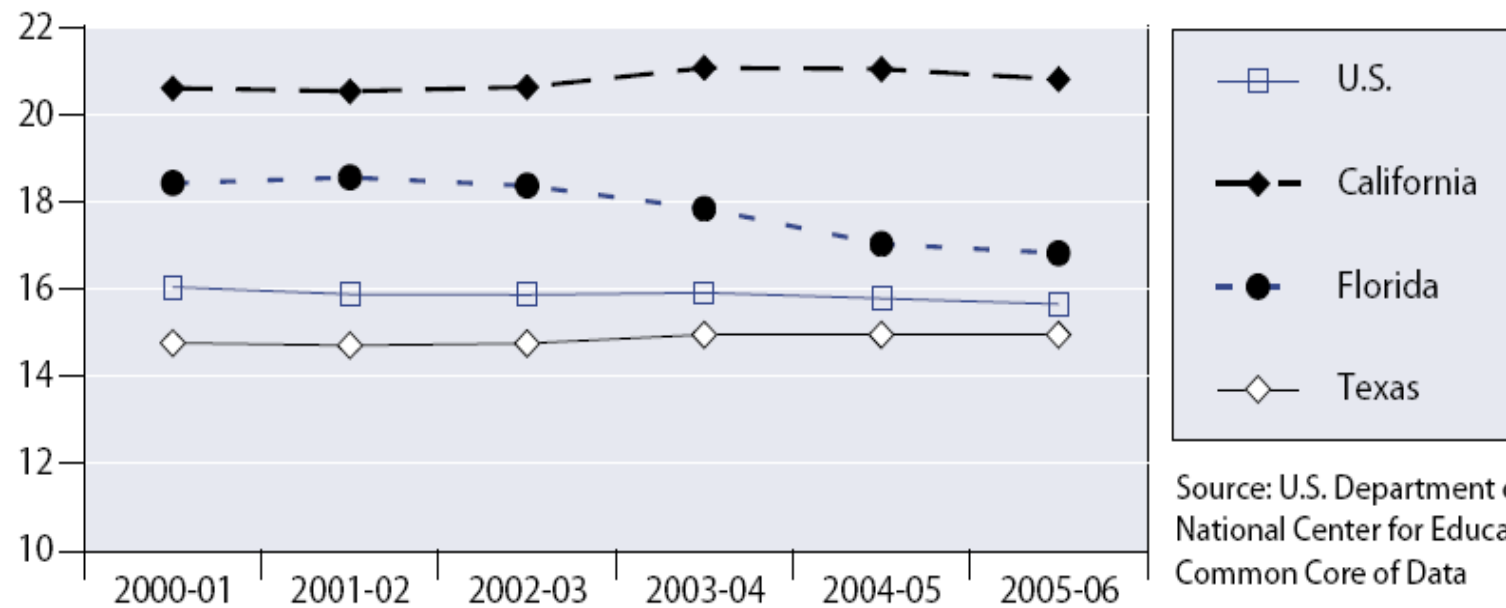
# CALIFORNIA – STRATEGIC USE OF DOLLARS PARTICULARLY IMPORTANT DUE TO HIGH COST OF LABOR

