

The Effects of Compensation and Community on Teacher Stability
in Charter Schools and Traditional Public Schools

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Abstract

Since charter school teachers generally earn less than teachers in traditional public schools, choosing to teach in charter schools is commonly believed to involve an exchange of the compensation teachers would receive in traditional public schools for the sense of community available in charter schools. We analyzed the 1999-2000 Schools and Staffing Survey and the 2000-2001 Teacher Follow-up Survey, which include national data on teachers in traditional public schools, stand-alone charter schools and schools run by educational management organizations to understand salary differences and perceptions about salaries and community across the sectors. Our findings suggest that salaries of teachers in startup charter schools are significantly lower than those of teachers in traditional public schools, but that salaries of teachers in conversion public schools easily match those of traditional public school teachers. While salary satisfaction is related to the actual salary received within each sector, teachers in both startup and conversion charter schools are more satisfied with their salaries than are teachers in traditional public schools. As judged by teacher turnover between 1999-2000 and 2000-2001, higher salary *and* teachers' sense of community as measured by collaboration and support significantly reduced mobility. Conversion charter schools exceed traditional public schools in compensation and collaboration and support, as well as stability. Startup status, as well the profit orientation of a school's management company, negatively influence teachers' compensation, satisfaction level and mobility.

Introduction

Charter schools operate within the public school system under charters or contracts and are legally and fiscally autonomous public schools (Vergari, 2002). Since teachers and students choose to work in or attend these schools, and charter school staff are free to make decisions about mission, curriculum, and personnel, charter schools can potentially form communities of those with similar goals and values (Wohlstetter and Griffin, 1997; Griffin & Wohlstetter, 2001). However, nationally charter schools receive approximately

\$2000 less per pupil than traditional public schools, and they must also pay for their facilities (Center for Education Reform, 2005). Charter schools also tend to hire less experienced teachers, and their benefits do not match those offered in traditional public schools (Wolstetter & Malloy, 2003). Because charter schools are more free to develop a sense of community than are traditional public schools, but at the same time offer less attractive compensation packages, teachers who choose to move between these two sectors have long been thought to exchange what we term “compensation for community,” or vice versa (2000).

Despite important contractual similarities, however, not all charter schools are alike. First, state laws have created a range of regulations and funding agreements under which charter schools operate (Center for Education Reform, 2005). Second, and critical to our analysis, in most states, there are two ways of starting a charter school: opening a new startup charter school, or converting a traditional public or private school to charter status. Each of these results distinct and different regulatory and operational environments. While startup charter schools are generally free to hire and promote staff and to set a salary scale of their own choosing, conversion charter schools in districts with teachers’ unions generally continue to operate under collective bargaining agreements, and their salaries are likely to move in tandem with those of traditional public schools in their home districts.

Equally important, while startup charter schools generally must find and pay for their own space, conversion charter schools generally remain housed in their former public school facilities and are relieved of most or all facilities costs. In addition, while startup charter

schools are free to build their own school cultures, conversion charter schools inherit long histories as public schools. Finally, particularly in some states, many startup charter schools and some conversion charter schools use nonprofit or for-profit education management organizations (EMOs) to provide and manage facilities, hire teachers, decide on curriculum, and handle a range of administrative and operational tasks (Miron & Nelson, 2002). While some EMOs allow for a good deal of autonomy in their schools, others encourage their schools to hire less experienced and less expensive teachers and use instructional methods that aim to be teacher-proof.

Our study seeks to understand the relationship between compensation, community and teacher mobility in traditional public schools (TPS), conversion charter schools (CCS) and startup charter schools (SCS). Our analysis is based on three data sets: the U.S. Department of Education's 1999-2000 Schools and Staffing Survey (SASS) for administrators and teachers, and the U.S. Department of Education's 2000-2001 Teacher Follow-up Survey (TFS).

We seek to answer three critical questions

1. What are the differences in compensation and community factors among startup charter schools, conversion charter schools, and traditional public schools?
2. What are the effects of educational management organizations, school size, and other organizational factors on compensation and community across these three school sectors?

3. How do compensation and community, along with organizational factors, effect teacher mobility across these three school sectors?

We begin by analyzing differences in compensation across startup charter schools, conversion charter schools, and traditional public schools, as well as for schools with and without EMOs within the two charter school sectors. We then analyze teachers' satisfaction with compensation, and the relationship of satisfaction to community across the three sectors. Finally, we analyze the relationship between compensation, community, and teacher mobility across and within sectors.

Background and Literature Review

Charter schools arose in the 1990s as a wave of reforms that sought to bring choice to students and families and to deregulate aspects of public education that many viewed as obstacles to teaching and learning. These reforms have ranged from site-based management and public school choice to vouchers to parents. Within this range of efforts to deregulate schooling and provide school choice to families, charter schools have been both attacked as a slippery slope to vouchers and praised as a way to reinvigorate and thus preserve public education (Vergari, 2002).

Because charter schools are controversial, provoking both advocates and critics, studies of charter schools have been politicized, and controversy has often accompanied research findings on charter schools. For example, in the summer of 2004, the American Federation of Teachers (AFT), an advocate of restricting charter schools, published an analysis of

NAEP data showing that average student achievement was higher in traditional public schools than in charter schools. The reaction by charter advocates was swift and harsh, and included accusations of bias. Charter advocates re-analyzed the NAEP data and attempted to explain away the AFT findings by showing that charter school students are more disadvantaged than their peers in traditional public schools. (For a summary of this controversy, see Carnoy, Jacobsen, Mishel & Rothstein, 2005). Despite this ongoing controversy about charter school academic outcomes, we view the research findings on charter teacher compensation, school community and teacher mobility presented below as relatively consistent.

