
**MOVEMENT INTO AND OUT OF THE SCHOOL ADMINISTRATIVE
CAREER FIELD**

Existing national data allow one to examine whether individuals are turning away from careers in education in general and from public education in particular. In our case, they allow us to consider movement into and out of the school administrative career field (viewing the private and public sectors together or the public sector by itself) and the factors influencing that movement. This chapter presents the results of our analyses of these types of moves, which are illustrated in Figure 4.1.

The national data do not, however, prove useful if one wants to explore the narrower definitions of the career field. To ask the more-focused questions, those about career-field moves that individuals make across schools and districts, one must tap into state-level administrative records. These questions are also discussed here, near the end of the chapter.

OVERVIEW OF ENTRIES AND EXITS

As the career flow conceptual framework suggests, individuals can enter or leave the administrative career field at different points: the principalship, the superinten-

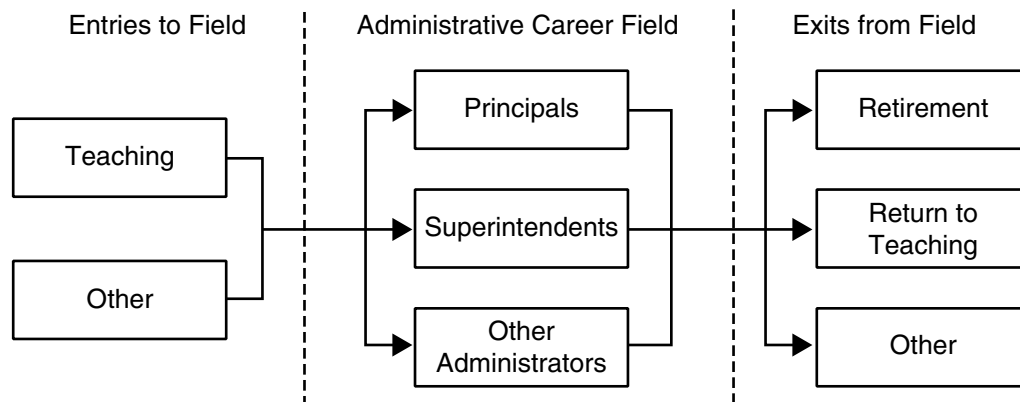


Figure 4.1—Movement Into and Out of Administrative Career Field

dency, and the other administrative positions. Existing research and data provide some insight on these moves, but little research specifically examines the entry and exit of school administrators. We used the Current Population Survey (CPS) to analyze the characteristics of people who moved into or out of school administration positions over the course of one year (details are provided in Appendix D). School administration is defined generally in this analysis to include not only principals and superintendents, but all individuals who perform management functions in primary or secondary schools or school districts.¹

School administration entry and exit rates ranged from 15 to 33 percent per year during the sample period (1983–1999), with no evident time trend. The entry rate varied significantly from year to year, ranging from 19 to 29 percent (see Appendix D, Figure D.8). The largest share of entrants—nearly 50 percent—had been teachers in the previous year. Of those classified as “other” in Figure 4.1, people entering from managerial occupations in other professions/industries made up about 20 percent of all new entrants, and those moving into the labor force to take a position in school administration made up only about 7 percent. The distribution of age across this latter group was very wide.² Just as a large proportion of people entered school administration positions each year, so did a large proportion leave them. Movement out of the labor force accounted for slightly over 18 percent of exits; the average age across this group was 60 (median age, 63). Of those leaving school administration for a new occupation, 22 percent moved into a management position in another profession/industry, and 37 percent moved into a teaching occupation.³ Approximately 23 percent of exits were to a wide array of other occupations, none of which accounted for more than 1 or 2 percent by itself. On average, those leaving school administration experienced a decrease in the average number of hours they worked per week and in their average wage.

Moving from Teaching to Administration

An overwhelming majority of school principals—over 99 percent in the public sector and nearly 90 percent in the private—had teaching experience. As of 1999–2000, public school principals had an average of 14 years of teaching experience, and private school principals had an average of 14.5 (see Table 3.1). This reflects a dramatic increase from 1994, when the averages were 11 and 9.5 years, respectively (Fiore and Curtin, 1997). Superintendents responding to a 2000 survey reported a similar tendency to have spent time in the classroom, with approximately 90 percent having taught (Glass, Bjork, and Brunner, 2000). This transition from teaching to

¹For example, financial managers, personnel and labor relations managers, purchasing managers, and accountants and auditors.

²The mean age was 54, with a standard deviation of 16. Moreover, the interquartile range was 25. These descriptive statistics indicate that the distribution of age across this group was relatively wide.

³Teaching occupations are defined as prekindergarten, kindergarten, elementary, and secondary education teachers and school-based counselors.

school administration is an exceedingly common step for school administrators. Because it has received little attention from education researchers, however, very little is known about how, when, and why the transition occurs.

