

Second in a series

THE CHANGING WORLD OF
TEACHERS
AND TEACHING: HOW
WISCONSIN
NEEDS TO ADJUST



**To what extent are school districts
losing teachers they want?**

By Wyatt Eichholz

To what extent are school districts losing teachers they want?

Teacher turnover varies by pay, seniority and other characteristics

By Wyatt Eichholz

The Wisconsin Department of Public Instruction has flatly stated that the most pressing challenge currently facing the state education system is teacher retention. Many Wisconsin school districts, according to the DPI, struggle to keep qualified teachers in the classroom and to replace the ones that leave.

Two different analyses conducted by the Badger Institute at a statewide level appear to contradict the DPI's findings.

- The number of teachers statewide was only slightly lower in the 2023-24 school year, the last year for which data is available, than it was in 2009-10, according to a recently released Badger Institute policy brief. Meanwhile, student enrollment has declined significantly over that time, so that the number of teachers per 100 students, when looked at in aggregate across the state, is higher than it has been in at least 15 years.
- Wisconsin teachers, analysis in this paper shows, are generally not more apt nowadays to leave the profession altogether than they have been historically.

When examining district-level data, however, the wrinkles begin to emerge. Teachers are increasingly apt to leave one district for another, and trends in the number of teachers per 100 students differ according to district size. Wisconsin teachers, in sum, are more mobile than they used to be and some districts are less able to retain and possibly attract new teachers — leading to key questions we will address in this paper and others to follow about why some teachers desire some districts over others, and how various subsets of teachers differ in their decision to leave the profession altogether or transfer. Other briefs in this series will dive further into the specific nature of any teacher shortages by locality, grade level and subject area, and will examine potential reforms that might enable all districts to successfully compete for or retain talent.

The teacher turnover situation

The story statewide

On a statewide percentage basis, fewer teachers are leaving the profession altogether than was the case 20 years ago. By that definition — teachers leaving the Wisconsin public teacher workforce — the statewide teacher exit rate was 11.5% between the 2002-03 and 2003-04 school years, 10.6% right after the Act 10 labor reforms in 2012 and, after some fluctuation, 10.2% in 2023.

Of course, these individuals may not all actually be retiring; some are taking jobs in private schools, while others may be pursuing a different career path entirely. To develop further insight into the factors influencing teachers who are leaving the profession in Wisconsin, we examined exit rates by compensation and seniority levels and found that exit rates are highest at either end of the spectrum. Finally, we examined the available literature on teacher compensation and motivation. A body of academic research shows that compensation and teacher retention are linked, and that merit-based compensation can improve both teacher performance and student outcomes.

The district level

At the district level, the story is different. The average district turnover rate among 414 school districts was higher in the 2022-23 and 2023-24 school years than at any time since 1996, according to Badger Institute analysis. (Again, unlike the aggregate state-level data, which includes only those leaving teaching in public schools altogether, turnover at the district level includes teachers transferring to a different district.) From the perspective of the district, open positions must be filled either way — creating a challenge for some districts and not necessarily for others. Competition is healthy and can help create a meritocracy. At the same time, there

may be a dearth of teachers in specific areas or fields that limit the possibility of retaining or attracting new talent regardless of how competitive a district might be. We delve further into these questions in upcoming briefs.

Data and methodology

This brief is based on information gleaned from 30 academic years of Wisconsin Department of Public Instruction All-Staff Reports, along with the public teacher salary re-

ports.¹ Each year, the DPI reports a census of every public-school staff member in the state that includes information on his or her position, school, district, demographics and salary. By analyzing these records, it is possible to determine how many teachers are exiting the workforce altogether, and rates of turnover at the district level. Such analysis is similar to the technique used by the Wisconsin Policy Forum in its 2023 study of teacher turnover going back to 2009.² Our analysis applies this technique to data going back to 1995, or 15 years further into the past than existing research, to allow for comparison of trends

before and after the Act 10 reforms. Additionally, our research examines the impact of individual compensation and experience on turnover.

The DPI also publishes district-level summaries of compensation and experience. Each district reports its minimum, maximum and average salary and benefits figures, as well as the average local and total experience of its staff. Benefits include retirement, Social Security, life and health insurance, workers' compensation, and other benefits.

Salary and compensation

Average salaries ranged from \$42,704 for Goodman-Armstrong Creek School District on the low end to \$85,374