Mean Annual Wages



# WHICH LEADS TO: FEWER TEACHERS PER STUDENT THAN OTHER STATES

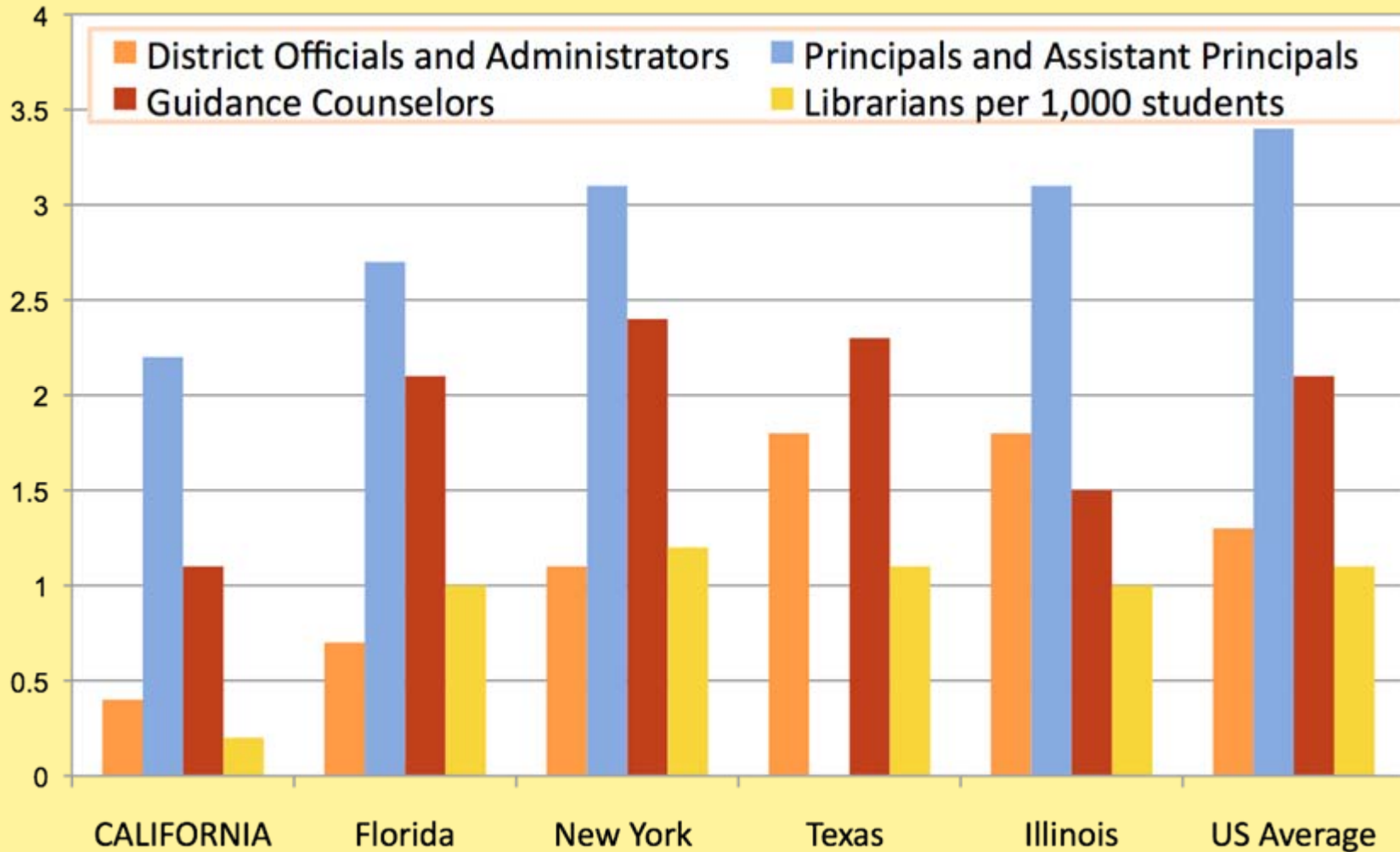
Pupil Teacher Ratio by State



Source: U.S. Department of Education,  
National Center for Education Statistics,  
Common Core of Data

