



Management Consulting to Independent
and International Schools Worldwide

LITTLEFORD & ASSOCIATES
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Board Governance | Head Compensation | Mentoring Heads | Faculty Compensation & Evaluation | Fundraising | Leadership Transitions
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IN DEFENSE OF HEAD COMPENSATION

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All aspects of the Head of School's package are coming under more scrutiny, as is compensation of all leaders of for profits and not for profits. AT THE SAME TIME, boards want to design packages that are creative enough to attract, retain and motivate talent. This will not change.

Littleford & Associates is retained only by boards to benchmark compensation for the head of school. We do not suggest what boards should pay their Heads. We DO provide comparisons of what competing and peer schools offer in terms of salary, retirement and other benefits, while protecting the integrity and confidentiality of all. We do this for international schools as well.

Our Firm knows the "terrain" better than anyone. With 18 years of experience as a head of school and 22 as a consultant, and almost 2000 clients served on this topic alone, John Littleford is in a unique position to understand the nuances of these packages and what will "pass muster" and what might not.

A recent written survey on head compensation in Canada did not include some of the largest and most prestigious schools, and participation declined from the previous survey. These non participating schools typically pay higher salaries and offer better benefits. Even some participating schools may have chosen not to reveal all.

Through our personal contacts with US chairs and heads of schools, we have observed a similar pattern: while those conducting surveys may claim a high return rate, those heads who have very competitive compensation packages often do not return questionnaires. Those who may feel that they are not well compensated in terms of cash or benefits are eager to know what similar heads are paid and may also hope that this data might be useful in future contract discussions. These are the individuals who ARE most likely to respond.

Our Firm examines such surveys carefully, and they are still not as accurate as the 990 forms on Guidestar. Yet Guidestar data is at least two years out of date, and in most cases excludes school owned housing and certain other benefits. Furthermore, there is a wide range of 990 reporting practices. Some business managers fully disclose deferred compensation and other benefits, while others either do not report all components of the head's package, or they include them in other school totals. Most heads are not even aware of how their compensation information is reported on



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the 990 until it is challenged. Heads and chairs need to know this. For 22 years, Littleford & Associates has sought and obtained accurate data for benchmark comparisons on an ongoing basis through confidential conversations with heads and boards. Our database is highly relevant since we are hired for benchmarking either annually or every three years to five years.

Women heads are still typically paid less than their male counterparts. Littleford & Associates has undertaken more than 300 compensation reviews for schools with female heads and places their packages within the realm for all independent school heads. Salary and benefits paid to a school head are not gender specific, but may relate instead to total years of experience as a head; achievements relative to goals, and especially to the profession of the board chair. Our experience indicates that chairs are greatly influenced by their own compensation experiences.

Littleford & Associates goes a step further. We help schools explore a particular new benefit, such as housing, when it is important and desirable, and how to deliver it wisely and most effectively.

If necessary, we will provide support, data and guidance to defend a client's compensation decisions and have done so successfully. This assumes, however, the Board's full disclosure to us of the package details. We do not defend what we did not know or may have cautioned against. The involvement of a Compensation COMMITTEE is important to protect all parties. We are not an accounting firm and do not provide specific advice on 990 reporting for US based schools.

Littleford & Associates delivers the following: the most accurate benchmarking data, patterns and trends; creative and customized compensation options; recommended safe harbors documentation and checklists; and a process applicable and praised worldwide. This is not a negotiation but a facilitation whereby the Board acknowledges and rewards the head's worth, needs, experience and achievements appropriately and competitively within the context of the school's budget and compensation for other staff. We offer a unique, safe and comfortable opportunity for the head to express his or her professional and personal goals and for the board to respond supportively and in a way that reflects both the market AND the school's own culture. As one satisfied client noted about our process, "You get folks on the same sheet of music."

John Littleford
Senior Partner