

Pay Superintendents Like CEOs?

What is the appropriate salary for a school superintendent? Should they command high salaries, like corporate CEOs? Dave Ziffer offers some insights!

Should a District Superintendent Be Paid Like a CEO? by [Dave Ziffer](#)

Recently, we've been reading a lot of articles in which somebody (usually a school board member) expresses the opinion that school superintendents are underpaid corporate executive officers (CEOs). Usually such statements are made within local news articles that are actually thinly disguised components of publicity campaigns designed to prepare communities for tax-hike referenda. The "underpaid CEO" notion is based upon a grossly inaccurate view of what CEOs do and why they are so highly paid.

CEOs do not simply sit at the top of their respective management chains and direct operations. The primary function of a CEO is to increase share value for a corporation's shareholders. The primary method of doing this is to increase the corporation's market share by establishing markets for new products, or by winning customers away from competitors in an established market, or both. This is a brutally difficult job, comparable to being a general in a war, and in fact successful CEOs must employ military-like strategies in order to succeed.

The amount of creativity and intelligence required to perform this task in a competitive marketplace is extraordinary -- so much so that very few individuals can master it. Even seasoned professionals fail at this task quite frequently. That, and only that, is why the people who succeed at it consistently are so highly paid. It's a matter of supply and demand, and the supply of such people is very short.

Superintendents do not do anything even remotely akin to the primary function of a CEO. Superintendents do not operate in a competitive environment. They do not establish new markets for anything. They have no competition and so do not have to steal others' market share. They do not have to employ military strategy, or in fact any strategy at all, to win or hold market share. Actually, superintendents' "markets" are pretty much handed to them on a platter by the state, through the use of forced taxation and compulsory school attendance laws.

The idea that a superintendent is some sort of CEO undoubtedly derives from the fact that he seems to be at the top of his local management chain. This does not make him a CEO. If we look at his job function rather than his apparent position at the top of the heap, we see that the typical superintendent performs nothing more than the relatively mundane tasks that a typical corporate middle-level manager performs.

Considering that the typical suburban school district management chain is only two levels deep, a suburban district superintendent is best imagined as a second-level manager. When contemplating what to pay such people, we should keep in mind that CEO salaries have nothing much to do with second-level manager salaries. And in any event, school districts should use the law of supply and demand - that is, pay only what is required to retain a person who can do the job.