Analyses of teacher labor markets typically treat a transfer to administration as an exit from teaching (Stinebrickner, 1998; Haffner and Owings, 1991; Bobbitt et al., 1994; Grissmer and Kirby, 1992; Murnane, Singer, and Willett, 1988). Brewer (1996) analyzes the quit decisions of teachers from a broader perspective, explicitly considering how administrative compensation affects teachers' decisions to stay within a district. The logic behind Brewer's analysis is that teachers think not only about their current salary in making decisions about where to work, but also about their future earning potential. Because most administrators first spend time as teachers, administrative compensation factors into estimates of future earning potential for some individuals. Brewer finds some evidence of a relationship between teacher retention and administrative compensation, suggesting that teachers do consider their promotion opportunities in deciding whether to remain in the education field. Among other things, the research shows that after controlling for teacher salary, districts with lower administrative salaries have higher teacher turnover.

Our analysis of movement into and out of school administration (details in Appendix D) suggests that a healthy proportion of that movement involves teachers. Nearly 50 percent of entrants into school administration had worked in teaching occupations the previous year, and, somewhat surprisingly, 37 percent of those who had left school administration did so to return to teaching. These data suggest that there is a strong revolving door between teaching and school administration generally, if not between teaching and the principalship in particular. Papa, Lankford, and Wyckoff (2002) did not find a strong tendency for principals in New York state to return to teaching. This finding may reflect the fact that because the principalship is fairly high up on the administrative career path, people who decide they are not interested in administration do so long before they reach that level.

For those who became superintendents, the decision to leave teaching and enter school administration seems to have come early (Glass, Bjork, and Brunner, 2000). A majority (76 percent) of the superintendents responding to the 2000 AASA survey assumed their first administrative position before age 35; 14 percent became administrators between 36 and 40, 7 percent between 41 and 45, and only 3 percent at 46 or older. Of all superintendents, those in the largest districts appear to have been more likely to enter administration before age 30 (64 percent in large districts, compared with 49 percent overall). This observation is somewhat surprising in view of the fact that the average age of new public school principals (i.e., those with three or fewer years as a principal) in 2000 was nearly 46.

Entry into the teaching profession is clearly an important issue for those concerned about the quality of school administrators, because teachers are the major pool from which school administrators are drawn. Research has suggested that college graduates with the stronger academic backgrounds are less likely to go into teaching and,

when they do, are less likely to remain there (Murnane et al., 1991). A recent study (Henke et al., 2000) found that college graduates with scores on college entrance exams in the highest quartile were half as likely to teach as were their peers whose test scores fell in the lowest quartile (9 percent, compared with 18 percent). Of those who did teach, those with the higher test scores were more likely to teach in private or secondary schools and less likely to teach in elementary schools or schools with a high concentration of low-income students. In addition, a pattern of high exit rates early in the career and low exit rates in mid-career has been documented in several longitudinal studies of teachers (e.g., Kirby and Grissmer, 1993; Kirby, Berends, and Naftel, 1999; Murnane, Singer, and Willett, 1988, 1989).

Relative Compensation Between School Administrators and Professionals Other Than Teachers

Level of compensation is a primary determinant of the amount of labor supplied. Changes in compensation over time for a particular professional occupation relative to those for other professional occupations can help to explain variations in the number of people willing to work in an area. If the wage associated with school administrators falls relative to (i.e., grows less than) that of such other professionals as lawyers, medical professionals, or managers, there will be cause for concern about the ability to attract and retain school administrators.

As Figure 4.2 indicates, the real hourly wage of school administrators saw little change between 1984 and 1999 and remained close to that of managers more generally.⁴

These trends do not support the notion that school administrators are being lured away from their field by dramatically better wages in other fields. Although earnings for school administrators have not kept pace with earnings in some other professional occupations (such as lawyers and medical professionals), the average weekly earnings of school administrators relative to those of other managers have remained constant.

Of the other professional occupations considered, manager seems to be the most relevant for the choices made by potential school administrators. We also included medical professionals and lawyers, because these are similar to school administrators in that they typically require certification and certification entails formal education. However, while the compensation for school administrators relative to that for medical professionals and lawyers likely affects an individual's choice of occupation early on (e.g., in high school or college), the fact that the preparation requirements are so different makes it unlikely that many school administrators would leave their position for a career in medicine or law. In contrast, the skills and training required for school administration and for other managerial occupations are quite similar. As a result, it would be relatively easy to move between these two occupations, which

⁴We calculated hourly wage by dividing weekly salary by number of hours worked per week. Hourly wage may change because of changes in salary and/or hours worked.

