

# Research Notes

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## A Focused Look at Program Directors: Education, Salary, and Benefits

Research on early childhood program quality consistently identifies staff qualifications and compensation as key indicators of program quality.<sup>1</sup> Programs that provide higher compensation and more desirable benefits are able to attract and retain more highly qualified staff who can implement high-quality learning experiences for young children.

While recent attention by researchers and policymakers has focused on the need to address both the qualifications and compensation of teaching staff, less is known about the qualifications and compensation of center directors. Exploring the relationship between directors' compensation, qualifications, and various program features is an important first step toward understanding the characteristics of center directors who provide the context for high-quality early learning experiences for young children and supportive partnerships with their families.

### Sample and Methodology

The 2005 Directors' Salary Survey was designed to learn about directors' salaries and benefits in relation to their role and professional qualifications, their center's program type and auspice, and their center's sources of funding. The survey was distributed between January and June 2005 at several early childhood conferences, by direct mail, and as part of an e-newsletter broadcast on the Internet by the McCormick Tribune Center for Early Childhood Leadership and Child Care Information Exchange.

Surveys were completed by 1,255 early childhood administrators. Data were incomplete on 57 of the surveys. The final sample consisted of 1198 owner/directors, directors, and director/teachers representing all 50 states and the District of Columbia. Of this total, 982 directors identified themselves as responsible for a single site and 216 directors as responsible for multiple sites. Respondents have worked in the field of early childhood for an average of 17 years, in an administrative position for an average of 11 years, and in their current positions for an average of 7 years. The sample comprised 7% African-Americans, 1% Asians, 88% Caucasians, 3% Hispanics, and 1% Other.

### Findings: Education, Salary, and Benefits

- More than three-fourths of administrators (76%) have achieved a minimum of a baccalaureate degree; 32% of the sample have gone on to achieve a graduate degree.
- One-third of the administrators (32%) have less than 24 semester hours of college credit in early childhood education or child development.
- Approximately one-half of administrators (47%) have less than 9 semester hours of college credit in program management.
- The mean annual salary for a center administrator of a single-site program is \$42,765 (\$20.56/hour).<sup>2</sup>
- The mean annual salary of administrators of single-site programs varies depending on their role title: \$38,314 for a Director/Teacher, \$39,853 for an Owner/Director, and \$43,555 for a Director.
- There are significant differences in the mean annual salary of center administrators of single-site programs depending on program auspice (ranging from \$34,570 per year for a director of center run by a for-profit corporation or chain to \$52,250 per year for a director of a college or university-affiliated center). The following table summarizes these data.

Directors' Salary by Program Auspice

Program Auspices	Mean Annual Salary	Mean Hourly Wage	n
For profit—private proprietary or partnership	\$36,130	\$17.37	169
For profit—corporation or chain (e.g., KinderCare, La Petite Academy)	\$34,570	\$16.62	64
For profit—corporate sponsored (e.g., Bright Horizons Family Solutions)	\$52,085	\$24.56	36
Private nonprofit—-independent	\$41,475	\$19.94	480
Private nonprofit—affiliated with a social service agency	\$45,635	\$21.94	194
Public nonprofit—sponsored by federal, state, or local government	\$46,467	\$22.34	118
College or university affiliated	\$52,250	\$25.12	94
Military sponsored	\$49,317	\$23.71	5
Public school	\$49,504	\$23.89	21

(over)

- Center administrators of single-site programs that receive Head Start funding and/or Department of Education funding earn more than directors of programs without such public support (\$22.29/hour, \$24.64/hour, and \$20.56/hour respectively).
- There is a positive correlation between directors' level of education and their salary. The mean annual salary of an administrator of a single-site program ranges from \$32,203 (associate's degree) to \$37,743 (bachelor's degree) to \$46,624 (master's degree).
- Administrators receive a wide array of benefits including: paid sick/personal leave (87%), paid vacation (77%), health insurance (69%), retirement or pension plan (54%), reduced-fee for child care (54%), dental insurance (51%), life insurance (48%), college tuition reimbursement (35%), and paid maternity/paternity leave (21%).
- There are significant differences in the benefits received by administrators depending on program auspice; for-profit corporate-sponsored programs, military-sponsored programs, and college or university affiliated programs provide the most extensive benefits.
- Less than two-thirds (62%) of administrators of for-profit proprietary or partnership programs and private nonprofit independent programs receive health insurance.
- Only 34% of administrators of for-profit proprietary or partnership programs and 43% of directors of private nonprofit independent programs receive retirement or pension benefits.

## Conclusion and Policy Implications

Early childhood directors' annual salaries lag far behind other educational administrators. For example, the average salary of elementary school principals in 2004-05 was \$76,144 for 223 days on duty (\$42.68/hour).<sup>3</sup> This is considerably more than the average hourly rate of compensation that directors with comparable education receive (\$22.42/hour for directors with a master's degree; \$26.20/hour for directors with a doctorate). The comparison between center directors and principals is appropriate given the scope of responsibility for each role. Both administrators oversee facility management, curriculum design and implementation, staffing and human resource allocation, and fiscal matters relating to their programs.

As states expand early education programs through state-funded prekindergarten or a system of universal preschool, the role of the center administrator is critical to achieving school readiness outcomes. The findings of the 2005 Directors' Salary Survey demonstrate that the salary of a center administrator is related to a program's auspice and funding source. Early childhood administrators with comparable qualifications and responsibilities should be paid comparable salaries without regard to program type or auspice.

1. Phillips, D., Mekos, D., Scarr, S., McCartney, K., & Abbott-Shim, M. (2001). Within and beyond the classroom door: Assessing quality in child care centers. *Early Childhood Research Quarterly*, 15(4), 475-96. Center for the Child Care Workforce. (2004). *Current data on the salaries and benefits of the U.S. early childhood workforce*. Washington, DC: CCW/AFTEF.
2. The Department of Labor, Bureau of Labor Statistics (BLS) definition of a work year as constituting 2080 hours was used to calculate respondents' hourly and annual wage. When respondents provided salary data for part-year positions, the full-time equivalent salary was calculated for cross-group comparison purposes.
3. Williams, A. R. (2005, May/June). Principals' salaries, 2004-05. *Principal*, 45-50.

*For further information about research conducted by the McCormick Tribune Center for Early Childhood Leadership, call 800-443-5522, ext. 5060. Funding for the Center's Research Notes is provided by the McCormick Tribune Foundation, the Joyce Foundation, and the Illinois Department of Human Services. Individuals may photocopy and disseminate freely.*

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