The purpose of this quantitative study was to measure, understand, and identify the principals’ leadership characteristics contributing to the level of cyber teacher morale in K-12 cyber schools located within Arizona, Ohio, and Oklahoma. The literature review identifies and discusses various theories of leadership, yet little research has been conducted specifically for teachers working in a fully cyber environment, where there is not a specific physical building where the teachers and principal congregate daily to interact with and teach students. Information obtained from cyber teachers and principals in this study related to the level of teacher morale and specific principal leadership characteristics that are the greatest indicator of high morale. All cyber teachers participating in this study completed the Purdue Teacher Opinionnaire assessment which assessed ten specific factors relating to teacher morale. Next, the same group of cyber teachers
completed the *Excellent Principal Inventory* which assessed principal leadership characteristics within thirteen individual areas. The overall goal of this study was to obtain understanding of the factors and leadership practices contributing to cyber teacher morale. The results of this study indicated a strong correlation relating to the relationship between teachers, principals, and peers. Cyber teachers with the highest levels of morale ranked the area of teacher rapport with principal as the primary driver for high morale, followed closely by the rapport among teachers. Cyber teachers did indicate that details relating to ‘red tape’ and clerical work contributed to a lower level of morale among the staff. Teacher salary was not an indicator of morale, neither positive nor negative, among cyber teachers.