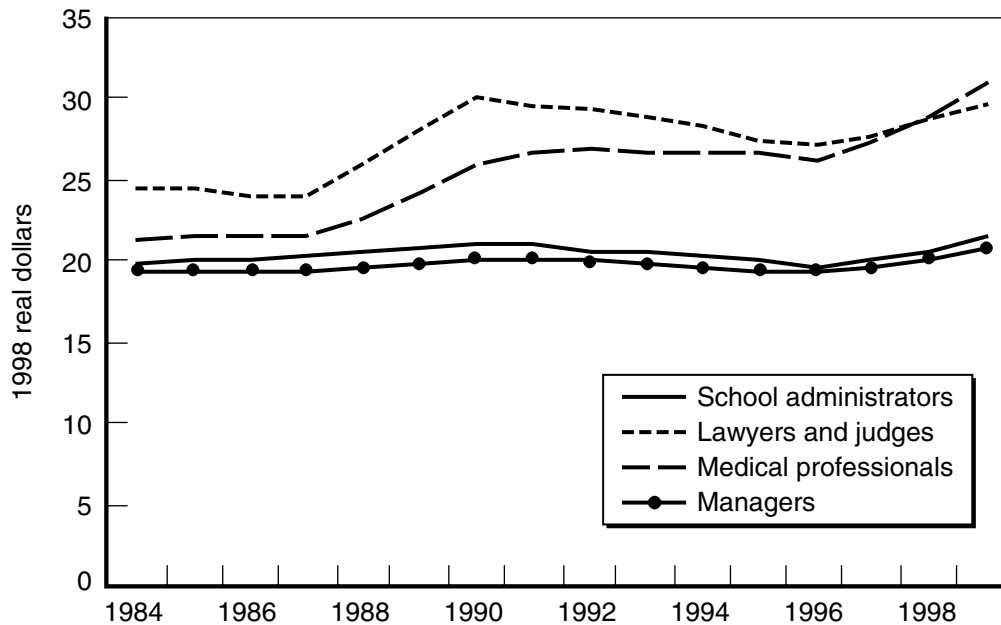


Figure 4.2—Average Real Hourly Wage Across Professions, 1984–1999

means relative compensation becomes an important consideration in any decision to make such a move.

Another useful point of comparison is principals’ salaries and the salaries of federal government managers. The federal salary schedule (General Schedule, or GS) associates mid- to upper-managerial positions with grade levels GS-13 through GS-15. In fiscal year 1999–2000, the annual base salary for these positions ranged from \$56,000 to \$101,000 per year.⁵

In addition, it is interesting to look at how superintendents’ compensation stacks up against the compensation for other types of senior managers. We noted in Chapter Three that the estimated average salary for all superintendents for 2001 was \$118,811 and that superintendent salaries of major urban school districts ranged from \$113,000 to \$298,000. This compares favorably with the salaries paid to executives in the federal government. Federal civil servants on the executive service pay schedule earned between \$121,600 and \$166,700 in the 2001–2002 fiscal year;⁶ the most-senior military officers earned a base pay of about \$148,000.⁷

⁵In addition to annual base pay, federal civil servants receive a locality pay adjustment based on the cost of living in the area where they work. This adjustment added up to 16 percent to an individual’s annual salary.

⁶This pay schedule includes the highest-level civil servants in the executive branch (aside from the president and vice president), such as department secretaries and undersecretaries and heads of major offices (such as the Office of Management and Budget). See www.opm.gov/oca/02tables/ex.htm.

⁷According to the *Business Week* 2001 survey of corporate executive compensation, the average CEO pay in that year was \$11 million (*Business Week*, 2002). By this measure, superintendents (and most other people) appear to be grossly underpaid.

Relative Compensation Between School Administrators and Teachers

Recently, policymakers have expressed concern that teachers are increasingly reluctant to move into school administration (Education Writers Association, 2002). Observers frequently mention that school administrative jobs are much more difficult than teaching, and that the salary difference does not compensate for the increased demands.

Changes in relative compensation between school administrators and teachers over time may alter the motivation teachers have to move into school administration. Although school administrators earned more than teachers did from 1984 to 1999, the differential varied, as Figure 4.3 shows. In 1984, the real weekly earnings of school administrators were 31 percent higher than those of teachers, a gap that then narrowed until 1996, when it hit 15 percent. Because the salary differential between administration and teaching narrowed from 1984 to 1996, school administration may have become less attractive (at least financially) relative to teaching. After 1996, the trend turned, and school administrators' earnings grew relative to those of teachers. By 1999, the gap had grown enough that school administrators were earning 24 percent more than teachers were.

On average, school administrators reported working more hours per week than teachers did. The difference in reported hours between the two groups fluctuated within a narrow range—from 2.5 to 1.8 hours per week.

To look specifically at the financial incentive teachers might have to move into the principalship, we examined the differential between the compensation of principals and that of experienced teachers at the same school.

Although policymakers are concerned that salary differences between principals and teachers are not large enough to encourage teachers to enter and, if they do enter, to remain in school administration (Education Writers Association, 2002), our calculations based on the 1999–2000 SASS data indicate that public school principals earned roughly 33 percent more per year on an annualized basis than did teachers in the same school with 10 or more years of experience.⁸ The same pattern held in private schools, where principals earned on average 44 percent more than experienced teachers did.

Our results are entirely consistent with those of a recent salary survey that compared the average daily rate of experienced teachers (defined as the median teacher salary) with the daily rate of relatively new principals (defined as the 25th percentile princi-

⁸Salary figures for teachers and principals are adjusted for contract length in calculating this ratio. This is akin to comparing daily rates of pay, adjusting for the number of months worked per year. Because principals typically work more months per year than teachers do, the adjustment for contract length makes administrators look worse off than they do in a simple comparison of annual salary. Unadjusted figures are 52 percent in the public sector and 63 percent in the private sector. (See Appendix B for a detailed discussion of how we adjusted for contract length. The 1999–2000 SASS did not include a question on principal-contract length, so we imputed a contract length based on data from the 1993–1994 survey.)