Compensation

In traditional public schools, teacher compensation has historically been based on experience, certification, and academic preparation. Podgursky and Ballou (2001) report that experience and certification continue to play major roles in the salary decisions of most charter schools, but that 46 percent of the charter schools they studied also offer some sort of merit or performance pay. An AFT study (2002, p. 24) found that charter schools use their flexibility to pay teachers less than traditional public schools, that most charter schools use traditional factors—education and experience—to determine salary decisions, and that performance-based pay is “a relatively small salary component—generally less than 10 percent of the total salary package.”

Until recently, the question of whether charter school salaries are comparable to those in public schools generated mixed findings, in part based on how the question was framed

and the data gathered. For example, one study asked charter school teachers whether they believed their salaries to be competitive, while another asked teachers whether they had taken a pay cut in switching to a charter school. Rarely was actual salary data gathered (Malloy & Wohlstetter, 2003). Miron and Nelson (2002) found that 2000-2001 teacher salaries varied widely in Michigan charter schools, from a low of \$16,614 to a high of \$55,623, with the highest salaries in district-run charter schools. While two charter schools had salaries that were more than \$6,000 higher than the host district's, five charter schools had average salaries that were \$30,000 or more lower than their host district's salaries.

In a recent study of finances and expenditures of charter schools in California, Krop and Zimmer (2005) find that, because start-up charter schools spend part of their per pupil funding on facilities, these schools allocate, on average, about 60 percent of their total expenditures to salaries and benefits, compared with about 72 percent in conversion charter schools. Not surprisingly, per pupil expenditures on salaries were significantly higher in conversion charter schools than in start-up charter schools (\$3,237 v. \$2,729), and conversion charter schools spent more per pupil on benefits than start-up charter schools (\$1,340 v. \$1,006).

Burian-Fitzgerald (2005) used hierarchical linear modeling with SASS data to compare the salaries of teachers in charter schools and traditional public schools. This study found that salaries for first-year teachers are similar in the two sectors. However, charter school teachers received a lower return on experience, resulting in a sizeable salary lag for charter school teachers after several years of teaching.

Community

Cibulka and Nakayama (2000), discussing what they call “learning communities,” view several school characteristics as conducive to the development of these communities, including: small size, relative autonomy, unified mission and vision, collaborative practices, and accountability for performance. While all these characteristics can be found in traditional public schools, charter schools have been characterized as natural sites for communities in which both teachers and students become continuous learners (Wohlstetter, 1998).

Several studies compare such issues as teacher autonomy, decision-making, and sense of empowerment in charter schools and traditional public schools. For example, Bomotti, Ginsberg & Cobb (1999) used a School Participation Empowerment Scale to compare perceptions of elementary school teachers in seven traditional public schools and sixteen charter schools in Colorado and Michigan. While their study found no difference in teachers’ perceptions of their power to form curriculum content, charter school teachers scored lower on school-wide empowerment and showed less collective responsibility for teaching and learning than traditional public school teachers. Both groups scored high on levels of satisfaction; however, their dissatisfactions were in opposite areas. Charter school teachers valued their smaller class size and greater freedom to focus on academics, but they were considerably less pleased with their school facilities, the availability of instructional resources (including technology), their salaries or their job security. Traditional public school teachers, by comparison, were much more satisfied with their schools’ instructional

support, but were somewhat less satisfied with teaching and learning conditions in their classrooms.

According to Wohlstetter and Malloy (2002), teachers who are drawn to charter schools seek freedom, flexibility and empowerment. However, a study based on surveys conducted in 120 charter schools in four states found that, when teachers compare their charter school experience in the areas of autonomy, influence, and professional development with their initial expectations, their experiences do not live up to their expectations (Miron and Nelson, 2001).

Miron and Nelson (2002) also compared such issues as teacher autonomy, professional development, and administrative leadership in EMO-operated charter schools and charter schools without EMOs. While teachers in EMO-operated charter schools began with slightly higher expectations for autonomy than teachers in non-EMO schools, they were less optimistic after working in these schools—in part, explain the authors, because a number of the “full service EMOs had rather rigid curriculums and teachers were expected to follow these closely” (p. 109). While teachers in both EMO and non-EMO charter schools experienced little professional development, teachers in both types of charter schools were generally positive about the administrative leadership in their schools.

Teacher Turnover/Mobility

A combination of personal and professional factors, including schools’ efforts to control teacher quality through targeted layoffs and teachers’ dissatisfaction with workplace

conditions, contribute to teacher mobility. In a sample of traditional public schools and charter schools surveyed by Podgursky and Ballou (2001), two-thirds of traditional public schools experienced less than 10 percent teacher turnover between 1990 and 1991, but over a quarter of charter schools lost 20 percent or more of their teachers in the same period. Podgursky and Ballou suggest that these findings may reflect the natural “deselection” of weak teachers in charter schools. However, Miron and Nelson (2002) attribute higher charter school mobility, which they also found, to teachers’ responses to low salaries, a lack of support, and stressful working conditions.

