



Management Consulting to Independent  
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## UP TO 85% OF YOUR SCHOOL'S BUDGET

*Posted on December 19, 2015*

Board Members are accustomed simply to approving an annual percentage increase in the faculty salary pool. Few understand how salary system design can make teachers into winners and losers.

One international school embarked upon an extensive process of reviewing its faculty compensation and benefits package. The Board's goal was to rein in escalating salaries and costs. The Administration's goal was to have the ability and flexibility to recruit and retain top notch faculty in a competitive international market and a high cost local setting.

This project had potentially conflicting goals. Yet, the School took the plunge and engaged an external Consultant to get a read on its culture, faculty morale and their quality of life for each career and family group (single, married or with children).

The base salary for teachers at the top of the scale was over 110,000USD equivalent for as few as fifteen years at the School. However, entry level salaries were about 85,000USD. This gap between the starting and the highest salaries of less than 40,000USD created salary compression. The School provided neither housing nor medical but the quality of life was perceived to be excellent.

Yet faculty groups were faring differently. Expensive housing and an overall high cost of living meant that singles were struggling financially whereas overseas teachers who came as a pair were doing very well in a low tax environment.

Through the engagement of board members, administration and teachers in listening and dialogue, the School made several changes to the benefit plan and to the salary system. It now offers a modified career ladder by which a teacher not only moves "up" by staying another year, but based upon a number of criteria can also move laterally by meeting professional growth and other "stretch" goals.

This School's system is designed in part to value and reward the career classroom teacher. Worldwide, most salary systems today reward teachers for taking on more extracurricular roles, positions of responsibility, or titles like department head and grade level and 1B coordinators. Discouraging great teachers from remaining in the classroom is becoming a crisis and actually costs more money.



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A School in the US recently also engaged in a professional dialogue with teachers, board members and administration. This Head's goal was to define teacher workload in the context of a total commitment to children in the classroom and in advisory, coaching, and extracurricular life. Boarding schools and traditional day schools often call this a "triple threat" model that commits teachers to the development of the whole child. This School, however, is in an urban setting where teachers are accustomed to coming and going when they are not teaching, and they have had historically few requirements outside of the classroom.

This Head's task has been challenging because he is redefining a full-time job in a major way. But he has initiated a change in the school culture by proceeding deliberately and with political astuteness. The benefit package is clearer and some of its elements are improved; there is a bump in salaries to make them more competitive locally; teacher evaluation is more substantive; and professional growth is enhanced.

At another US day/boarding school, a new Head inherited a traditional lane and track salary system. Over time, particularly valuable and assertive teachers had negotiated many special and one-off deals around this system, and one might argue that the best came to the top in terms of pay. On the other hand, the lack of transparency, the number of deals made, and the fact that some excellent teachers did not know how or want to advocate for themselves created resentment that arose just as the new Head was about to arrive.

The new Head has now launched with outside assistance, a complete review of the salary, benefits and evaluation decision making processes. Board members paired with faculty are an integral part of this discussion. All are attempting to work towards the best long term interests of the staff and the School, and they are also building trust among all parties.

What do these schools, and others have in common?

1. A need to revisit salaries and benefits systems that are no longer equitable or effective
2. A desire to develop a mission based philosophy of compensation and a salary and benefit system that reflects that mission
3. A desire to recruit, retain and nurture the best of the best
4. Faculty participation in a process that affects them professionally and personally and that builds trust by connecting boards, teachers and administrators in a carefully designed way

Littleford & Associates has helped to launch this process successfully at over 2500 schools since 1983. The goals are meaningful dialogue, higher staff morale, better understanding of how money is



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spent, valuing teachers and students and allowing teachers and board members to walk in each other's shoes.