Executive Summary: Deborah Reed will make a presentation to the Commission on the Public Policy Institute of California's report *Retention of New Teachers in California*.

Recommended Action: For information only

Presenter: Deborah Reed, Public Policy Institute of California

Strategic Plan Goal: 4

Continue effective and appropriate involvement of the Commission with policymakers on key education issues.

* Sustain productive relations with key policymakers and staff.

November – December 2006
Improving Teacher Retention in California Public Schools

California public schools face a number of challenges, including low academic performance and a shortage of fully credentialed teachers. One way to address these particular challenges is through teacher retention. Experienced teachers are more effective at raising student test scores, on average, than are teachers in their first year or two of teaching. In fact, some studies show that declines in student achievement are associated with an increase in the proportion of new, inexperienced teachers. Experienced teachers are also more likely to be fully credentialed, since a substantial share of new teachers without full credentials eventually do attain them. Increasing teacher retention, then, helps not only to raise test scores and school quality in general but also to address the current shortfall of fully credentialed teachers in California’s public schools.

The federal No Child Left Behind (NCLB) Act requires that all teachers in core academic subjects be “highly qualified” by the end of 2005-06, increasing pressure for teacher retention. In California, “highly qualified” teachers either have full credentials or participate in an internship program during their first three years of teaching. Under these guidelines, if a teaching intern has not become fully credentialed by the fourth year, schools will risk losing their federal funding. This three-year timeline may encourage schools to replace experienced teaching interns with new, inexperienced interns to maintain higher numbers of teachers deemed “highly qualified.”

In *Retention of New Teachers in California*, Deborah Reed, Kim Rueben, and Elisa Barbour find that professional development programs are a successful and cost-effective way to increase teacher retention. During the 1990s, the period studied in this report, the Beginning Teacher Support and Assessment (BTSA) program improved elementary school teacher retention by 26 percent and cost about $3,370 per participant. In contrast, the effect of a starting salary increase of $4,400 in the same period reduced the probability of a new elementary teacher leaving public school employment by 17 percent. Although compensation clearly remains an important factor in teacher retention, the lower cost of teacher development programs is an important consideration for budget-strapped California.

**Retention and Credentialing**

Drawing on state employment and teacher credentialing records, the study tracks teachers in their first seven years of employment and defines “leaving” as two consecutive years with no public school employment. (Thus, it is not directly comparable to national studies that typically measure leaves of any duration.) This study finds that 13 percent of new teachers left public schools in their first or second year of teaching. By the end of the fourth year, 22 percent left. For teachers starting with multiple-subject certifications (typical for kindergarten through sixth grade), leaving public schools was slightly less common—20 percent by the fourth year. For those with single-subject certifications (typical for grades seven through twelve), leaving was higher, at 27 percent. If these patterns from the 1990s continue, about 25 percent of new teacher hires will be replacements for other recently hired teachers who have left public school employment.

Teacher turnover presents a significant problem in terms of placing credentialed teachers in California classrooms, since many new hires are not fully credentialed. In 2004-05, for instance, 25 percent of newly hired teachers lacked full credentials. However, among teacher with five years of experience, only 11 percent lacked full credentials and among those with ten years of experience, that share dropped to 2 percent. This increase is not due to higher dropout rates among teachers who start without full credentials. Instead, the evidence shows that teachers who stay in public schools over the long term tend to become fully credentialed. This trend strongly suggests that teacher retention is positively related to the credentialing process and encourages the creation of “highly qualified” teachers mandated by NCLB.
The lack of fully credentialed teachers is of special concern for high-poorvity districts, even though these districts do not suffer from higher rates of teacher turnover, as some studies have found in other states. In California during the 1990s, high-poorvity districts actually had lower teacher turnover than low-poorvity districts. By the end of the second year of teaching, the probability of leaving public school employment or transferring districts was 24 percent for teachers starting in high-poorvity districts but 39 percent for teachers starting in low-poorvity districts. Although this may seem surprising, district size and growth are related to lower turnover and help explain the better retention rates in high-poorvity districts. The greater number of openings in these districts may have offered opportunities for new teachers to find positions that they preferred. Nevertheless, new, fully credentialed teachers tended to favor low-poorvity districts, forcing large and growing high-poorvity districts to recruit a greater number of teachers without full credentials.

**Gains in Teacher Retention**

Policies aimed at teacher retention have had a beneficial effect. In fact, the authors found that professional development and compensation programs implemented in the 1990s contributed to a decrease in teacher turnover. The probability of a new teacher leaving public school employment fell from about 8 percent in 1993–94 to just over 5 percent in 1998–99. In particular, districts with slightly higher retention problems who were early adopters of the BTSA program saw a substantial decline in teacher turnover (see the figure). For teachers with multiple-subject certifications, the probability of leaving public school employment by the second year fell from 17 to 13 percent. District retention—a retention problem caused by the employment gap left in the transferring teacher’s original district—fell from 26 to 21 percent for the same group.

Compensation packages, although less cost-effective than professional programs, are an important component of teacher retention. As might be expected, teachers in districts with higher starting salaries and greater scheduled salary growth were less likely to leave public school teaching or to transfer between districts. For teachers with multiple-subject certifications, the probability of leaving a school district with a low starting salary and low salary growth was 18 percent by year two. In contrast, in a high salary district with high salary growth, the probability of leaving was 14 percent.

**Policy Implications**

Clearly, certain policies and programs improve teacher retention—BTSA, in particular, has enjoyed substantial, positive results. However, state funding for other teacher development programs, such as Peer Assistance and Review, was drastically reduced, from $222 million in 2000–01 to $63 million in 2004–05. Given the success and cost-effectiveness of BTSA, policymakers may wish to evaluate and allocate additional funding for these other development programs. In addition, since teachers without full credentials are not eligible for BTSA, policymakers should consider implementing a development program targeted at this population of teachers. Finally, to increase the numbers of credentialed teachers in high-poorvity districts, the authors suggest expanding university credentialing programs in a targeted fashion, focusing on those that serve high-poorvity districts.