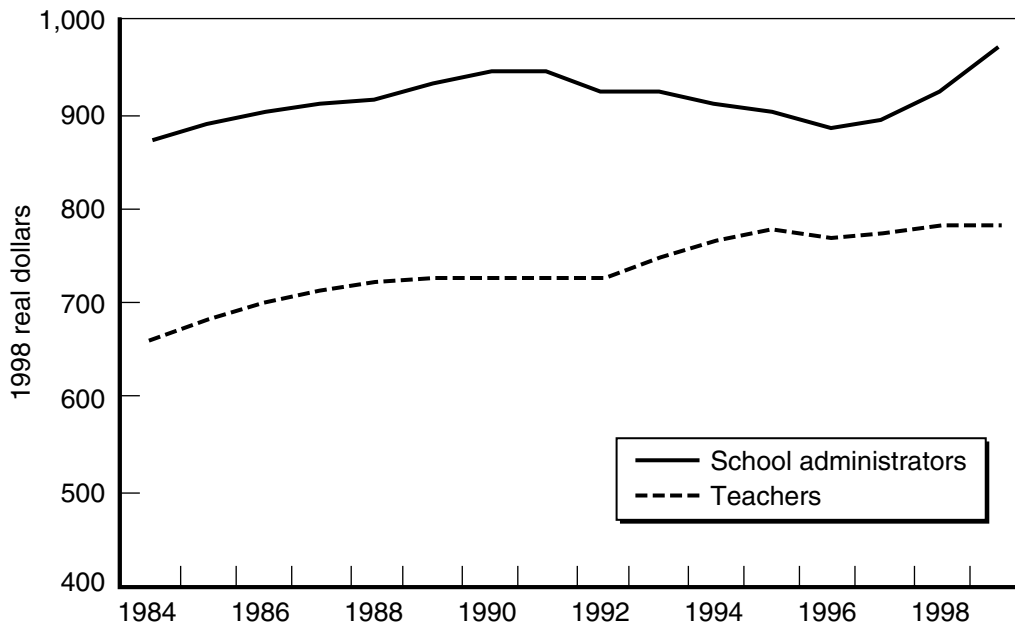


Figure 4.3—Average Real Weekly Earnings of School Administrators and Teachers, 1984–1999

pal in terms of salary). The survey found that compared with experienced teachers, elementary school principals earned 23 percent more and high school principals earned 36 percent more (Educational Research Service, 2002).

Our calculations exclude the salaries of teachers with fewer than 10 years of experience. The average number of years of experience among our “experienced” teachers was 21.5 for public schools and 21.0 for private schools. Thus, we compared principals’ salaries to the salaries of a relatively experienced group. We found substantial variation in the ratios of principal to teacher salary—to the point where some principals earned less than experienced teachers in the same school did, and others earned twice as much as experienced teachers did. This validates the concern that the pay increment for principals at some schools may not be enough to encourage teachers to move into administration. However, we also found that the pay increment at some schools was substantial.

A key policy question is whether there are any systematic patterns in the pay differences of schools with different observable characteristics. In other words, do certain types of schools systematically offer principals less, or is this issue really just a local one? To address this question, we conducted a regression analysis to study the relationship of the within-school ratio of principal to teacher salary to school characteristics and the individual characteristics of principals. The analyses revealed that little of the variation in salary ratio was systematically related to student-body demographic characteristics in either the public or the private sector.

Other characteristics of the school and some characteristics of the community were found to be related to the salary ratio (see Appendix B). School grade level mattered in public but not private schools, with principals of public high schools seeing a larger (by five percentage points) salary differential than principals of middle or elementary schools did. The salary differential was six percentage points lower in rural compared with urban schools in the public sector; in the private sector, however, urbanicity did not matter. Enrollment related to the salary differential in a nonlinear way in the private sector, and the differential was lower for charter schools.

In private schools, the salary ratio was substantially lower in Catholic and other religiously affiliated schools. The differential was larger for more-experienced principals, as would be expected. There appears to be no relationship between a principal's race/ethnicity and the salary ratio for principals and teachers, but the regression results do suggest that the differential is less for female principals, even after the school's grade level and the principal's experience are controlled for. The gender effect was minor (three percentage points) in public schools but substantial (over 20 percentage points) in private schools.

For public schools, the salary differential appears to vary substantially by state. Principals in California (which was the omitted category in our regression) and in Alabama, Indiana, Michigan, Pennsylvania, Utah, Washington DC, and West Virginia had a small pay differential compared with that of principals in Hawaii, Iowa, Kansas, Missouri, Nebraska, Nevada, Vermont, Wyoming, the Dakotas, and some other states.

In an analysis of New York state data, Papa, Lankford, and Wyckoff (2002) found that the salary ratio varied dramatically with respect to time and place. In particular, in urban schools in New York City and Yonkers, the salary ratio exhibited tremendous year-to-year variation, along with a striking overall downward trend between 1975 and 1999. This means that the difference (in percentage terms) between principal and teacher salaries in these schools declined, possibly reducing the financial attractiveness of the principalship. This was due to decreases in the real salary of principals over this period, as well as to increases in the real salary of teachers. Schools in suburban New York City and Yonkers exhibited similar overall trends in salary ratio, but the decline in this case primarily stemmed from increases in the real salary of teachers. For schools in the rest of the state, the salary ratio remained fairly stable on average, although some individual schools and districts faced increases and some experienced decreases.