Figure 1

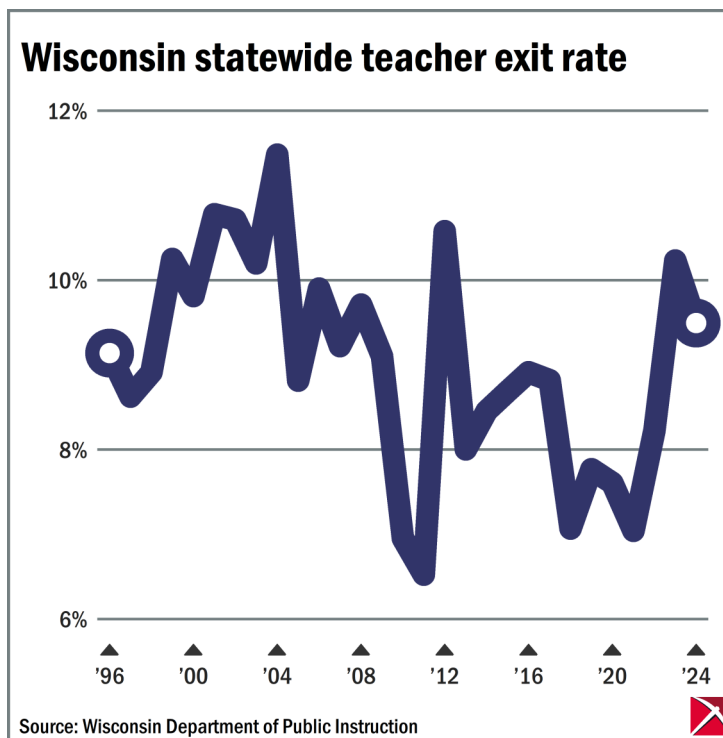
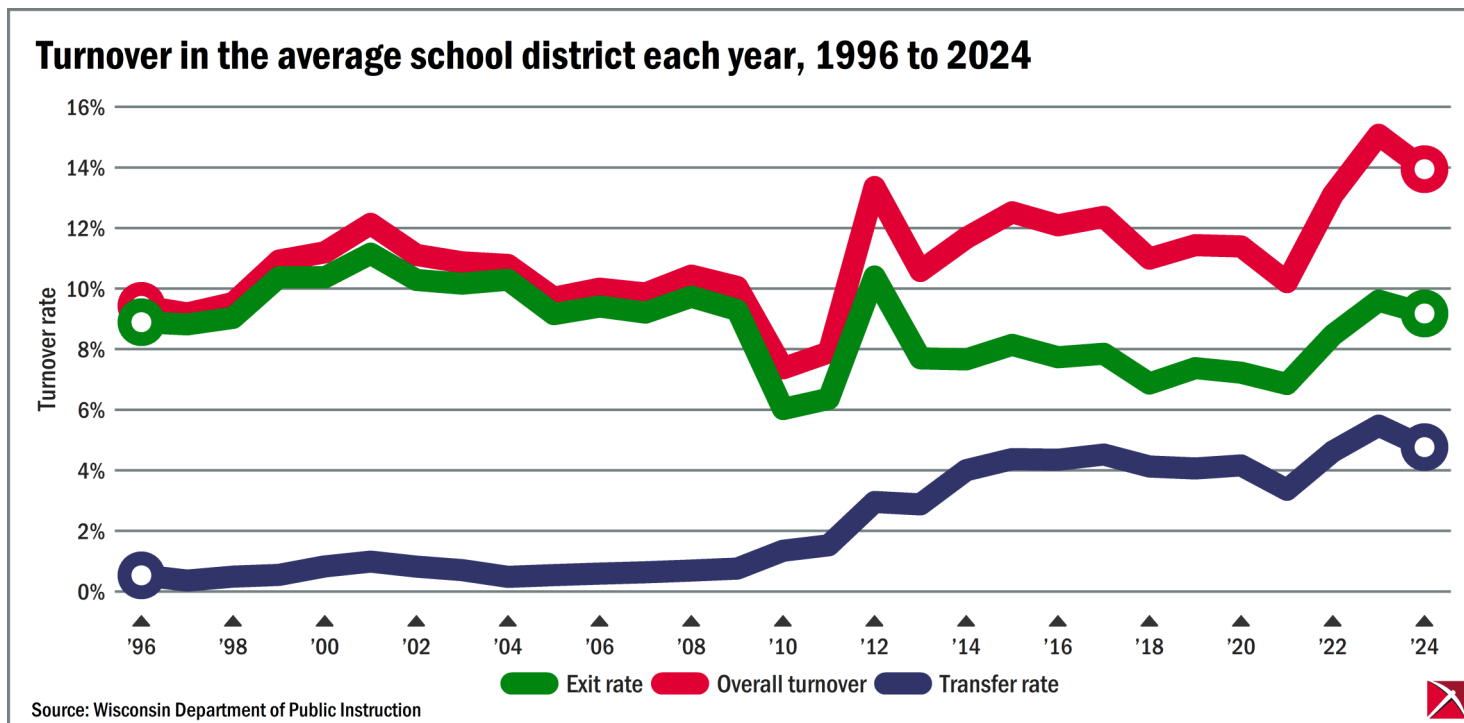


Figure 2



for Arrowhead Union High School District on the high end. The median district's average salary was \$58,722. Similarly, the median for average benefits compensation was \$24,962, with a high figure of \$94,929 in Maple Dale-Indian Hill School District. Because of its high levels of benefits, Maple Dale-Indian Hill had the highest average total compensation of any school district in the state: \$162,981.

The median district's average total experience — that is, the average of a district teaching staff's combined experience — was 14.37 years. The median district's average local experience — that is, how long the district's average teacher had been in that district — was 10.57 years.

Statewide workforce exits

The overall teacher workforce exits tracks the percentage of public-school teachers entirely leaving Wisconsin public education each year. The highest level of overall exit rates occurred in 2004, with approximately 11.5% of teachers leaving Wisconsin public schooling entirely between the 2002-03 and the 2003-04 school years. The mass of teacher exits in 2011-12 following the labor reforms of Act 10 caused the exit rate to jump from 7.0% to 10.6%, but that did not exceed the historical peak. Teacher exit rates climbed to a similarly high level of 10.2% in 2022-23, before turning back down slightly in 2023-24 to 9.5%.