Studies of mobility in other school sectors and settings also suggest issues that might be salient in charter schools. A study of teacher mobility in private schools using the 1999-2000 SASS data file, for example, found that private school movers and leavers were more likely than stayers to report low levels of administrative support, satisfaction with salary, student discipline, control over classroom policies, and input into school policies (NCES, 2005).

Hanushek, Kain and Rivkin (2004) investigated the relationship between student characteristics, teacher salaries, and teacher mobility in Texas elementary schools. They argue that teacher mobility is much more strongly related to student race and achievement than to salary. However, they found that salary does exert a modest impact, and they estimate that, to retain less experienced female teachers in urban schools, salary differentials of 25-40% would be needed to “neutralize” the effect of higher proportions of African American students and lower student achievement on teacher turnover.

Ingersoll (2001, 2003) examined teacher mobility and a range of compensation and community issues across public and private schools, using the 1999-2000 SASS and 2000-2001 TFS data files. He found that, of those teachers who report leaving, the most commonly cited reasons are: low salaries, lack of support from the school administration, student discipline problems, and a lack of teacher influence over decisions. In contrast to Hanushek (2004), Ingersoll's findings (2003) suggest that teacher control, rather than student race, is critical to mobility. Ingersoll found that high-poverty schools have far higher teacher turnover rates than do more affluent public schools, and that urban schools in general have slightly more turnover than do suburban and rural public schools. However, holding poverty, race and urbanicity constant, teachers' control over classrooms and broader school issues is directly related to mobility, with greater control resulting in less mobility.

Surprisingly, small schools, which might be assumed to offer the greatest potential for community, have somewhat higher teacher turnover than do large schools. Indeed, the highest mobility rates are found in small private schools. Examining the reasons teachers give for leaving, Ingersoll (2001, 2003) found most can be categorized as: 1) personal reasons, 2) job dissatisfaction, or 3) an attempt to seek a better job or career. Because the highest turnover rates are not in large urban public schools but in small private schools, Ingersoll argues that, "community and cohesion among families, teachers and students" may not be as important to teacher retention as educators have believed (2001, p. 526).

Data and Methods

Data for our study come from the 1999-2000 Schools and Staffing Survey (SASS) and 2000-2001 Teacher Follow-up Survey (TFS) administered by the U.S. Department of Education's National Center for Education Statistics (NCES). SASS is the largest and most comprehensive sample survey of schools, school districts, teachers, principals, and library media centers in the United States, and data are representative at the state and national level for public schools. In 1999-2000, surveys were administered to 1500 charter school administrators and teachers, approximately the entire universe of charter schools at that time.

The SASS and TFS have become unique resources for information on elementary and secondary school teachers in the United States. Because the 1999-2000 SASS and 2000-2001 TFS include information on charter schools and charter school teachers, researchers are able for the first time to conduct quantitative analyses of teacher characteristics and responses by school sector, as well as to compare responses by the same teachers across two successive years.

For the purpose of this study, SASS and TFS data were merged for all analyses using a respondent and school control number. Analyses include a total of 3,240 public schools and 522 charter schools, each with a respondent to the SASS administrator survey. In addition, 4,156 traditional public school teachers and 950 charter school teachers participated in both the SASS and the TFS. The administrator's survey was used to

categorize charter schools as conversion charter schools or startup charter schools.

Administrator designations were then linked to teacher respondents.¹

Of the 950 charter school teachers responding to the survey, 228 were in charter schools that converted from public schools, and 644 were in start-up charter schools. Their sample responses represent an estimated 2,221 conversion charter school teachers² and 4,152 startup charter school teachers across the United States. Of the teachers in the SASS/TFS analysis, an estimated 1,422 were from urban schools, 679 were from schools in the north, 1,404 from schools in the west, and 1,748 from schools in the south. Over three thousand—3,008—were elementary or middle school teachers and 2,098 were high school teachers.

The SASS and TFS analyses include information on whether charter schools are run by educational management organizations (EMOs). While 727 teachers were in stand-alone charter schools (most of which were conversion charter schools), 223 worked in charter schools run by outside management organizations. We used a report by Molnar, Wilson, Restori and Hutchison (2002) to determine for-profit or nonprofit status of these management organizations. This information was supplemented by information gathered by Ascher, et al. (2001) on nonprofit and for-profit EMO-run charter schools during a two-year qualitative study of charter schools in four states. Of the 223 teachers working in

¹ In the merged SASS-TFS dataset, there are 3,762 unique school IDs (40% of the original 9,302 SASS schools). Most schools (2,745) have only one teacher responding to the TFS. Ninety-nine percent of schools had 4 teachers or less.

² Seventy-eight teachers in charter schools that converted private schools were excluded from our analysis.

EMO schools, 106 worked for schools managed by for-profit management companies and 117 worked under nonprofit management organizations.

