Seniority Rules Lead Districts to Increase Teacher Layoffs and Undermine Teaching Quality

“Last in, first out” reduction-in-force policies give greater weight to teacher longevity than effectiveness

CAMBRIDGE, MA – Most school districts devote well over half of all spending to teacher compensation, and strained budgets are forcing layoffs of teachers. In a new study, researchers find that seniority-based layoff policies -- the norm in public schools -- lead to higher numbers of teacher layoffs than would be necessary if administrators were allowed to make effectiveness the determining factor in issuing layoff notices, rather than length of service. If districts instead adopted effectiveness-based layoff policies, they would be likely to lay off fewer teachers, achieve the same budgetary savings, and have a higher quality teacher workforce.

Dan Goldhaber and Roddy Theobald of the University of Washington conducted the study, which will appear in the Fall 2011 issue of Education Next and is currently available at www.educationnext.org. The study analyzes data on the actual outcomes of reduction-in-force (RIF) policies in Washington State in academic years 2008-09 and 2009-10. The authors’ analysis is based on a sample of 1,717 teachers who received a layoff notice in 2008-09 and 407 teachers who received one in 2009-10. Teachers who received RIF notices were less likely to hold an advanced degree and their salaries were approximately $15,000 lower than those of teachers who did not receive layoff notices. The authors find that if the RIF-notified teachers made the average salary in their district, it would only be necessary to lay off 1,349 teachers in order to attain the same budgetary savings, or roughly 20 percent less than the actual number of teachers who received layoff notices.

The authors report that there are large differences in classroom effectiveness between teachers who actually received layoff notices and those who would have received them had an effectiveness-based system been in place. The impact on student math and reading achievement differed by about 20 percent of a standard deviation, a difference which the authors note is “striking, roughly equivalent to having a teacher who is at the 16th percentile of effectiveness rather than at the 50th percentile.” This difference corresponds to roughly 2.5 to 3.5 months of student learning. Effectiveness-based layoffs also would result in more equitably distributed layoffs across student subgroups. For example, in a seniority-based system, black students are far more likely than other students to have been in a classroom of a teacher who received a RIF notice.

Goldhaber and Theobald estimated teacher effectiveness by linking a subset of teachers to their students’ reading and math test-score results on the Washington State Assessment of Student Learning.
(given annually in grades 3-8, as well as in grade 10). Confirming the disproportionate impact of current RIF systems on new teachers, the study finds that approximately 60 percent of teachers receiving layoff notices in 2008-10 had two or fewer years of experience, and approximately 80 percent had two or fewer years of seniority within their current district. The authors find that if a teacher’s subject specialty is in a shortage area, they are less likely to be laid off, estimating, for example, the probability that a first-year special education teacher receives a layoff notice is 6.2 percent, compared to 17 percent for a first-year health/physical education teacher. However, this difference “pales in comparison to the difference in probability that a first-year teacher will be dismissed compared to a teacher with 12 or more years of seniority,” which is less than one-quarter of 1 percent. Seniority-based layoff policies can thereby exacerbate difficult challenges as districts cope with losing shortage-area teachers.

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