Teacher Compensation and School Quality: New Findings from National and International Data

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Purpose
Compelling evidence shows that the quality of education a school offers influences student achievement. Among all variables, teacher quality is the single most important school-related factor affecting student academic achievement. Teacher quality is at least as important, if not more so, than the socioeconomic status of student family in influencing student academic attainment. How teachers perform in their classrooms can counteract the negative effects of social, cultural, or human capital.

However, education is challenged by high teacher turnover rates. The most recent data project that among the 2.2 million new teachers, 666,000 (30%) will leave sometime during their first three years of teaching, and one million (45%) will turn over within the first five years of their teaching career. Teacher turnover is especially problematic in math and science and in many small, high-poverty rural schools. High teacher turnover rates affect both teacher quantity and quality. When facing a teacher shortage, many school districts either hire underqualified teachers or assign teachers to teach out-of-field. This erodes teacher quality.

Teacher turnover also touches upon issues of social justice and fairness. While research shows that teacher quality matters particularly for students with special needs, low income, low achieving, and minority students are most susceptible to being left in the hands of teachers with lesser skills and knowledge of teaching. Teachers of these students are more likely to leave when they have obtained some teaching experience. Although out-of-field teaching is widespread, classes in high poverty schools are 77% more likely to be taught by an out-of-field teacher and staffed with more inexperienced teachers than classes in low poverty schools.

Around the world, teacher salaries are an important indicator of national or state education priorities and investment. Between 64% and 80% of funding invested in public education is used for paying educational personnel in the OECD countries and in the United States, respectively. In 2002 alone, the United States invested $192 billion in teacher pay and benefits. Yet only a few national and fewer international studies have addressed the relationship between teacher salaries and school quality in terms of teacher retention and student achievement. Among them, mixed findings have been found in the U.S. studies, and no evidence has been found supporting a clear relationship across countries between teacher salaries and student achievement. In addition, fewer national and international studies have addressed the relationship between teacher salaries and teacher retention. More often than not these studies use data for only one specific U.S. state or city, limiting generalizability.

The Article
Are teacher salaries related to school quality in terms of student academic achievement and teacher retention? Are teacher salaries important factors influencing teacher job satisfaction? Is teacher job
satisfaction related to retention? This research addressed these questions using international and national data. First, the literature will be briefly reviewed, and then the method and findings will be presented. The final section includes a discussion and implications of the research for practice.

**What This Means for the Field**
The findings from this study in the national level analysis confirmed the current research that teacher quality is crucial in student academic achievement. Thus, ensuring a highly-qualified teaching force for all students should be a national priority in educational policies related to student academic achievement. Increasing current teacher salaries and providing participatory decision making are two key factors in reaching this goal. Furthermore, the international findings from this study indicated that those countries with a steeper salary schedule have higher national math test scores. Larger and continuing increases in salaries over a teacher's career should be considered by policymakers. The findings from this study supported the importance of both higher teacher compensation and reform in the structure of teacher compensation.

**Citation**

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