Weighted questionnaire response rates were 88.5 percent for traditional public schools in the SASS, and 86.1 percent for charter schools in the SASS. For teachers, the response rates were 83.2 percent for traditional public school teachers in the SASS, 78.6 percent for charter school teachers in the SASS, 90.1 percent for traditional public school teachers in the TFS, and 87.0 percent for charter school teachers in the TFS. The cumulative overall response rates by sector and teacher status for the 2000–01 TFS were 69.1-69.4 for public school teachers, and 64.4-52.7 for charter school teachers³ (Luekens, Lyter, and Fox, 2004; Gruber, Wiley, Broughman, Strizek, and Burian-Fitzgerald, 2002). All analyses were conducted using weights calculated to account for non-response, along with the differential probability of selection due to stratified probability sampling for traditional public schools.⁴

We measured compensation as the total amount of teachers' pay for the 1999-2000 year. Because the SASS database contains no information on benefits for this same year, we used teachers' pay as an approximation of compensation received by teachers at that time.

³ Public current teachers: (.922) (.832) (.901) (100) = 69.1
Public former teachers: (.922) (.832) (.905) (100) = 69.4
Charter current teachers: (.913) (.786) (.897) (100) = 64.4
Charter former teachers: (.913) (.786) (.734) (100) = 52.7

⁴ Balanced repeated replication, using the “svyset” and “svy” commands in Stata, was used to obtain standard errors.

Our definition of school community is derived from the literature on learning communities, and includes communication and decision-making among school staff, administrative support, teacher autonomy and sharing, and other aspects of staff empowerment. We operationalize this notion using two sections of the SASS questionnaire. The first section asked teachers about administrative support, school management, and collaboration and shared beliefs among teachers in their schools. Teachers responded to these items on a 4-point scale. We average these items into a single scale that we label “collaboration and support.” Cronbach’s alpha for collaboration and support was .80. We use all questionnaire items about the decisions teachers make about school practices, such as curriculum, teacher evaluation, and discipline policy, as well as the amount of control teachers have over such school issues as teaching techniques, and student evaluation. All these items were included in the surveys on a 5-point scale and were averaged into a single measure we label “influence and control.” Alpha for this scale was .84.

We conducted a series of regression analyses, building on tables estimating sector differences in compensation, satisfaction with compensation, and the effects of compensation, community and school sector on teacher mobility. The first set of models, estimating salary differences by sector,⁵ results from an ordinary least squares OLS regression method utilizing balanced repeated replication weights to account for stratified sampling and possible clustering of responses within schools and to calculate appropriate

⁵ In all analyses, a straightforward dollar amount form of salary was chosen over the natural log transformation, which skewed what appeared to be an already normally distributed variable in this dataset, and did not result in different findings when used.

standard errors. The latter models are based on regression methods suitable for binary dependent variables.

We measure mobility by the status of the teacher in 2001, at the time they responded to the TFS. Except for retirees, teachers who either changed schools or left the teaching field between 1999-2000 and 2000-01 were coded as leavers. In all these models, sector is coded as a series of “dummy” variables, so that traditional public school teachers are the reference category to which the two types of charter schools are compared.

Other variables, such as years of experience, locale, and region of the U.S., are included in most models. Each set of models contains a basic, unconditional model and increasingly complex models focusing on one of the three dependent variables described above. Thus, the analysis that follows provides an increasingly comprehensive picture of compensation, community, and mobility across sectors.

Findings

Compensation

Charter school teachers, on average, earn less than teachers in traditional public schools, and they receive lower salary increments for their years on the job. In 1999-2000, among the teachers who responded to both SASS and TFS, the average salary across all types of charter schools was \$32,784, compared to \$37,490 in traditional public schools. However, when we distinguish between start-up and conversion charter schools, average salaries in

startup charter schools drop further to \$29,849, while salaries in conversion charter schools (\$38,301) are comparable to those in traditional public schools (\$37,490).

In general, teachers in charter schools tend to be less experienced than teachers in traditional public schools. While traditional public school teachers average 12.9 years' experience, conversion charter school teachers average 10.1 years' experience, and teachers in startup charter schools averaged 6.1 years' experience.

It has been argued that salary differences between charter schools and traditional public schools reflect the greater seniority and experience of teachers in traditional public schools (Podgursky & Ballou, 2001). We found this claim to be only partially supported by the SASS data. Table I, below, compares salary and education by school sector, along with the estimated increase in pay for a one-year increase in experience. Teachers in traditional public schools gain \$713 in salary for each additional year of experience, conversion charter school teachers gain \$519 for each additional year of experience, and startup charter school teachers gain only \$462 in salary for each additional year of experience.

Table I: Payoff for Education and Experience by Sector

	Traditional public school teachers	Conversion charter school teachers	Startup charter school teachers
Average Salary	37,490.11	38,301.35	29,849.13
Average Experience (years)	12.9	6.1	10.1

Experience payoff ⁶	712.87	518.88	462.13
% Advanced Degree	44.55	29.17	38.65
BA or less (average salary)	33,078.31	35,156.12	28,287.01
Adv degree (average salary)	42,981.99	43,339.48	33,647.12
Education payoff (Adv-BA diff)	9,903.68	8,183.36	5,360.11

Table I also compares the payoff for education across sectors. The difference in average salary for teachers who have achieved higher educational degrees shows distinct salary differences by sector. Charter school teachers with a BA or less earn significantly lower salaries than traditional public school teachers with the same level of education. Teachers in conversion charter schools with a BA or less have higher salaries than their peers in traditional public schools. However, defining *returns to education* as the difference in average salary for teachers with and without advanced degrees, traditional public school teachers enjoy higher returns for education than teachers in both types of charter schools. Teachers in startup charter schools receive about half the payoff (\$5,360 v. 9,903) for their advanced degrees, and teachers in conversion charter schools receive about \$800 less (\$8183 v. \$9903) for their advanced degrees.