Districts

The average district turnover rate represents the level of staffing churn that the average district faces. This series averages the turnover rate of 414 districts for which data were available across the entire time frame of 1995 to 2024. Turnover rates spiked in 2012 following the signing of Act 10, which limited collective bargaining to salary. Following that spike, the average turnover rate of full-time teachers has fluctuated between 10% and 15%.

Highlighted districts

The nearby graphs detail turnover rates for Wisconsin's three largest districts.

The Milwaukee Public Schools turnover rate hovers in a range around 10% to 20% for most of the graph. The apparent spike in turnover for 2016 coincides with a transition between two subsets of data: The Wisconsin Policy Forum previously reported that Milwaukee submitted an erroneous all-staff report that year.³

The Madison Metropolitan School District turnover rate shows an arc from about 1997 to 2011 that reached its peak in 2004. At its lowest, the turnover rate was 7.4%; at its highest, 12.3%. After 2011, the turnover rate began to trend upward.

Figure 3

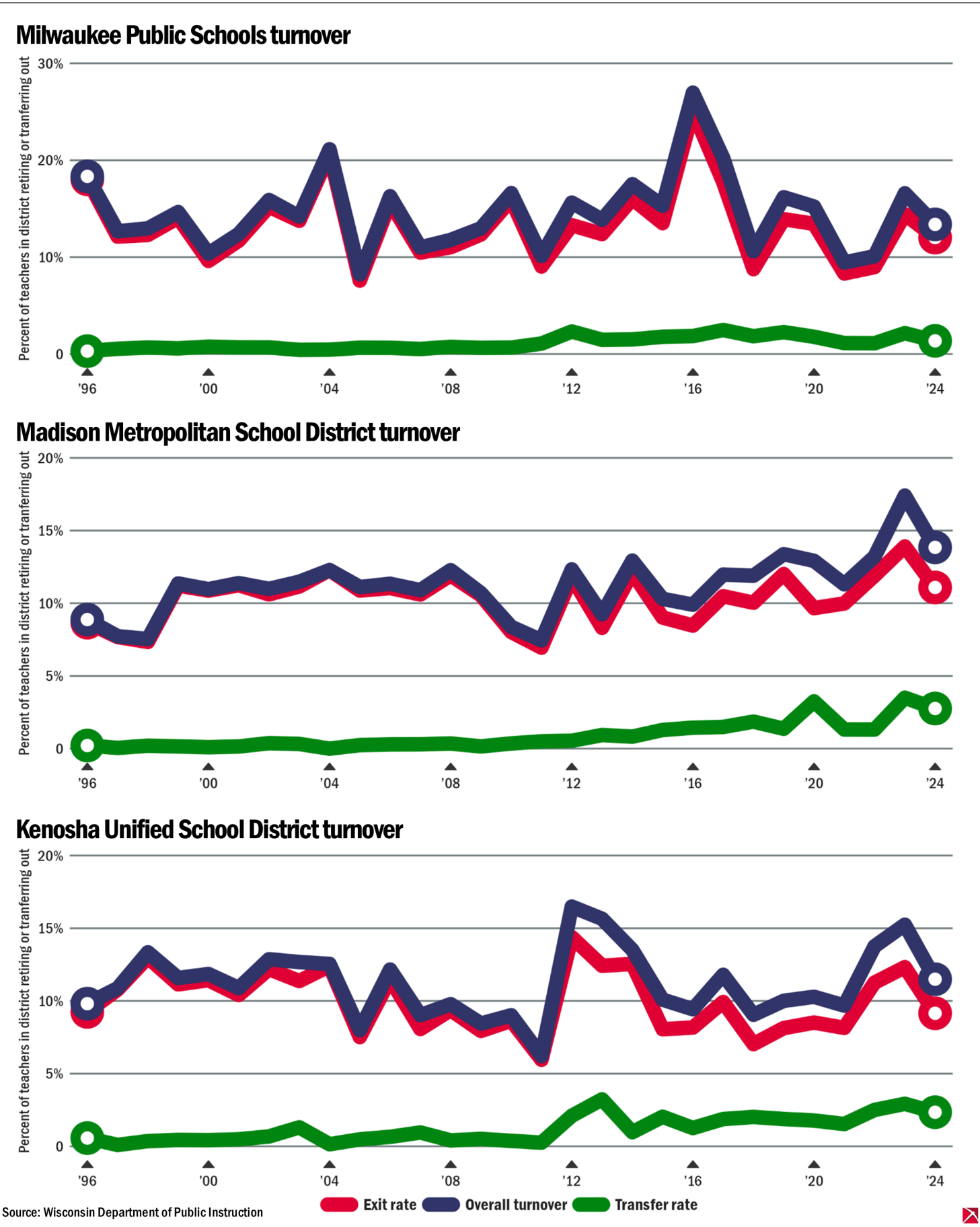
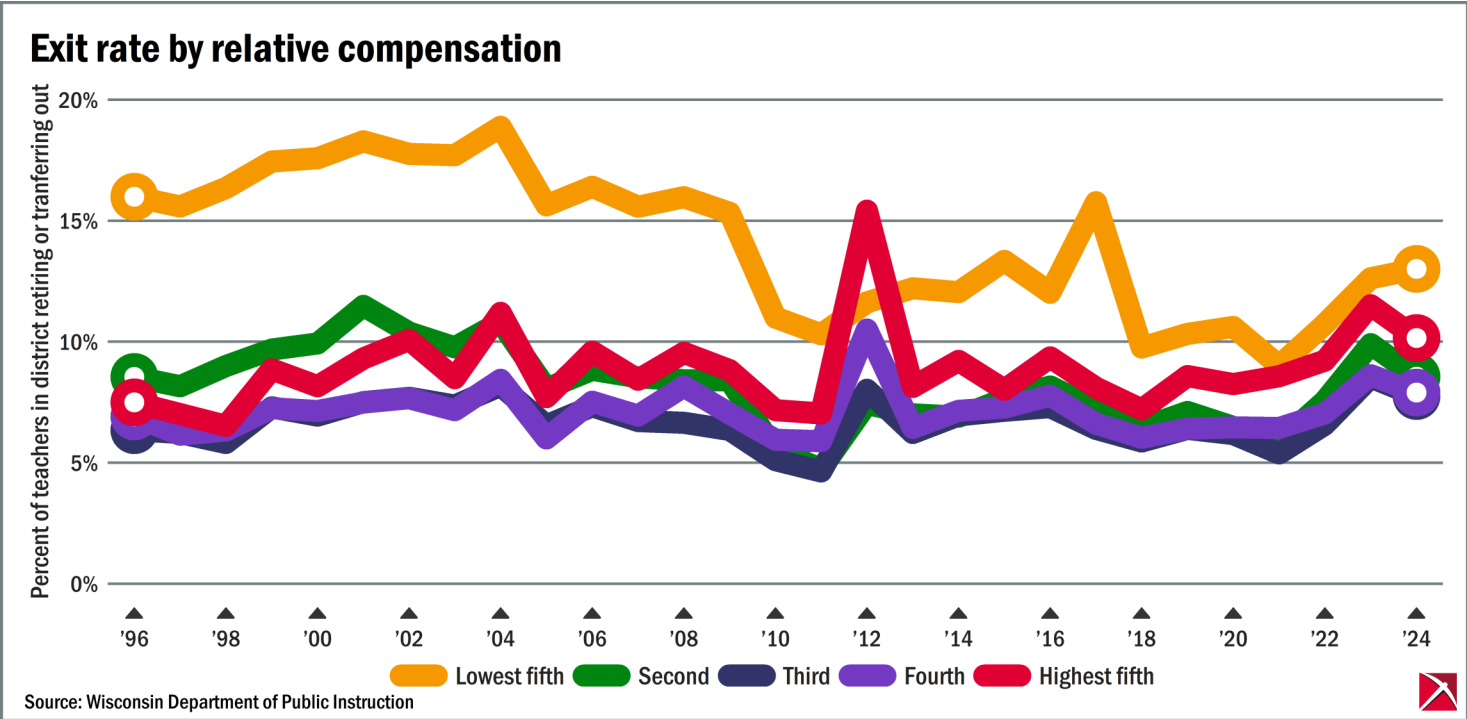
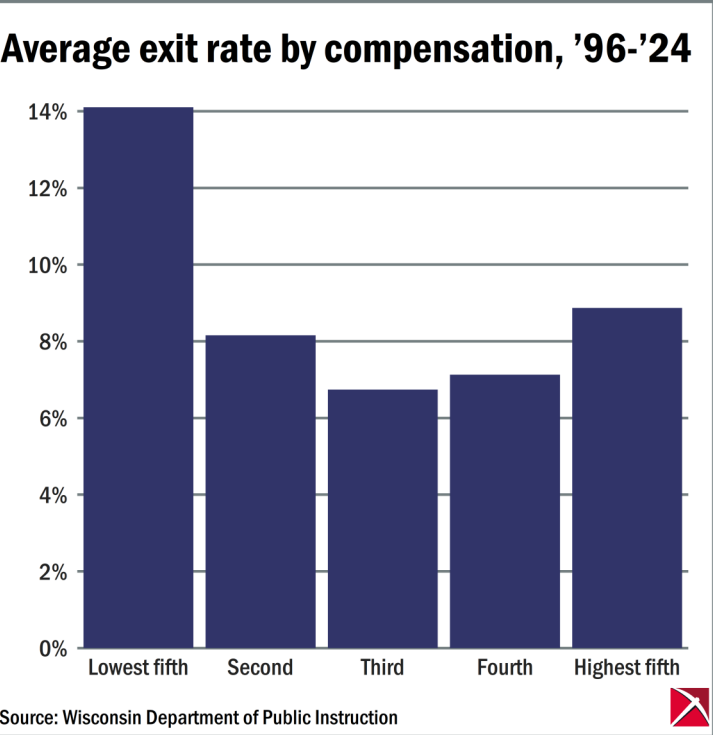


Figure 4



In the Kenosha Unified School District, turnover trended downward from 1998 to 2011, falling to a low of 6.2%. The level of turnover spiked dramatically in 2012 to 16.4%. The rate subsided by 2016 but once again reached elevated levels in 2022 and exceeded 15% in 2023.

