Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Kateřina Kinzlová
Advisor:	Mgr. Barbara Pertold-Gebická M.A., Ph.D.
Title of the thesis:	**The salary level of teachers in the Czech Republic and its impacts**

OVERALL ASSESSMENT (provided in English, Czech, or Slovak):

Please provide your assessment of each of the following four categories, summary and suggested questions for the discussion. The minimum length of the report is 300 words.

Contribution

The thesis is the first to estimate drop-out rates of young teachers from the profession. This is an important policy issue since quality of teachers is crucial for well-functioning educational system. The overall contribution is restricted due to poor data quality. This is understandable and could not be tackled differently.

However, the presented models rely on strong assumptions. The author does not discuss their credibility with respect to either theory or empirical evidence from other countries. This therefore undermines the credibility of models as whole.

Methods

The methods are creative and innovative but it is not clear how they build on methods used in the literature. It is especially important with respect to the assumptions made. One model assumes proportion between new entrants aged less than 25 and new entrants aged 26-35 is constant over time and the second assumes constant ratio of new entrants and number of teachers under 35 in given year. It is not clear why should either one hold. The first one, as the author points out, is for example problematic due to changes in law across years which changes the motivations of the actors. The second basically assumes that changes influence both elements symmetrically which is hard to believe. It is then no surprise that it results in somewhat unrealistic drop out rates (ranging from -9% to 204%). I can imagine more non-parametric or even machine learning methods which could improve the precisions of the estimations of the drop-out rates. However, the models in the thesis are an interesting first step.

Second, the models assume linearity in flows for majority of variables but there are various reasons (behavioral, conditions on the market, demand from schools etc.) which make it quite unrealistic. I understand that dealing with them is beyond the scope of the thesis, but more detailed discussion of these issues than part of the section 3.2.4. would be beneficial.

I have a few minor comments regarding the descriptive statistics:
- Gender pay gap (section 2.1) – this is rather a problematic measure since it is not at least conditional on experience which is an important driver of teacher salary. Second, there is probably a strong selection of male teachers to principal positions and outside teacher proffesion which could affect pay gap.
- Comparison of salaries with other university graduates – I would rather see cross-country comparison of ratio of teacher salary to other tertiary education salaries. This measure would be more comparable.

Literature

I think that more space could be devoted to the literature review than three pages. For example, I miss the whole literature on the quality (value-added) of teachers. It would be also nice to have a more nuanced discussion of different effects of teacher salary. It could have short-term motivational effects and long-term effects through selection. The first does not seem to be the case (Ree et al. 2015) and the second more so. The second part is mentioned by Kateřina in the thesis (Dolton and Gutierrez 2011) but there is more evidence from other contexts (Dal Bo et al. 2013).

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Manuscript form
Manuscript is well structured and ok written. I do not have any major comment.

Summary and suggested questions for the discussion during the defense
The thesis is a solid piece of work. It investigates an interesting question and reviews existing trends. I think that the author could have thought about more thorough methods for the research question at hand and relate it better to the existing literature. However, the thesis fulfills requirements for the bachelor thesis at the IES and **I recommend it for defense.** So far, **I suggest the grade C but in case of a successful defense, it could be improved to B.**

Questions for discussion:
- What are the theoretical and empirical underpinnings for assumptions in the model 1 and 2?
- Could you give a few reasons and mechanisms why new teachers leave the profession? Could you specifically distinguish between the fixed ones (at least in the short-term) and those that could be influenced by policy makers?
- You mention that detailed panel data would allow researchers to estimate drop-out rates. However, there would be hard to disentangle the mechanisms why teachers drop-out. What kind of event/data would allow to be more precise about underlying mechanism?

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY		POINTS
Contribution	*(max. 30 points)*	20
Methods	*(max. 30 points)*	20
Literature	*(max. 20 points)*	17
Manuscript Form	*(max. 20 points)*	20
TOTAL POINTS	*(max. 100 points)*	**77**
GRADE	**(A – B – C – D – E – F)**	**C**

NAME OF THE REFEREE: PhDr. Václav Korbel

DATE OF EVALUATION: *1.6. 2018*

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Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

CONTRIBUTION: *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

Strong	*Average*	*Weak*
30	*15*	*0*

METHODS: *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

Strong	*Average*	*Weak*
30	*15*	*0*

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

Strong	*Average*	*Weak*
20	*10*	*0*

MANUSCRIPT FORM: *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

Strong	*Average*	*Weak*
20	*10*	*0*

Overall grading:

TOTAL	GRADE
91 – 100	A
81 - 90	B
71 - 80	C
61 – 70	D
51 – 60	E
0 – 50	F