Our set of regression models, shown in Table II on page 18, assesses these compensation differences in more detail. In Model 1, we estimate basic cross-sector differences in compensation, with teachers in traditional public schools as the point of comparison. Startup charter school teachers earn approximately \$7,600 less than teachers in traditional public schools, while conversion charter school teachers earn slightly more than traditional

⁶ Experience payoff is measured as the estimated increase in salary for a one-year increase in experience. Standard errors for these estimates are 28.01, 28.44 and 46.46, for TPS, CCS and SCS teachers, respectively.

public school teachers. However, school sector alone explains little of the variation in salary among these teachers.

Controlling for compensation-related variables reduces these salary differences, and adds explanatory power to the model. Model 2 also estimates lower salaries for startup charter teachers, but these differences are reduced by the inclusion of experience, education, region, urbanicity, and other variables that influence salary. This model suggests that startup charter school teachers' salaries are lower, in part because these teachers tend to be less experienced and, as a group, have fewer advanced degrees than public school teachers. In addition, preparation, region and urbanicity explain some of the differences in salary. Model 2 estimates that, of teachers from each sector with the same education and experience in the same region and type of locale, the startup charter school teacher will earn \$3600 less than the traditional public school teacher, and the conversion charter school teacher will earn \$1500 more than the teacher in the traditional public school.

Model 3 adds an important organizational factor, EMO status, to the explanation of salary differences. Teachers in charter schools run by for-profit EMOs have lower salaries (\$797) than teachers in stand-alone schools in the same sector, level of urbanicity and region without EMOs. Teachers in schools run by non-profit EMOs do not earn significantly less than comparable teachers in stand-alone charter schools.

Model 4 tests the interaction between school sector and teacher experience, by estimating the specific effect of experience within the two charter school sectors. When we consider

the interaction between conversion or startup status and experience, returns to an additional year of experience are \$175 less for conversion school teachers than for their traditional public school counterparts who have the same amount of experience, degree status, and geographic setting. That is, experience only adds about \$450 per year (\$646.70-195.21). Conversion teachers earn about \$4,000 more than similar public school teachers, but gain only \$471.76 (\$646.70-174.94) for experience. The variables in Models 2, 3 and 4 explain about half the variation in salary.

Table II: Salary across Sectors

	1999-2000 amount of Teacher Pay			
	<u>Model 1</u>	<u>Model 2</u>	<u>Model 3</u>	<u>Model 4</u>
Startup charter school	-7,640.982 (329.716)***	-3,271.010 (432.159)***	-2,930.820 (488.098)***	-2,201.055 (531.322)***
Conversion charter school	811.233 (472.629)*	2,544.264 (425.480)***	2,697.304 (432.716)***	4,470.606 (625.155)***
Advanced degree		4,091.757 (429.632)***	4,089.967 (429.634)***	4,091.305 (429.672)***
Total teaching experience (as of 99-00)		640.321 (27.096)***	640.251 (27.097)***	641.675 (27.203)***
SASS school enrollment		2.139 (0.408)***	2.147 (0.408)***	2.142 (0.408)***
Large or mid-sized central city		4,240.694 (631.204)***	4,239.071 (631.206)***	4,235.953 (631.454)***
Urban fringe of large or mid-sized city		4,420.871 (520.365)***	4,420.923 (520.363)***	4,419.986 (520.468)***
Northeast		6,603.119 (816.930)***	6,600.808 (817.044)***	6,603.017 (816.870)***
South		-1,903.286 (521.467)***	-1,908.979 (521.685)***	-1,898.203 (521.556)***
West		2,069.852 (712.392)***	2,066.460 (712.564)***	2,072.653 (712.520)***
For-profit EMO			-1,904.978 (526.848)***	
Nonprofit EMO			263.573 (549.846)	
SCS-experience interaction				-170.544 (58.617)***
CCS-experience interaction				-187.725 (43.999)***
Constant	37,490.114 (249.025)***	21,382.767 (626.336)***	21,382.354 (626.363)***	21,362.920 (627.373)***
Observations	5028	5028	5028	5028
R-squared	0.00	0.53	0.53	0.53
Standard errors in parentheses				

* significant at 10%; ** significant at 5%; *** significant at 1%

In summary, our analyses supports the findings of other researchers that compensation in charter schools is lower than in traditional public schools (Burian-Fitzgerald, 2005; Miron and Nelson, 2002). However, our research suggests that teachers' compensation across school sectors presents a mixed picture, with higher salaries in traditional public schools

and conversion charter schools (where salaries may be regulated and there may be collective bargaining) than in startup charter schools. The conversion charter school teachers in our sample earn the highest salaries. Moreover, teaching in a charter school run by a for-profit EMO appears to yield a significantly lower salary. Thus, not all charter schools are alike—the *type* of charter school, and who runs the school, matters.

Communities

The literature identifies several common factors that support teachers and other professional staff: autonomy in the classroom; influence on critical decisions both inside the classroom and in the wider school; and a sense of community in the school, developed through shared beliefs and values, administrative support, and structures promoting cooperation and professional collaboration.