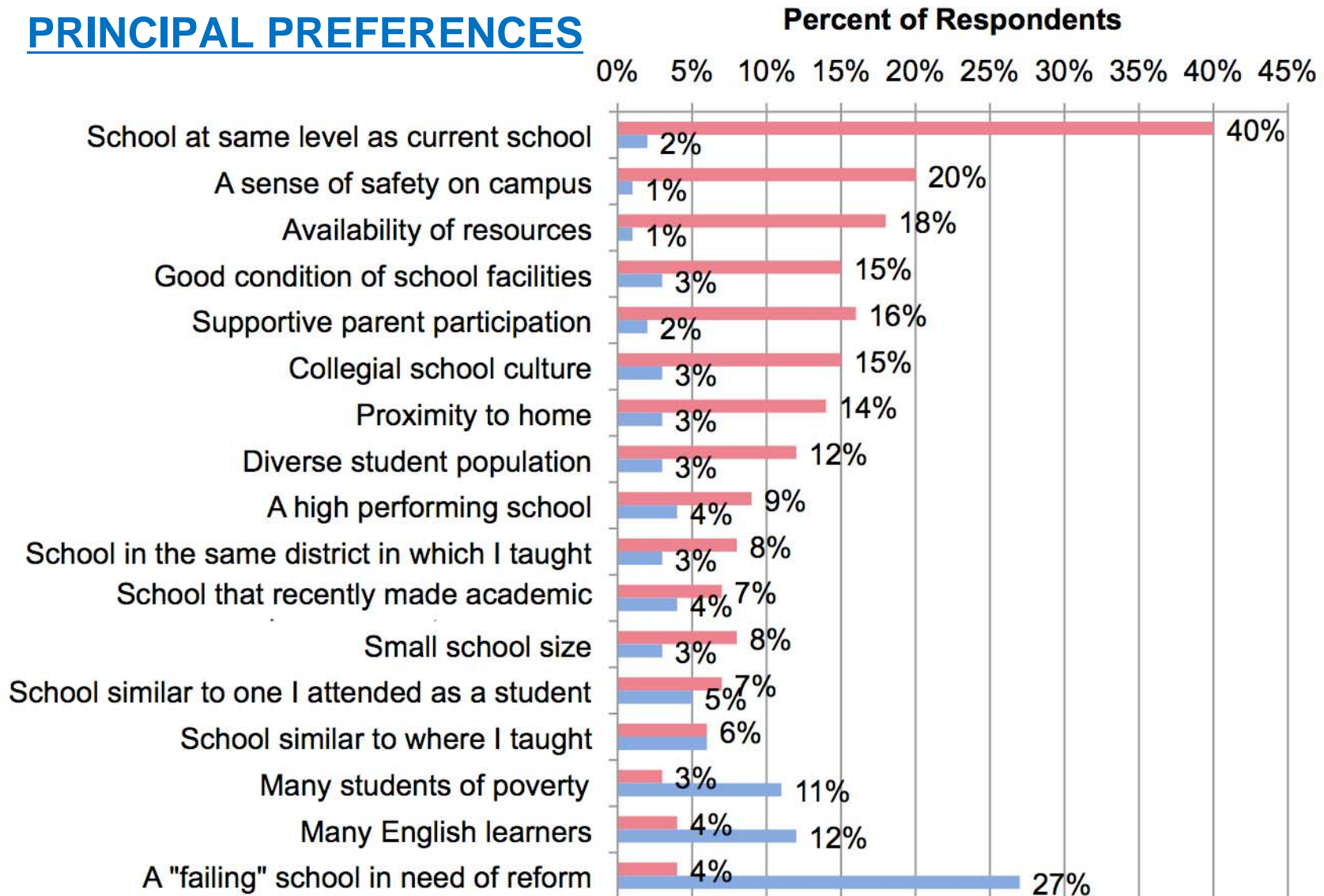
# BUT NOT ONLY TEACHERS

## COMMON CORE OF DATA 2005-06



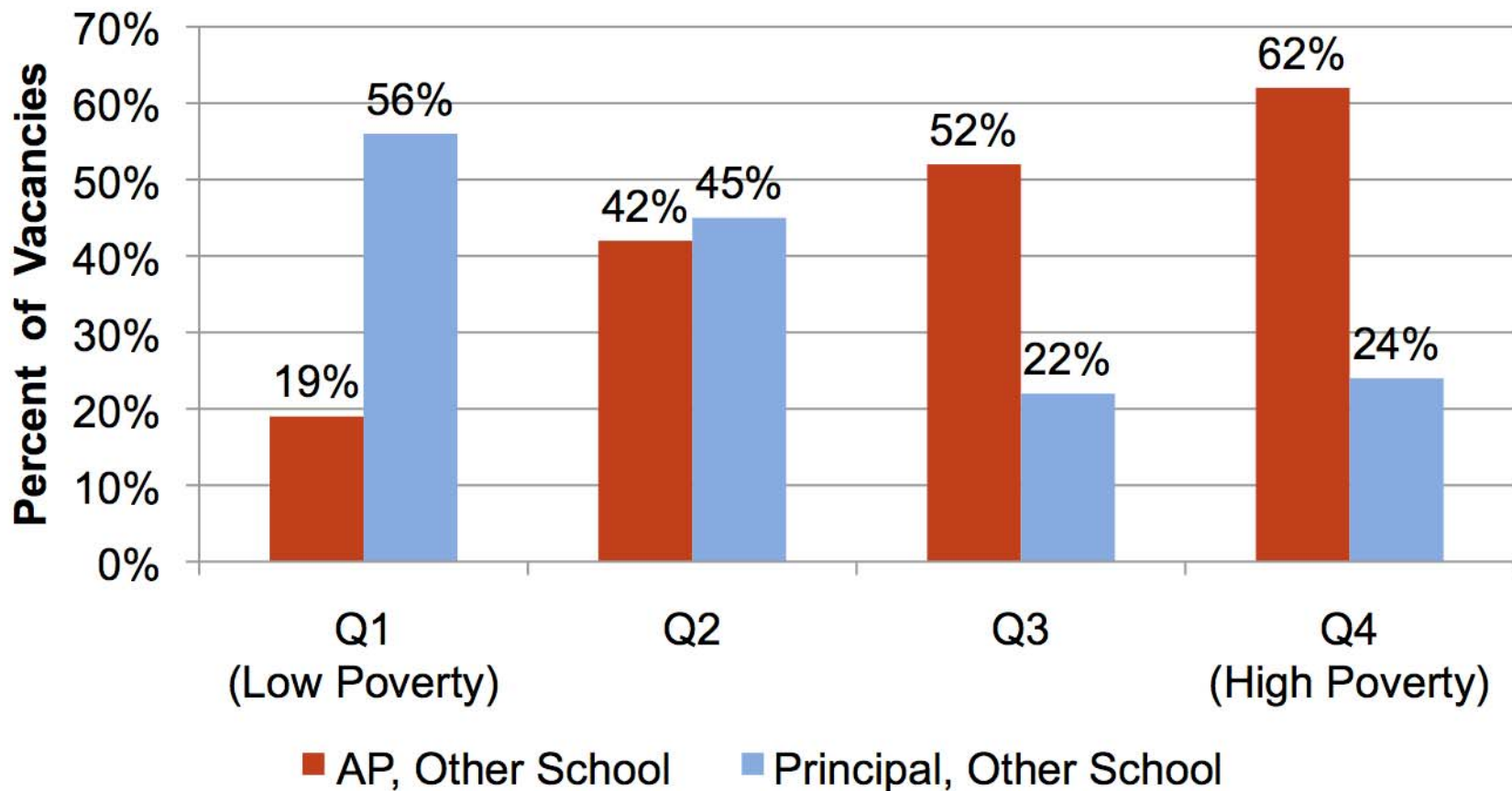