Of course, compensation is only one determinant of labor supply. If working conditions in the two jobs changed over time as well, the effects of compensation changes on teachers' incentives to move into administration might not be observed. Some people assert that school administrative positions have become more difficult over time because of, among other things, increased demands for accountability (Education Writers Association, 2002). If the job has become more difficult relative to the job of teaching, the increases in the labor supply associated with the compen-

sation increases of the late 1990s could be canceled out by decreases in the labor supply because of worsening working conditions.

Overall, it appears that principals do earn more than experienced teachers, but that the financial incentive for a teacher to become a principal is large in some schools and small or nonexistent in others. In 7 percent of public schools, the salary ratio was negative, implying that the principals earned less than experienced teachers in the same school. Meanwhile, the salary ratio was over 100 percent in nearly 3 percent of public schools, indicating that the principal earned more than twice what experienced teachers in the same school did.

The variation in salary ratios was even greater among private schools: nearly one-quarter of principals earned less than experienced teachers in the same schools did, while 14 percent earned more than twice what experienced teachers in the same school did. The question not yet directly addressed in the literature is how much of a difference is “enough” to get teachers to switch to school administration.

Certification as a Barrier to Entering School Administration

Policymakers have begun to wonder whether state-level certification requirements deter people from becoming school administrators. In a review of state-level policies, we found that 49 of 50 states require a special certification for administrative positions in public schools.⁹ Twenty-one states offer a general administrative credential that applies across a variety of positions; 28 others have specific credentials for different positions, such as principal and superintendent. A master’s degree, often from a state-approved program in educational administration, is required for certification in all but a handful of states. All but nine states require those seeking an administrative credential to have experience in primary or secondary education—up to five years for principals and seven years for superintendents. Other common certification requirements include completion of specific course content, a teaching certificate, and a passing grade on national or state examinations (Tryneski, 2000).

This list of requirements may deter aspiring school administrators, particularly those who are not teachers. In a recent survey of public school district hiring officials, Roza et al. (2002) found that applicants for positions as principals who were not certified were not considered for the job and not included in the reported number of applicants. The survey found that even when considering certified applicants, district hiring offices looked for individuals with as much experience as possible in public education in general and in the hiring district in particular. Thus, district hiring practices may pose an additional barrier to those seeking to enter school administration from other career fields in that they reduce the chance of being hired even when one is certified.

In an analysis of the characteristics of teachers and principals in New York state, Papa, Lankford, and Wyckoff (2002) found a substantial number of people—nearly

⁹Michigan eliminated its administrative certification requirement in 1994.

7,000—under age 45 who were certified to be principals but were not working as principals. Of these, more than 4,000 were working in the state education system, and many of the more than 4,000 had some type of administrative experience. Since there were just over 3,700 principalships in New York state in 2000, there were almost enough certified individuals under age 45 to replace all the current principals twice over. These data indicate that there is a substantial pool of people in the system who have the credentials required to assume a principalship. They do not, however, shed light on whether these people are actually interested in becoming principals.¹⁰

Additional Barriers Specific to the Transition from Teaching

Some teachers face additional barriers in deciding to move into administration in that they can lose their tenure and job security. We found no hard and fast rules regarding when teachers must give up their tenure. Tenure rules vary by state and district; in many states, a teacher retains tenure as a teacher when he or she moves into an administrative job only if that job is within the district he or she worked in as a teacher.

There is a strong parallel between the decision a teacher makes to move into school administration and the decisions other professionals (e.g., engineers, lawyers, physicians) make to move into corporate administration. In these other professional contexts, managers are typically drawn from the ranks of the corporation's professionals because their technical skills are viewed as an essential component of management (Hoff, 1999). However, individuals are often reluctant to make a career switch from technical practice to management, and those who do may face significant challenges (Biddle and Roberts, 1994; Hoff, 1999; Succi and Alexander, 1999; Dewhirst, 1991). Dewhirst (1991) categorizes these challenges as (1) understanding and operating in a more complex environment, (2) dealing with people, and (3) relinquishing the specialty. These challenges hold true for those contemplating a switch from teaching to school administration as well. The environment in which a school administrator operates is certainly more complex than that of a teacher. Administrators face scrutiny and demands from a wider array of people than teachers do; they also have to interact with school board members, local business leaders, union representatives, public agency officials, and the like—something teachers rarely have to do. And school administrators typically must give up the specialty, teaching.

Professional organizations typically have a need for both managers and experienced practitioners. Dewhirst (1991) suggests that there are different types of professionals—those who seek out a transition to management, those who do not but can adapt

¹⁰In New York state, certification requires completion of a master's degree program in educational administration. There are two main reasons why teachers who have gone to the trouble of completing such a program might not be interested in a principalship. First, teachers benefit from having a master's degree—even if they remain teachers—through higher pay and other administrative opportunities. A teacher thus may enroll in and complete an educational administration program without ever intending to assume a principalship. Second, teachers may have a potential interest in administration but become disillusioned either in the course of completing the program or some time afterward.

to the new role, and those who actively dislike the idea of management. He argues that organizations must be able to offer career opportunities to all three types and to provide support to those who may not be terribly eager but are nonetheless willing to serve in managerial positions. Dual-ladder career systems, which offer a management track and a specialized technical track, are a common way for organizations to address the need for both managers and specialists.