As Table V below shows, a strong majority of all teachers across school sectors report shared beliefs, collaboration, and cooperation in their schools. Moreover, differences are relatively small across school sectors, and different aspects of community are stronger in different sectors. While teachers in traditional public schools experience slightly less staff cooperation and support than teachers in both types of charter schools, only conversion charter school teachers stand out on most variables related to shared belief, collaboration and cooperation.

Table V. Shared Beliefs, Collaboration and Cooperation Across Sectors

	Traditional public school teachers	Conversion Charter School teachers	Startup Charter school teachers
Percent of teachers agreeing that:			
Principal communicates expectations	87.63%	88.38%	81.20%
School administration's behavior toward staff is supportive	78.99	80.28	76.04
Principal enforces rules for student conduct and backs me up	82.44	85.63	78.84
Principal talks with me frequently about instructional practices	46.39	49.31	45.06
Most of my colleagues share beliefs	84.87	85.52	84.44
Principal knows what kind of school they want	83.18	86.15	80.64
There is a great deal of cooperative effort among staff	78.08	84.28	82.13
Staff is recognized for job well done	69.35	73.92	70.35
I coordinate content of course with that of other teachers	84.51	90.18	81.89
I plan with the librarian or media specialist	58.85	52.45	31.51

The 1999-2000 SASS survey also asked teachers about schooling arenas in which they had influence and control—important aspects of learning communities. In the areas of influence or control over curriculum, teacher hiring and evaluation, and selecting classroom materials and instructional technique, conversion charter schools are a hybrid. More like startup charter schools than like traditional public schools, they still appear to allow for somewhat less influence and control by teachers than do startup charter schools. Only in the area of selecting classroom materials do conversion charter school teachers appear to have more influence or control than teachers in the other two sectors.

Table VI: Teacher Influence and Control Across Sectors

Percent of teachers reporting some or a great deal of influence/control over:	Traditional public school teachers	Conversion Charter School teachers	Startup Charter school teachers
Performance standards	36.49%	50.14%	52.51%
Curriculum	41.05	53.25	64.98

Prof dev content	31.10	49.22	37.01
Teacher evaluation	8.20	17.08	19.11
Teacher hiring	14.56	34.29	24.10
Discipline policy	31.85	42.44	42.84
School budget	14.53	30.64	14.10
Selecting materials	51.31	54.89	64.38
Selecting content	54.98	56.50	68.55
Selecting technique	86.44	83.68	84.74
Evaluating students	87.99	83.26	87.10
Disciplining students	73.97	72.90	76.36
Homework	86.27	89.29	80.81

While teachers across sectors have relatively little influence or control over teacher hiring and evaluation, the percentage of teachers in traditional public schools reporting control over teacher hiring (15.3%) and evaluation (8.1%) is significantly less than in the other two sectors, where 33.1 percent (CCS) and 28.3 percent (SCS) report influence over hiring, and 14.4 percent (CCS) and 22.7 percent (SCS) report influence over evaluations.

In summary, teachers across school sectors report high levels of shared beliefs, collaboration, and cooperation in their schools. No sector emerges as strongest on teacher collaboration and support. However, public school teachers experience less influence and control than teachers in both types of charter schools. Conversion charter schools are a hybrid, more like startup charter schools than like traditional public schools on some measures, and the reverse on other measures.

Compensation and Community

We structured this research to test the common perception that teachers accept a community/compensation exchange when choosing between charter schools and traditional public schools, and we were interested in the relationship between community

and compensation variables. In the following analyses, we assess levels of satisfaction in each school sector, and whether there is a relationship between the level of teachers' salary satisfaction and the amount of support, collaboration, influence, and control teachers experience in their schools.

The 1999-2000 SASS survey asked teachers how satisfied they were with their salaries. Low teacher salaries are a regular source of national and local news, and a majority (60%) across all school sectors expressed *dissatisfaction* with their salaries. However, as Table VII, below, shows, more teachers in startup charter schools, where salaries are the lowest of all three sectors, tend to be satisfied with their salaries (46.8% are satisfied). A slightly lower percentage (44%) of teachers in conversion charter schools are satisfied, and only 40.3 percent of traditional public school teachers are satisfied. *Satisfied* teachers in startup charter schools actually receive lower salaries than *dissatisfied* teachers in traditional public schools (\$32,197 v. \$36,160), which suggests that more than economic factors may be at work in teachers' levels of salary satisfaction.

Table VII. Teachers' Salary Satisfaction, Actual Salaries, and Perception of Community in their Schools

	Traditional public school teachers		Conversion Charter school teachers		Startup Charter school teachers	
	satisfied	not satisfied	satisfied	not satisfied	satisfied	not satisfied
Percent Satisfied with salary	40.3%	59.7%	44.0%	56.0%	46.8%	53.2%
99-2000 average teacher salary	\$39,459.29	\$36,160.51	\$40,346.58	\$36,691.92	\$32,197.30	\$27,785.77
satis-not satis diff	\$3,298.78		\$3,654.66		\$4,411.53	
Collaboration & Support	2.09	1.97	2.14	2.04	2.06	1.84
satis-not satis diff	0.12		0.10		0.23	
Influence and Control	2.35	2.12	2.52	2.43	2.54	2.32
satis-not satis diff	0.22		0.09		0.22	

Despite salary differences across the three school sectors, satisfied teachers receive significantly higher salaries than dissatisfied teachers within each sector. Indeed, satisfied conversion and startup charter school teachers have a salary edge of \$3,655 and \$4,412, respectively, over their dissatisfied peers, and satisfied TPS teachers make about \$3,300 more than their dissatisfied peers. Given salary differences across sectors, our findings suggest that teachers may set their standard for monetary compensation within their sector, but that actual dollar amount does make a difference to teachers' satisfaction with their compensation.