Figure 5



Exits based on compensation

To study the effects of compensation on teacher exit, we divided teachers into quintiles according to their levels of income relative to all teachers in their district between the 1995-96 school year and the 2023-24 school year. The low quintile represents the lowest-paid 20% of teachers by total salary and benefits, while the high quintile represents the best-paid 20%. The exit rate represents the percentage of teachers in each compensation category who left the Wisconsin public teaching workforce.

An interesting pattern emerges: The highest exit rates are experienced by those at the lowest and highest income groups. On the other hand, the middle-income group saw the lowest rates of exits.

Nearly all quintiles saw an uptick in exits in 2012 after Act 10. The spike was most pronounced for the highest income earners, and for each group, the magnitude of the spike was inversely related to the level of compensation. The only exception was the lowest quintile, which experienced a decrease in exit rates between 2010 and 2020, but still had the highest exit rates in comparison to other quintiles. As of 2024, the exit rates by quintile have settled at a higher level than the pre-Act 10 baseline.

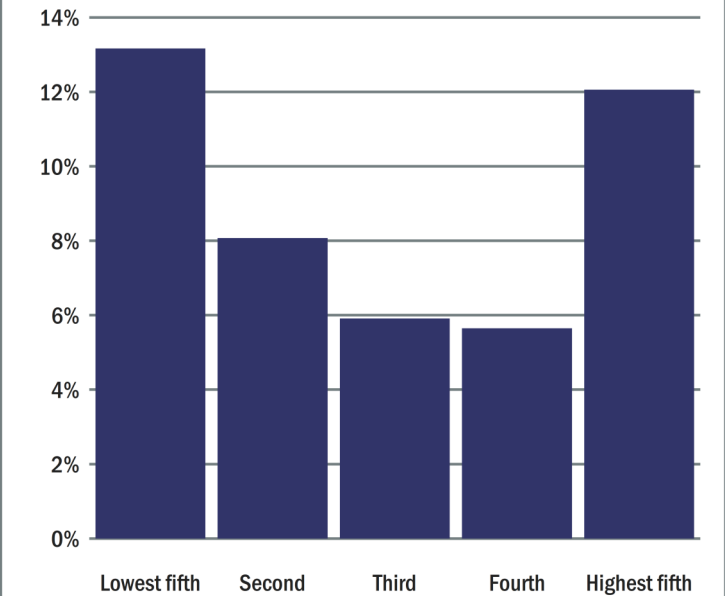
Exits based on seniority

We also examined retention at various levels of seniority by grouping teachers into quintiles according to their years of experience within their district. The low quintile represents the 20% of teachers with the least local experience, while the high represents the longest-tenured 20%. The exit rate represents the percentage of teachers in each category who left the Wisconsin public school teaching workforce and the data set is for all years from 1995-96 to 2023-24.

As with compensation, a U-shaped pattern emerges: In this case, teachers with the most and the least experience are most likely to leave the workforce. Teachers in the middle of their careers are less likely to leave. The data confirms that the passage of Act 10 preceded a dramatic spike in departures from the workforce among the longest-tenured group. This is consistent with earlier reports that the change prompted many teachers already close to retirement to retire earlier.

Figure 6

Average exit rate by seniority, '96-'24



Source: Wisconsin Department of Public Instruction

Exits based on degree

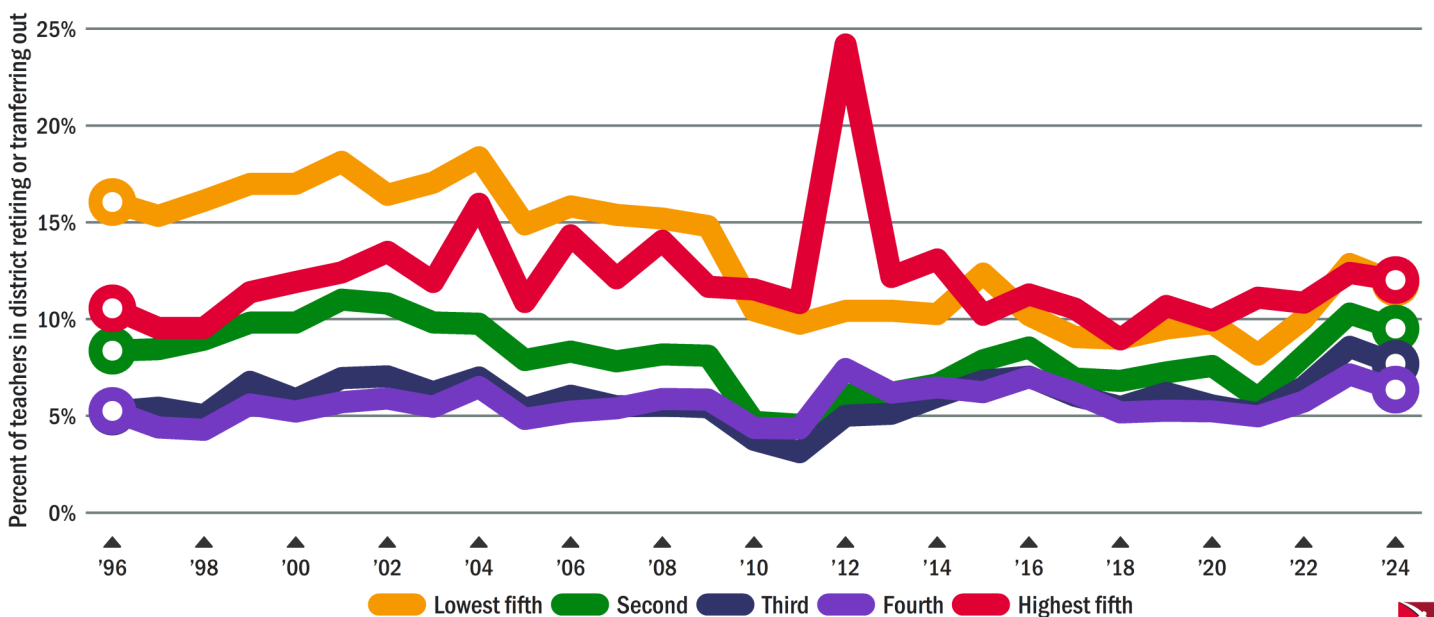
In terms of a teacher's highest-attained degree, the lowest exit rate is among those with master's degrees. Bachelor's degree-holders on average have the next lowest, and teachers with doctorates are the highest.