These general insights on a dual-ladder system are particularly relevant to the entry of teachers into school administration. It is likely that some teachers are eager to become administrators, some are reluctant but could make the transition if encouraged, and some will never make the switch but will make valuable contributions in their role as a teacher. The existence of these different groups is natural, and it should caution against reading too much into anecdotal reports that teachers do not want to become principals. Indeed, Riehl and Byrd (1997, p. 55) found that “there seems to have been a certain amount of ‘drift’ into school administration, since a vast majority of new administrators had prepared for their career moves but did not express particularly strong feelings about leaving teaching in the near future.”

Dewhirst (1991) found that the desire of technical specialists to become managers is related to how much the organizational culture values the managerial role. Interestingly, the question put to superintendents and principals by the Public Agenda survey (Farkas et al., 2001) was whether increasing the pay *and prestige* of school administrative positions would help improve school leadership. We emphasized the compensation aspect of such a strategy earlier, but prestige, too, may play its own, independent role.

MOVEMENT BETWEEN THE PUBLIC AND PRIVATE SECTORS

Just as people can enter into and exit from the school administration field at several points, they can also move between the public and private sectors at different points. As noted in Chapter Two, policymakers may wish to focus on careers in public school administration as distinct from those in private school administration and consider movement between the two sectors.

Movement Between Public and Private School Administrative Positions

Our analysis of CPS data revealed that from 1983 to 1999, public school administrators left public schools for private schools at an annual rate of 2.2 percent and came to public schools from private schools at an annual rate of 2.0 percent. In other words, little movement between the private and public sectors occurred, and the number of people moving in either direction was roughly equal.

Unfortunately, the sample of people moving between the two sectors is too small to generate statistically significant results about trends over time. However, a comparison of public and private school compensation suggests that some possible changes may have been key factors motivating people to work in one sector rather than the other.

Relative Compensation in Public and Private Schools

Public school administrators have consistently earned more than their counterparts in private schools, but the differential has fallen significantly over the past two decades. Figure 4.4 shows that in 1984, public school administrators earned on average approximately 40 percent more per week than private school administrators did. By 1999, however, this gap had narrowed to 12 percent.¹¹ A similar pattern is seen for average real hourly earnings. If we assume that working conditions in the two sectors remained relatively constant, these findings suggest that private school administration may have become more attractive relative to public school administration. Consequently, we might expect to see more people moving out of public and into private school administrative positions.

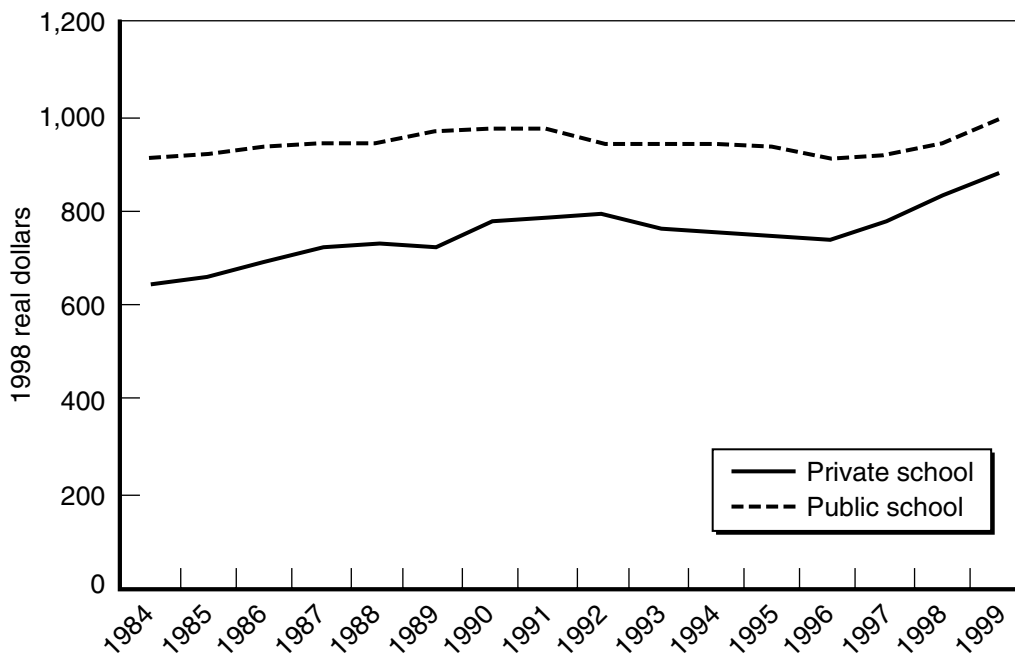


Figure 4.4—Average Real Weekly Earnings of Public and Private School Administrators, 1984–1999

¹¹Notice that while the trends reflected here for the diminishing differential between public and private school administrative salaries are similar to those noted in Chapter Three, the magnitude of the difference is much smaller in this analysis. We do not have a definitive answer for what caused this difference, but we note that the definition of school administrator is broad and suggest that public schools may have larger staffs of administrators who are paid less than principals are. A detailed comparative analysis of school administration in the public versus private sector might shed some light on these issues, but such an analysis was beyond the scope of our study.