Table VII also suggests that, contrary to the compensation-community exchange hypothesis, teachers are not simply exchanging compensation for community, in charter schools or in traditional public schools. Teachers with high salary satisfaction do not report low community ratings in their schools, and teachers with low salary satisfaction do not report high community ratings in their schools. Instead, teachers within each sector who are satisfied with their salaries also tend to view their schools as having higher rates of community factors. Finally, while teachers in startup charter schools who are satisfied with their salaries define themselves as exerting the highest amount of influence and control, those teachers in startup charter schools who *aren't* satisfied with their salary view themselves as possessing the least amount of influence and control. Thus, teachers appear to conduct a complex calculus that includes economic and non-economic factors in defining their relative levels of satisfaction.

Table VIII, below, shows the relationship between teachers' satisfaction with their salaries and how they define the extent of community factors in their schools. The table attempts to answer several questions concerning the sources of salary satisfaction. First, does school sector predict salary satisfaction? Second, does actual salary predict salary satisfaction within each school sector? Third, is salary satisfaction influenced by student demography? Fourth, does EMO status change salary satisfaction? Fifth, does community, as evidenced by collaboration and support, change salary satisfaction?

Table VIII: Relationship between Salary Satisfaction and Community

Factors

	Satisfied with Salary			
	<u>Model 1</u>	<u>Model 2</u>	<u>Model 3</u>	<u>Model 4</u>
Startup charter school	0.265 (0.060)***	0.429 (0.063)***	0.390 (0.081)***	0.269 (0.085)***
Conversion charter school	0.151 (0.075)**	0.139 (0.073)*	0.290 (0.091)***	0.103 (0.102)
Salary (in \$1,000s)		0.021 (0.004)***	0.024 (0.005)***	0.025 (0.005)***
Percent minority students			-0.007 (0.002)***	-0.006 (0.002)***
Sass school enrollment			-0.000 (0.000)**	-0.000 (0.000)**
For-profit EMO			-0.100 (0.108)	0.045 (0.111)
Nonprofit EMO			0.287 (0.155)*	0.241 (0.164)
Collaboration and support				0.154 (0.101)
Influence and control				0.492 (0.099)***
Constant	-0.393 (0.044)***	-1.188 (0.158)***	-0.853 (0.178)***	-2.370 (0.285)***
Observations	5028	5028	5028	5028

Standard errors in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%

As Model 1 in Table VIII suggests, teachers in both types of charter schools are more satisfied with their salaries than are teachers in traditional public schools. Model 2 shows that actual salary also predicts satisfaction with salary. In Model 3, we demonstrate that, controlling for school sector and actual salary, EMO status predicts teachers' salary satisfaction. Teachers in charter schools with for-profit EMOs are significantly less satisfied with their salaries than are teachers in stand-alone charter schools. However, teachers working for non-profit EMOs are more likely to be satisfied with their salaries.

Model 3 also includes the percentage of racial and ethnic minority students in school sectors, and suggests that the higher the percentage of these students, the less likely teachers are to be satisfied with their salary. The results for Model 4 indicate that collaboration and support increase salary satisfaction (and render EMO status less important to salary satisfaction). This finding suggests that collaboration and support, or the lack of these features, mediates the extent to which teachers in EMO-run schools are satisfied with their compensation.

Finally, although conversion charter schools have appeared particularly strong in both compensation and community, it is notable that in our final model for explaining salary satisfaction, the effects of conversion status are not significant. This suggests that conversion charter school teachers are similar to traditional public school teachers when working in similar learning communities. On the other hand, startup charter school

teachers have an additional level of satisfaction that is not explained by the other variables in the model.

In summary, Table XIII builds on our understanding that satisfaction with compensation is not merely a monetary issue, but is related to teachers' experiences of their schools as communities. Most important, rather than an either-or exchange of compensation for community, or vice versa, salary satisfaction for teachers in charter schools and traditional public schools is related to both actual salary and community factors.

Mobility and the Compensation-Community Exchange

In this final section, we combine our previous analyses to assess the relative importance of compensation and community to teacher mobility. We use a series of regression models to determine the roles played by community and compensation factors when teachers decide to move between traditional public schools and charter schools. Since teachers are generally not exchanging community for compensation, or vice versa, and community factors add to compensation satisfaction, what are the roles of compensation and community in teacher mobility?

To obtain teacher stability rates, we used teachers' responses to the 1999-2000 SASS and the 2000-2001 TFS surveys to identify the schools in which teachers worked over this two-year period. As Table IX, below, shows, although teacher stability is not particularly high in any school sector, conversion charter schools have a 50 percent higher stability rate than the other two sectors. While just over half (52.6%) of all traditional public school teachers,

and just under half of all startup charter school teachers (49.3%) were in the same school, over three-fourths of all conversion charter school teachers (76.2%) were still in the same school when they responded to the TFS survey.

