Despite the well-established impact of school leaders on student achievement, there is limited research on how specific policies impact principal quality and availability. Much of the available research mirrors general findings on improving overall educator quality and/or is limited to survey and descriptive research from a handful of reputable organizations.

High principal turnover is a real problem with negative consequences

- Seventy percent of principals indicate their responsibilities have changed dramatically over the past five years and seventy-five percent report the job has become too complex (MetLife, 2013).
- In high-poverty schools in particular, the most effective and least effective principals tend to leave (Branch, Hanushek, and Rivkin, 2013).
- Turnover for new principals is remarkably high (Fuller, 2012):
  - About 50 percent of newly hired middle school principals and 30 percent of newly hired high school principals remained at the same school for three years. After five years, over one-half of middle school principals and nearly three-quarters of high school principals had left their initial school.
- High principal turnover can lead to higher teacher turnover and negatively impact student achievement. The negative impact is greater at lower-achieving and high-poverty schools (Fuller, 2012; Béteille, Kalogrides, and Loeb, 2011).
- Frequent principal churn—whether from one school to another or out of the profession altogether—undermines efforts to produce sustained school system improvements and implement meaningful reform (Manna, 2015; Fuller, 2012; Béteille, Kalogrides, and Loeb, 2011).
- But not all principal turnover is bad; districts should still employ thoughtful recruitment strategies to replace low-performing principals with higher performers.
  - Negative impact of turnover can be mitigated by filling vacancies with experienced principals (Béteille, Kalogrides, and Loeb, 2011).
  - A recent study of Washington, D.C., schools found that the district’s efforts to replace low-performing principals with higher performers were associated with a modest bump in student achievement. Specifically, after three years, reading achievement in schools with a new, stronger principal increased by four percentile points as compared to student achievement in schools that continued with the same principal. Among middle school students in schools with replacement principals, the gains were larger and statistically significant in both math and reading (Walsh and Dotter, 2014).
- Principal turnover is expensive. A conservative estimate of the cost of recruiting and onboarding a principal is about $75,000, and many urban districts replace 15 to 25 principals each year (Van Cleef, 2015; School Leaders Network, 2014).

Working conditions matter

- New principals at high-poverty and low-achieving schools often leave for opportunities to lead schools with better conditions (Béteille, Kalogrides, and Loeb, 2011).
- Major factors contributing to why principals leave include substantial on-the-job isolation and a lack of autonomy over personnel and funding decisions due to local and state policies (School Leaders Network, 2014; Johnson, 2005).
Compensation matters

- A Colorado study found a positive, causal link between principal salaries and student achievement, particularly in math. The findings held up across years and subjects, even when accounting for other factors, suggesting that schools can raise student achievement by attracting better leadership through higher salaries (Carlson and Johnson, 2010).

- Although several jurisdictions have begun to experiment with performance pay for principals, there is little data linking it to student outcomes. Instead, principal compensation is largely based on experience and education level, and the size and type of the school (Goldhaber, 2007).

- The difference in pay between veteran teachers and school principals is often small and not proportional to the increased responsibility and accountability. States have focused more in recent years on improving teacher salaries and opportunities to the detriment of principals (Doyle and Locke, 2014; Goldhaber, 2007).

- In states seeking to implement performance pay for teachers, moving to a performance-based compensation system for principals may be a prerequisite because it helps build buy-in and understanding among educators of how such compensation schemes work (Goldhaber, 2007).

How states can retain strong school leaders

- Recruit and place principals according to their skills, preparation, and match for the school they’ll lead—a good ’fit’ is a major factor in determining success (Doyle and Locke, 2014).

- School leaders should have the opportunity to earn additional compensation through multiple opportunities aligned with state, district, and school goals (Schuermann, Guthrie, Prince, and Witham, 2009).

The School Leaders Network recommends four actions to improve school leader retention; most of them fall under district purview, but states can also play a role (School Leaders Network, 2014):

- **Invest in ongoing leadership development.** There is some evidence that strong preparation programs may lead to higher retention later on, though these programs are typically very expensive. Ongoing training serves as a bridge to preparation and provides principals with support and skill development beyond the first two years on the job.

- **Establish authentic peer networks** that provide space for principals to learn from each other.

- **Require ongoing one-on-one coaching support** for principals as part of the overall evaluation and development process. Typically, coaching is offered only to first-year principals, but extended coaching could reduce isolation and build leadership capacity.

- Restructure central office supervision and **eliminate policies that limit autonomy** so principals receive the right balance of support and empowerment.

New Leaders suggests additional state actions for linking compensation and retention (New Leaders, 2012):

- Encourage districts to **link additional principal compensation to increased leadership responsibilities**, such as managing other principals, mentoring aspiring principal residents, and hosting or facilitating communities of practice and other professional learning communities for rising leaders.

- **Establish a statewide model** of compensation and salary structure and/or an incentive fund for districts that pilot new salary and award structures based on effectiveness.

- **Publicly recognize great principals** with measures other than just compensation, such as a principal of the year award; even small demonstrations communicate that principals are valued, which improves retention.

- In addition to increased compensation, **incentivize highly effective principals to move to high-need schools** by providing increased decision-making autonomy, allowing strong leaders to bring their own teams, and allocating resources toward targeted professional development.