Retention based on race and gender

As for race, the data show the lowest levels of exits among white teachers, while the highest occurs among black teachers. This is a concern because studies suggest that for minority students, having exposure to teachers of the same demography can have a positive impact on student outcomes.⁴ One

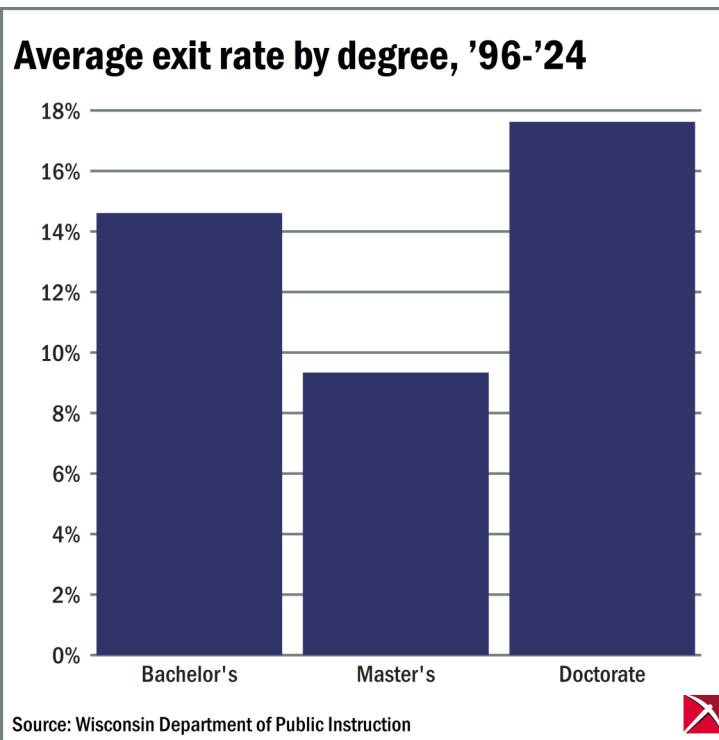
Figure 7

Exit rate by relative seniority



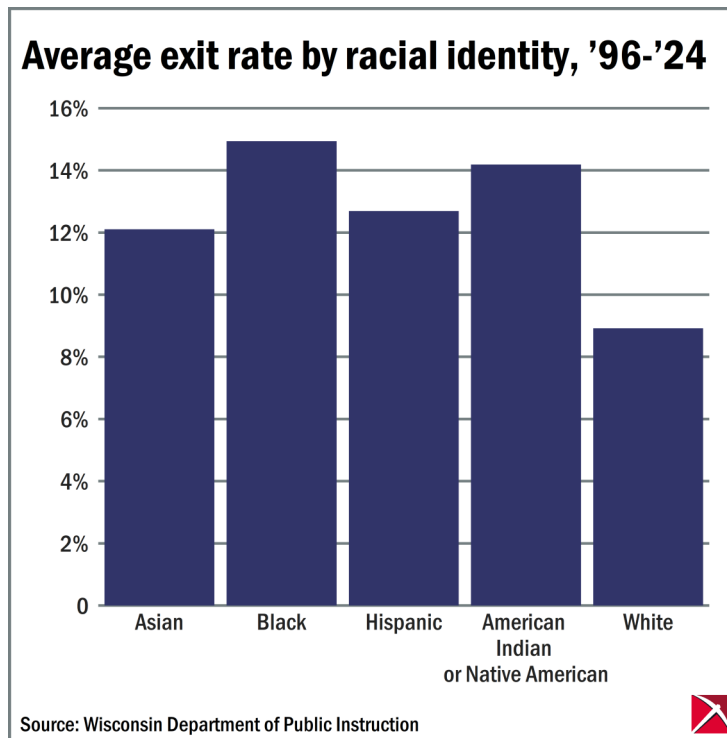
Source: Wisconsin Department of Public Instruction

Figure 8



working paper found that being assigned a Black teacher made Black students 13% more likely to graduate and 19% more likely to enroll in college.⁵ When it comes to gender, men have a slightly lower exit rate than women on average.