Table IX: Percent of teachers by Sector who in 2000-2001 were still in the same school, or had changed schools or quit teaching

% of teachers who:	tps	ccs	scs
Stayed	59.9	79.2	49.9
Left their school or quit teaching	40.1	20.8	50.1

Our multivariate models in Table X below show that, holding all other factors constant, teachers in conversion charter schools consistently have significantly higher stability rates than teachers in traditional public schools. Teachers in startup charter schools have higher mobility, but not after taking into account EMO status and salary. Charter schools with for-profit EMOs have significantly higher mobility rates. Receiving a higher salary decreases teacher mobility. In contrast with Ingersoll's findings (2001), we also find that teachers in smaller schools across all sectors have lower mobility rates. In addition, once we remove retirees from the sample, teachers' age has a large, curvilinear effect on mobility, with both new teachers (those with less than three years of experience) and more senior teachers (those who are 55 or older) less likely to leave their schools after one year.

Table X. Compensation, Community and Teacher Mobility

Estimated effects on the probability that a TFS teacher changed schools or quit teaching

	<u>Model 1</u>	<u>Model 2</u>	<u>Model 3</u>	<u>Model 4</u>
Startup charter school	0.397 (0.064)***	0.374 (0.068)***	0.047 (0.089)	-0.043 (0.098)
Conversion charter school	-0.936 (0.085)***	-0.919 (0.083)***	-1.005 (0.094)***	-0.996 (0.101)***
New teacher (less than 3 yrs experience)		0.028 (0.117)	-0.267 (0.115)**	-0.246 (0.114)**
High age (over 55 years)		-0.744 (0.193)***	-0.722 (0.205)***	-0.662 (0.207)***
Percent minority students			0.001 (0.002)	0.001 (0.002)
Sass school enrollment			-0.000 (0.000)	-0.000 (0.000)
For-profit EMO			0.753 (0.129)***	0.795 (0.136)***
nonprofit EMO			0.217 (0.132)	0.327 (0.135)**
Salary (in \$1,000s)			-0.028 (0.008)***	-0.030 (0.008)***
Satisfaction with salary			-0.069 (0.122)	-0.017 (0.121)
Collaboration and support				-0.548 (0.119)***
Influence and control				0.039 (0.112)
Constant	-0.400 (0.052)***	-0.364 (0.071)***	0.758 (0.239)***	1.830 (0.350)***
Observations	4179	4179	4179	4179

Standard errors in parentheses
 * significant at 10%; ** significant at 5%; *** significant at 1%

Similar to Hanushek’s results (2004), we find that minority enrollment decreases salary satisfaction; however, we find no relationship between minority enrollment and teacher mobility. Teachers’ sense of influence also has no significant effect on mobility, but levels of collaboration and support significantly reduce mobility. When the two measures of community are added to the model, the relative importance of sector and EMO status is

not diminished. In sum, sector, salary, EMO status, and community are all important in determining teacher mobility.

Conclusion

Compensation and community in public schools—whether they are traditional public schools or charter schools—are critical policy issues, affecting teachers, individual schools, public school officials, and the wider policy community. The belief that charter schools use their sense of community to retain teachers, despite lower earnings, is not supported by our research findings. Instead, our analysis of teachers’ responses to the 1999-2000 Schools and Staffing Survey and the 2000-2001 Teacher Followup Survey suggests a more complicated reality. Because charter schools differ, depending on whether they are conversion or startup charter schools, whether they are stand-alone schools or are run by a for-profit or nonprofit EMOs, we analyzed compensation and community according to these variables.

Our findings suggest that teachers’ salaries in startup charter schools are significantly lower than teachers’ salaries in traditional public schools, but teachers’ salaries in conversion public schools match the salaries in traditional public schools. While the actual salary within each school sector is correlated with salary satisfaction, teachers in both startup and conversion charter schools are more satisfied with their salaries than are teachers in traditional public schools.

Teachers across the three school sectors report experiencing similar levels of shared beliefs, collaboration and support in their schools, and no sector emerges as strongest on teacher collaboration and support. However, teachers in both conversion and startup charter schools experience slightly more influence and control than do teachers in traditional public schools. Although conversion charter schools are more like startup charter schools than like traditional public schools on some measures, they are more like traditional public schools on others.

As judged by teacher turnover between 1999-2000 and 2000-2001, higher salary *and* teachers' sense of collaboration and support significantly reduce mobility. Conversion charter schools exceed traditional public schools in both compensation and stability, and startup charter schools have lower compensation and stability than traditional public schools. Indeed, of the three school sectors, conversion charter schools appear to provide the highest levels of both compensation and a sense of community. This may be because they remain within their districts' collective bargaining agreements, and their experience as traditional public schools helped them develop structures for both collaboration and support and influence and control. Startup charter schools may well develop these structures over time—a possibility we hope to test with the 2003-2004 SASS data.

Although many charter schools seek the assistance of education management companies, our findings suggest that the profit orientation of a school's management company influences teachers' satisfaction levels as well as teacher mobility. While nonprofit education management organizations have no effect on compensation or mobility, stand-

alone charter schools exhibit higher levels of teacher compensation and stability than charter schools run by for-profit educational management organizations. Insofar as teacher stability is a primary consideration, our findings suggest important limitations of for-profit EMO management, as well as strengths of conversion charter schools.

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