# TEACHERS & ADMIN ARE ALREADY RESPONDING TO INCENTIVES

## PRINCIPAL PREFERENCES



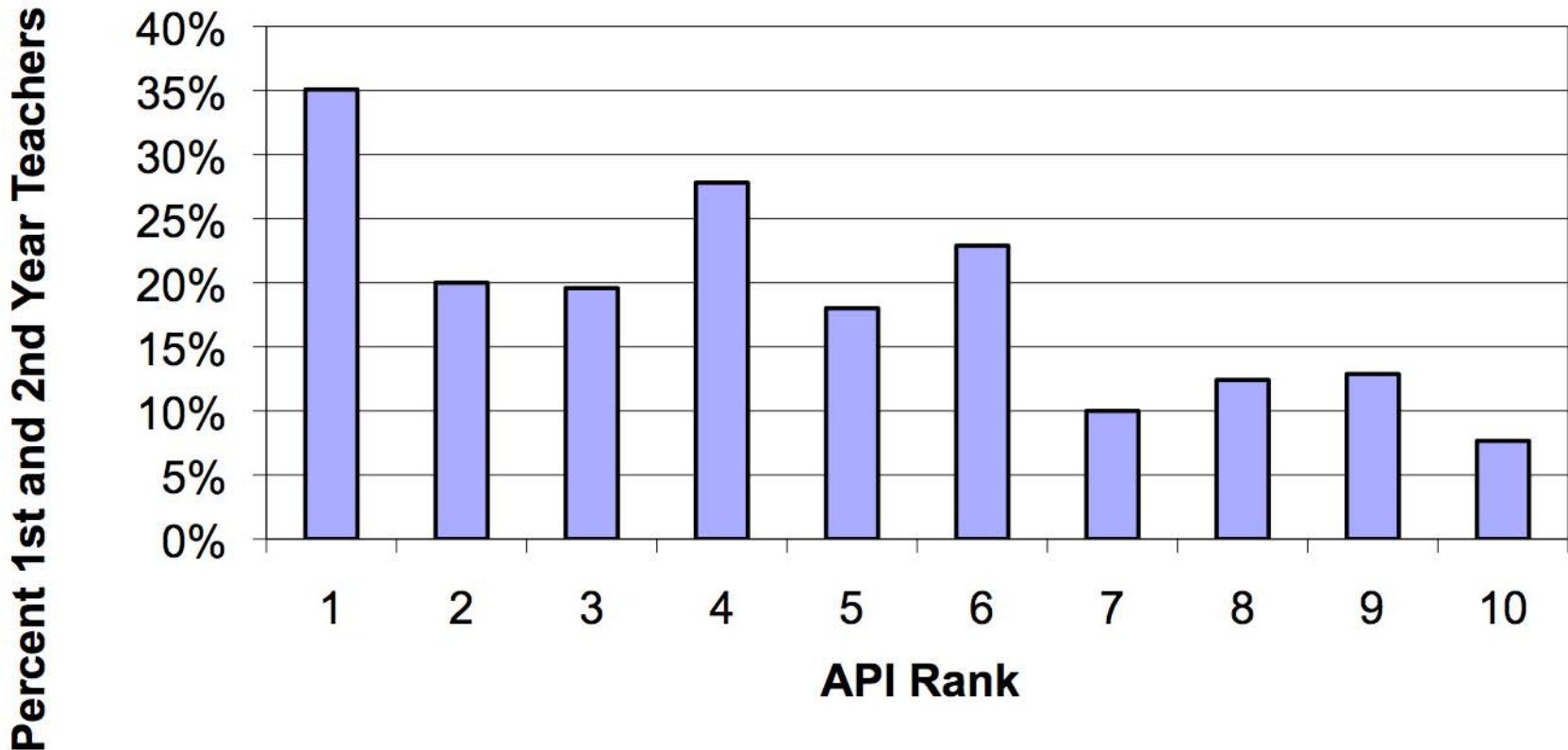
# THESE INCENTIVES ARE LEADING TO SUB-OPTIMAL OUTCOMES

- For example: Prior Position of Those Filling Principal Vacancies (M-DCPS)