Figure 9

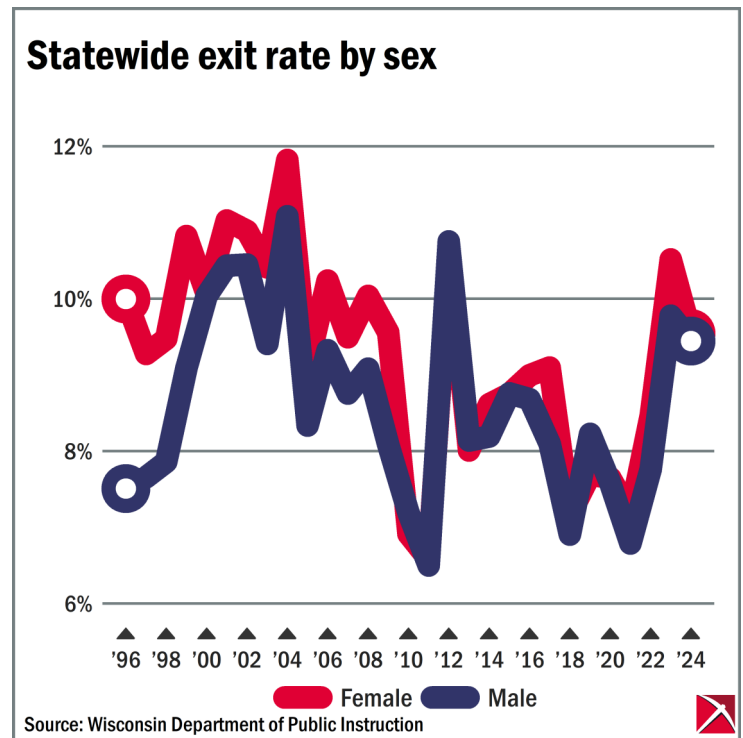


Literature review

In this paper on turnover, we focus on factors affecting retention. As the data show, one factor is compensation. Previous research on compensation shows the importance of salaries as a factor in teacher supply and turnover. Anne Podolsky and colleagues in 2016 argued that salaries influence both the supply of teachers and the rate of teacher attrition.⁶ They point out that two-thirds of teachers who left the profession but would consider returning labeled higher pay as an important factor in the decision. In Wisconsin, the largest factor in explaining why teachers were leaving the workforce was inadequate salaries, according to a survey of Milwaukee area teachers published by the Wisconsin Policy Forum in 2016.⁷

Eric Hanushek argues that the current market structure for most teacher labor in the U.S. is ineffective because the prevailing union-negotiated structure means compensation is not linked to quality; increasing compensation for good teachers usually necessitates increasing compensation for bad teachers also, an economically inefficient outcome.⁸ In Wisconsin, Act 10 did reduce the power of unions to collectively bargain for pay increases and additional benefits, permitting districts to adopt flexible pay systems that allowed higher pay for better teaching.⁹

Figure 10



Median total compensation, adjusted for inflation, decreased by 19% between 2010 and 2022 statewide, according to a 2024 report from the DPI.¹⁰ However, the Wisconsin Institute for Law and Liberty points out that much of the decrease in compensation comes from changes in benefits, particularly as a result of Act 10 requiring teachers to make contributions to healthcare coverage and retirement accounts.¹¹ Before Act 10, public-sector employees in Wisconsin were generally exempt from such obligations. Additionally, it was pointed out, the trend of declining teacher retention was nationwide and therefore could not have been caused entirely by Act 10.

There is intriguing research into policies and programs that use incentives and rewards to encourage effective teaching in disadvantaged schools. The IMPACT program in Washington, D.C., rewarded highly effective teachers with exceedingly high bonuses and permitted the dismissal of underperforming teachers. The result was that teachers close to the high-effective threshold were driven to improve their performance to get the incentive, while teachers close to the low end of the spectrum either worked harder to avoid dismissal, or voluntarily dropped out of the work force, researchers found in 2015.¹²

The ACE program in Dallas offered bonuses to attract teachers to underperforming schools; the bonuses' size depended on teacher performance.¹³ That is, an effective teacher had more of an incentive to take a job at an ACE school than a mediocre one. The program also required all the existing teachers at the ACE schools to reapply for their own positions. As a result, every principal and about 80 percent of teachers were replaced going into the following school year. The program produced “immediate and sustained increases in student achievement,” found researcher Andrew J. Morgan and colleagues, and the increases lasted until the program was discontinued, strongly suggesting a causal relationship between incentives and teaching quality.

There is also evidence on the positive effects of incentive-based compensation on student outcomes in Wisconsin. The law permitted but did not require school districts to move away from pay schedules based only on seniority and degree.

Researcher Barbara Biasi found that “the introduction of flexible pay raised salaries of high-quality teachers, increased teacher quality (due to the arrival of high-quality teachers from other districts and increased effort), and improved student achievement.”¹⁴

Discussion and Conclusion

Turnover rates are highest for those at either end of their careers and lowest for those in the middle: Teachers with the longest tenures and the highest salaries also have some of the highest rates of turnover, most likely because they also tend to be closest to retirement. This result is unsurprising.

On the opposite end of the spectrum, those with low levels of experience and low salaries are the most likely to leave the teacher talent pool. This suggests that many young and inexperienced teachers are leaving the profession early in their careers. This corroborates the DPI’s findings of high levels of burnout among new teachers. This is a red flag.