Movement of Principals Between Public and Private Schools

As mentioned earlier, our analysis of school administrators considered movement into and out of a wide range of administrative positions. What can we say specifically about the movement of school principals? We could not examine movement into and out of the education sector using the SASS data, because they capture information only from people currently working as principals. However, the SASS data did shed light on the movement of school principals between the public and private sectors.

The 1993–1994 SASS asked principals who had held a principalship prior to their current position to describe the school in which they had previously served.¹² Responses to this question suggest that the movement of principals between the two sectors is similar to the movement of school administrators in general—it is uncommon, but it does occur. Of these public school principals, only 2 percent had moved most recently from a private school. In contrast, of the private school principals, 9 percent had moved most recently from a public school. In other words, about 780 current public school principals had moved from a private school principalship, and 878 current private school principals had moved from a public school principalship.

As with the CPS analysis of school administrators, this analysis indicates a roughly equal transfer of principals between the private and public sectors, rather than mass exodus from the private to the public sector. However, because there are roughly threefold more public school principals, the equal transfer implies that, at least as of 1994, private school principals were more likely than public school principals to move to the other sector.

Principalship Differences in the Two Sectors

The SASS data allowed us to look at trends in certain factors that might be expected to affect the movement of principals between the public and private sectors.

There are two important differences between principals' jobs in the two sectors. First, public schools offer higher pay. In 1987–1988, private school principals earned on average only 49 percent of what public school principals earned; by 1999–2000, that percentage had risen to 62 percent. But one must also consider that according to the 1993–1994 SASS, private school administrators were far less likely than their public school counterparts to receive fringe benefits, such as medical care, dental care, and retirement.¹³ Moreover, as reflected in Table 4.1, the proportion of private school principals receiving medical and other benefits actually declined between 1988 and 1994, whereas the proportion of public school principals receiving such benefits increased.

¹²This question was not included in the 1999–2000 survey.

¹³Benefits questions were omitted from the 1999–2000 survey, so we could not update this information.

Table 4.1
Percentage of Principals Receiving Benefits, by Sector

Type of Benefit	Public		Private	
	1987–88	1993–94	1987–88	1993–94
Medical	86.0	91.8	68.5	64.0
Dental	60.9	66.1	32.5	35.0
Life insurance	67.0	70.7	33.6	35.2
Retirement	58.4	70.4	41.8	46.3
In-kind ^a	41.1	46.2	64.3	55.1

SOURCE: SASS.

^aIn-kind benefits include housing, meals, tuition, and transportation.

A second important way in which public and private school principalships differ is how principals perceive the problems at their school. Public schools are larger, and the average public school principal reports significantly more problems of all types than the average private school principal does (see Appendix C, Tables C.1 and C.2).¹⁴ To the extent that principals prefer to work in schools with fewer problems, we would expect private school principalships to be the more attractive of the two. Principals may also have more flexibility/freedom in private schools.

In terms of experience, private school principals became more experienced in the 1990s, while public school principals became less so.¹⁵ In 1999–2000, the average private school principal had 10.2 years of experience as a principal—1.2 years more than the average public school principal. In 1987–1988, the reverse was true. At that time, the average private school principal had eight years of experience as a principal—two years fewer than the average public school principal.

RETIREMENT: AN IMPORTANT FORM OF EXIT

As we emphasized in Chapter Three, all principals appear to be getting older on average, and the average age at entry into the principalship has increased. If increasingly older people are chosen to replace those who leave the position, schools may face an increased retirement rate and hence an increased overall turnover, unless efforts are made to bring people into the principalship at younger ages.

However, retirement eligibility is not retirement. Retirement eligibility means that individuals have access to full retirement benefits if they choose to retire, but it need not translate into immediate retirement. People can and do choose to continue working upon reaching retirement eligibility.

Retirement decisions involve many factors. Asch and Warner (1999) address this issue in depth in a report examining the optimal retirement age for Department of

¹⁴The SASS asks principals to report the extent to which about 30 issues are a problem in their school, the issues being such things as verbal abuse of teachers, student apathy, and lack of parental involvement. Table C.1, in Appendix C, lists all the issues included in the survey.

¹⁵These differences between sectors and across survey waves are statistically significant at the 5 percent level.

Defense (DoD) civil service workers. A person may become eligible for retirement at a certain age but be able to increase his or her retirement benefits by continuing to work. Detailed information on retirement plans at the state and local levels and on principals' ages and years of experience is required to determine whether there is an incentive for individuals to retire immediately upon eligibility. Conclusions may differ by state or even district.¹⁶ However, the difference in the age distribution of principals in the private and public sectors suggests that the two sectors' retirement benefits may affect retirement behavior.

Available information on career intentions and retirement plans is less current, but it suggests that the differences in private and public school principals' attitudes toward retirement may not be entirely driven by differences in retirement plans.¹⁷ In 1994, 32 percent of public and 52 percent of private school principals reported that they would remain at their job as long as they were able; 23 percent and 9 percent, respectively, said they would remain only until they achieved retirement eligibility (Fiore and Curtin, 1997).