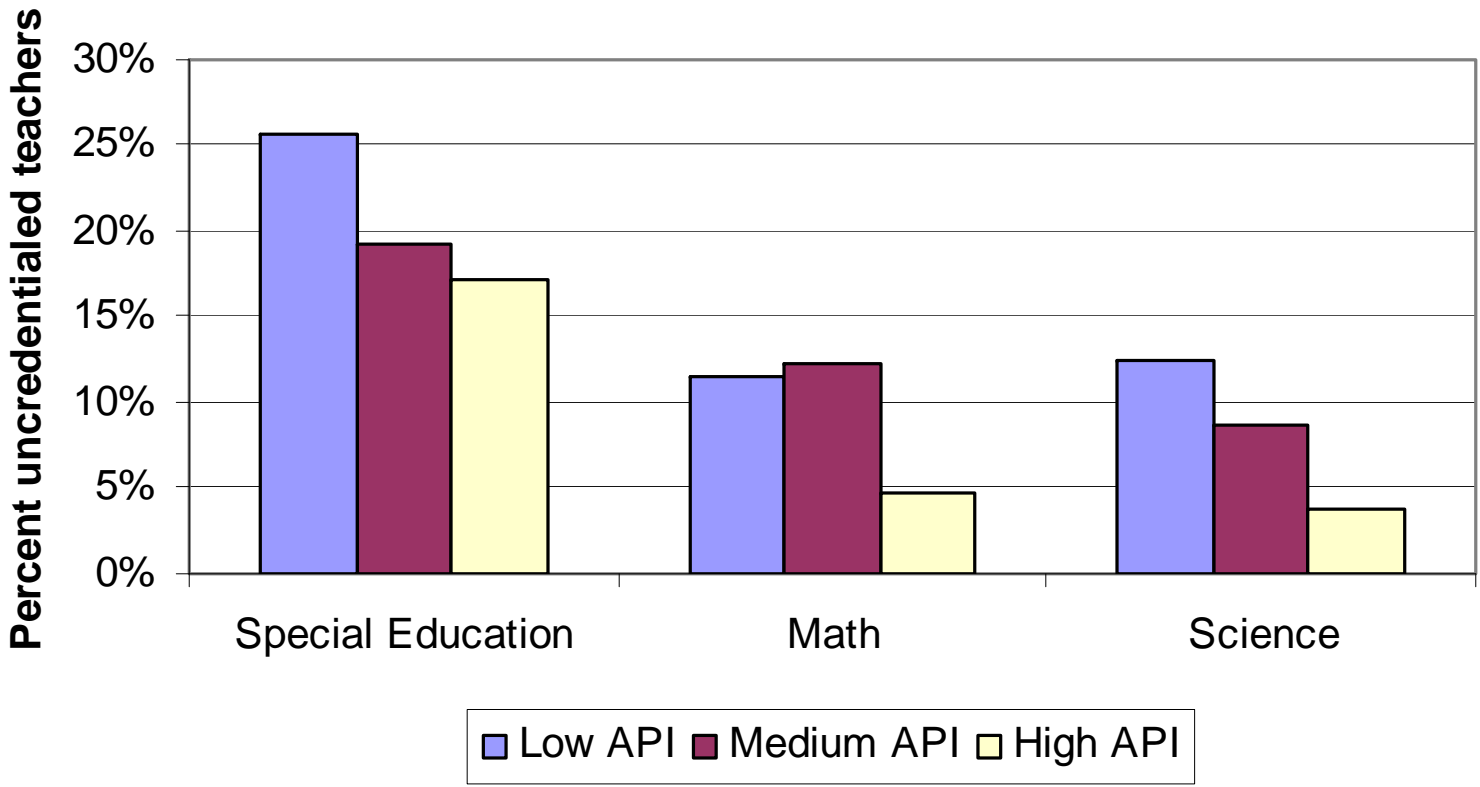
# INEQUITIES IN THE TEACHER WORKFORCE WELL DOCUMENTED

**Percent First and Second Year Teachers, by School  
Performance Level - SFUSD**



# LOW PERFORMING SCHOOLS HAVE MORE UN-CREDENTIALIAED TEACHERS IN HARD-TO-FILL SUBJECTS EVEN UNDER NCLB

## Uncredentialed Teachers, by Subject and Performance Level



Source: Analysis of administrative data, pooled from 2003-2007.



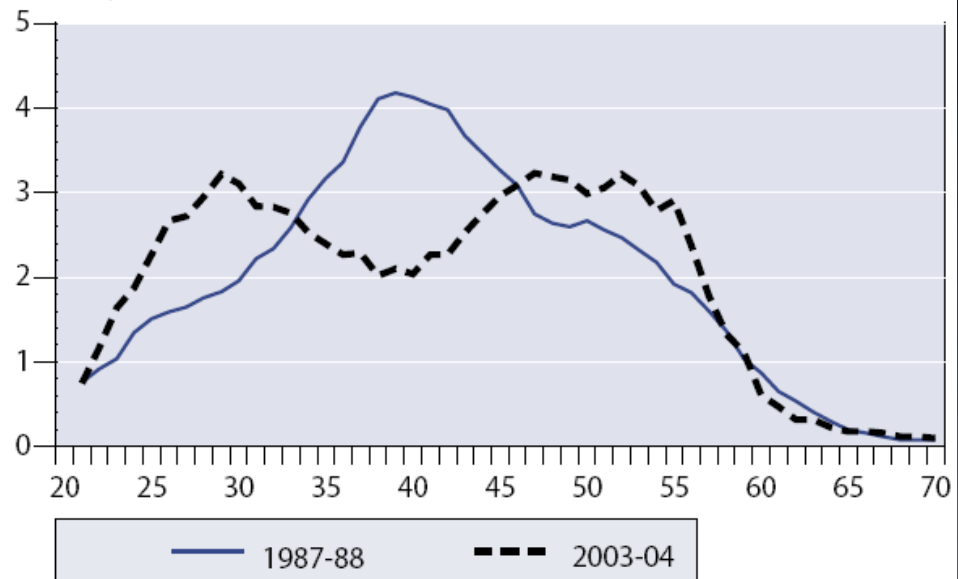
# ALTERNATIVE COMPENSATION

- Realign incentives toward shared goals

- Unusual Opportunities

- Examples to draw on
  - Show promises and difficulties
- Federal Incentives
- Economy
- Many new teachers

**FIGURE 2.** Age Distribution Over Time for Teachers in California (three-year rolling averages)



# TODAY'S GOALS

- Highlight examples of strategic compensation
  - Aims
  - Processes of reforms
  - Reasons for choices reflected in reforms
  - Areas of difficulty
  - Areas of success
- Provide opportunity for California's education leaders to think about and discuss
  - Needs
  - Possible approaches
  - Potential for alternative compensation reforms
  - Next steps
- Our hope for the conference
  - facilitates the initiation / progression of strategic human resource policies
  - leads to productive local conversations

# LEARNING ABOUT NEW FORMS OF TEACHER COMPENSATION

A DAY FOR SUPERINTENDENTS,  
SCHOOL BOARD MEMBERS, AND  
TEACHER ORGANIZATION LEADERS

Susanna Loeb  
Stanford University & PACE