Defining the cause is beyond the scope of this brief, but possibilities abound: Perhaps colleges of education are not producing graduates up to the task of teaching.¹⁵

Perhaps schools are not responsibly managing or mentoring their incoming cohorts of talent.¹⁶ Perhaps too little is being done to make sure students are aware of and prepared for the realities of the classroom.¹⁷ Maybe the compensation structure fails to provide sufficient incentive for top teachers in some districts in comparison to others.¹⁸

Upcoming analysis will explore these possibilities.



Those with low levels of experience and low salaries are the most likely to leave the teacher talent pool.



About the author

Wyatt Eichholz is the Badger Institute’s Policy and Legislative Associate. He graduated from the University of Alabama in 2024 with a Master of Arts in economics.

Endnotes

- 1: Wisconsin Department of Public Instruction. "Public Teacher Salary Report - Public Reports." <https://publicstaffreports.dpi.wi.gov/PubStaffReport/Public/PublicReport/TeacherSalaryReport>.
- 2: "Revolving Classroom Doors." Wisconsin Policy Forum, August 2023. <https://wispolicyforum.org/research/revolving-classroom-doors-recent-trends-in-wisconsins-teacher-turnover/>.
- 3: *ibid.*
- 4: Egalite, Anna J., and Brian Kisida. "The Effects of Teacher Match on Students' Academic Perceptions and Attitudes." *Educational Evaluation and Policy Analysis* 40, no. 1 (March 1, 2018): 59–81. <https://doi.org/10.3102/0162373717714056>.
- 5: Gershenson, Seth, Cassandra M. D. Hart, Joshua Hyman, Constance Lindsay, and Nicholas W. Papageorge. "The Long-Run Impacts of Same-Race Teachers." Working Paper. Working Paper Series. National Bureau of Economic Research, November 2018. <https://doi.org/10.3386/w25254>.
- 6: Podolsky, Anne, Tara Kini, Joseph Bishop, and Linda Darling-Hammond. "Solving the Teacher Shortage: How to Attract and Retain Excellent Educators." Learning Policy Institute, September 15, 2016. <https://learningpolicyinstitute.org/product/solving-teacher-shortage>.
- 7: Yeado, Joe, and Rob Henken. "Help Wanted: An Analysis of the Public School Teacher Pipeline in Greater Milwaukee." Wisconsin Policy Forum, April 2016. <https://wispolicyforum.org/research/help-wanted-an-analysis-of-the-public-school-teacher-pipeline-in-greater-milwaukee/>.
- 8: Hanushek, Eric A. "School Human Capital and Teacher Salary Policies." *Journal of Professional Capital and Community* 1, no. 1 (January 11, 2016): 23–40. <https://doi.org/10.1108/JPC-07-2015-0002>.
- 9: Biasi, Barbara. "The Labor Market for Teachers under Different Pay Schemes." *American Economic Journal: Economic Policy* 13, no. 3 (August 2021): 63–102. <https://www.aeaweb.org/articles?id=10.1257/pol.20200295>
- 10: Kammerud, Jennifer. "2022 Educator Preparation Program Report and Workforce Analysis." Wisconsin Department of Public Instruction, April 2024. <https://dpi.wi.gov/sites/default/files/imce/education-workforce/pdf/2022-wi-epp-workforce-annual-report.pdf>.
- 11: Garrett, Pat. "DPI Report on Teacher Shortage Misses the Mark." Wisconsin Institute for Law & Liberty, April 14, 2024. <https://will-law.org/dpi-report-on-teacher-shortage-misses-the-mark/>.
- 12: Dee, Thomas S., and James Wyckoff. "Incentives, Selection, and Teacher Performance: Evidence from IMPACT." *Journal of Policy Analysis and Management* 34, no. 2 (2015): 267–97. <https://www.jstor.org/stable/43866371>
- 13: <https://www.nber.org/papers/w31051>
- 14: Biasi, Barbara. "The Labor Market for Teachers under Different Pay Schemes." *American Economic Journal: Economic Policy* 13, no. 3 (August 2021): 63–102. <https://www.aeaweb.org/articles?id=10.1257/pol.20200295>
- 15: Will, Madeline. "There's Still No Consensus on Accountability for Teacher Prep." *Education Week*, September 18, 2023, sec. Teaching & Learning, Teacher Preparation. <https://www.edweek.org/teaching-learning/theres-still-no-consensus-on-accountability-for-teacher-prep/2023/09>.
- 15: LoCasale-Crouch, Jennifer, Emily Davis, Peter Wiens, and Robert Pianta. "The Role of the Mentor in Supporting New Teachers: Associations with Self-Efficacy, Reflection, and Quality." *Mentoring & Tutoring* 20, no. 3 (2012): 303–23. <https://doi.org/10.1080/13611267.2012.701959>.
- 17: Whalen, Christina. June 13, 2023. "Teachers Are Not Prepared for Increasing Challenging Behaviors." *RethinkEd*. <https://www.rethinked.com/resources/teachers-not-prepared-increasing-challenging-behaviors/>.
- 18: Horowitz, Luona Lin, Kim Parker and Juliana Menasce. "1. Teachers' Job Satisfaction." *Pew Research Center* (blog), April 4, 2024. <https://www.pewresearch.org/social-trends/2024/04/04/teachers-job-satisfaction/>.



THE CHANGING WORLD OF
TEACHERS
AND TEACHING: HOW
WISCONSIN
NEEDS TO ADJUST