According to the 2000 AASA survey, superintendents were generally satisfied with the career they had chosen and did not plan to leave anytime soon. Sixty percent reported that they planned to stay in their current position until they retired (Glass, Bjork, and Brunner, 2000), and only 14 percent planned to leave as soon as they reached the minimum retirement age. Moreover, 66 percent reported that they would choose the same career again if the choice were theirs to make. Seventy-seven percent of superintendents of large districts with enrollments over 29,000 reported such satisfaction with their career choice.

Retirement systems tied to states and even districts may limit the mobility of administrators. SASS results from 1993–1994 indicate that labor mobility across state lines is limited for public school principals but is reasonably high for private school principals. Only 7 percent of those public school principals who had held a prior principalship had transferred from a public school in another state. In contrast, 38 percent of private school principals had most recently moved from a private school in another state (see Appendix A, Figure A.8).¹⁸

A similar lack of state-to-state mobility was evident among superintendents. While superintendents quite commonly moved among districts in one state, only 11 percent left the state where they had first become an administrator at any point in their career (Glass, Bjork, and Brunner, 2000). This, and the information presented earlier on the tendency of public school principals to stay within state lines, suggests that states are relatively closed systems in terms of the careers of public school administrators. This may be heavily influenced by the fact that most state pensions for public school administrators cannot be transported from one state to another.

¹⁶There is a rich body of literature examining the effects of different policies on retirement behavior that organizations can use to manage employee retirement behavior when facing a possible human resource crisis (Parsons, 1996).

¹⁷The 1999–2000 SASS dropped questions about retirement plans.

¹⁸Our analysis used data from the 1993–1994 SASS. The 1999–2000 survey omitted the question on the moves principals make.

SUMMARY

Our analyses of movement into and out of the administrative career field and the factors influencing that movement provide little support for the view that people are being lured from school administration into other careers. The rates at which people enter into school administration from other career fields and leave school administration for other fields have remained stable over time. In addition, we could find no major shift in the factors that would be expected to influence entry and exit. In particular, we found that the real salary of school administrators grew modestly over time and closely tracked the salary changes of jobs in other managerial professions.

There appear to be moderate financial incentives for individuals to move from teaching to administration. We found that school administrators earned on average 24 percent more than teachers did, public school principals earned 33 percent more than experienced teachers in the same school did, and private school principals earned 44 percent more than experienced teachers in the same school did.

Although our analysis uncovered no *systematic* differences across schools in the salary differential between principals and experienced teachers, we did find a substantial amount of *unexplained* variation.¹⁹ There were, of course, principals who earned less than or not much more than experienced teachers in the same school did, but this phenomenon was found in schools of all types and was not peculiar to schools with certain characteristics (for example, urban or low-income schools).

Our analysis did reveal differences across states in the salary differential between principals and teachers. It is possible that states whose salary differential is low could have a harder time inducing teachers to become principals. However, it is also possible that these states' salary differential is lower precisely *because* it is easy to attract teachers into school administration. State policymakers may find it useful to evaluate their labor market conditions in view of the results on this subject (see Appendix B).

Private school administrators—principals, in particular—have traditionally earned less than their public school counterparts. However, our analysis indicates that the pay gap between the two sectors has been narrowing. Because there are no adequate measures of school administrator quality in the data, it is impossible to say whether the diminishing pay gap may be causing better candidates to move from the public to the private sector. We do know that the average experience of private school principals increased by over two years from 1988 to 2000, whereas the average experience of public school principals declined.²⁰ In view of these shifts, it would be worthwhile to continue to monitor the movement of administrators between the public and private sectors.

Certification requirements and human resource practices seem to pose substantial barriers (both formal and informal) to entry into school administration, particularly

¹⁹In the private sector, there is a systematic difference in that the pay differential for principals of Catholic and other religiously affiliated schools is less than that for principals of nonsectarian schools.

²⁰Experience as an administrator can be viewed as one measure of quality.

for those who are not teachers. According to our literature review, there are also other barriers inhibiting movement between teaching and administration. The evidence suggests that even though there are more than enough certified people to fill existing administrative positions, the expense and effort that go into acquiring certification may still pose a barrier to potentially interested teachers. In addition, it is likely that there are cultural and structural barriers inhibiting career transitions.

As discussed in Chapter Three, the average age of all principals is increasing, as is the average age of new principals. Also, public school principals are increasingly likely to be between the ages of 45 and 55. These trends suggest that, particularly in public schools, people are entering the principalship at older ages and leaving at younger ages, resulting overall in a shorter tenure in administrative positions. Much work could be done to fully understand the incentives facing school administrators as they approach retirement and the policy changes that could influence their decisions to leave the labor force.

As we noted at the start of this chapter, other ways of defining the career field might be useful for examining policy-relevant questions. Although national data do not allow movement into and out of a state to be examined, district or school state-level administrative data offer the possibility of longitudinal analyses that track movements across such boundaries.²¹

²¹RAND reviewed data availability at the state level and found that 29 states retain administrative personnel records at that level in a way that makes it possible to link records across years and examine career moves within the state public education system. Many of these states have data only from the mid-1990s, which limits the ability to do longitudinal analyses. However, 13 of them have data going back 10 years or more.