NATIONAL COMMISSION ON Teaching and America's Future

The Cost of Teacher Turnover in Five School Districts

Executive Summary

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The Cost of Teacher Turnover

Low performing schools rarely close the student achievement gap because they never close the teaching quality gap – they are constantly rebuilding their staff. An inordinate amount of their capital – both human and financial – is consumed by the constant process of hiring and replacing beginning teachers who leave before they have mastered the ability to create a successful learning culture for their students.

Student achievement suffers, but high turnover schools are also extremely costly to operate. Trapped in a chronic cycle of teacher hiring and replacement these schools drain their districts of precious dollars that could be better spent to improve teaching quality and student achievement.

Several previous studies have attempted to estimate the costs, but the majority of the studies have not been based on actual cost data from specific districts. Instead the previous studies relied on turnover formulas derived from industry to estimate turnover costs in education. The size of these estimates is staggering. But because these estimates are not derived from a detailed analysis of actual school data, and because they do not provide school leaders with the specific management tools they could use to control costs, the findings of these previous studies have been downplayed by policymakers.

To overcome these problems, the National Commission on Teaching and America's Future (NCTAF) conducted a pilot study of actual cost data. The study provides school leaders with a detailed picture of the recruitment, hiring, and replacement costs in five school districts.

The Study

NCTAF's pilot study quantifies the real costs of teacher turnover in five school districts. These districts, Chicago Public Schools (IL), Milwaukee Public Schools (WI), Granville County Schools (NC), along with Jemez Valley Public Schools and Santa Rosa Public Schools (NM), represent a range of communities, large and small, urban and rural. The study is summarized in the findings and recommendations below. The data collection and analysis protocol that was used in this study was the basis for the development of the NCTAF Teacher Turnover Cost Calculator that other schools and districts can use to estimate the costs they incur each year when teachers leave [www.nctaf.org].

Key Findings

1. **The costs of teacher turnover are substantial.**

In both small and large districts, the study found that the costs of recruiting, hiring, and training a replacement teacher are substantial. In Granville County, North Carolina, the cost of each teacher who left the district was just under $10,000. In a small rural district such as Jemez Valley, New Mexico, the cost per teacher leaver is $4,366. In Milwaukee, the average cost per teacher leaver was $15,325. In a very large district like Chicago, the

average cost was $17,872 per leaver. The total cost of turnover in the Chicago Public Schools is estimated to be over $86 million per year. It is clear that thousands of dollars walk out the door each time a teacher leaves.

2. Teacher turnover undermines at-risk schools.

Low school performance and high poverty were correlated with high teacher turnover in both in the Milwaukee and Chicago Public Schools.

3. At-risk schools spend scarce dollars on teacher turnover.

Low performing, high minority, and high poverty schools expend scarce resources on teacher turnover. Because teacher attrition rates in these at-risk schools are chronically high, turnover costs become a drain on already scarce resources that could otherwise be invested to improve teaching effectiveness and student growth.

4. At-risk schools could recoup funds by investing in teacher retention.

An up-front investment in retaining teachers can reduce teacher turnover, and thus reduce the costs associated with teacher turnover. For example, Chicago Public Schools lose $17,872 on every teacher who leaves the district. By implementing an effective retention strategy, such as a high quality induction program at a cost of $6,000 per teacher per year, Chicago could reduce teacher turnover and save millions of dollars.

5. Turnover costs *can* be identified, aggregated, and analyzed.

Teacher turnover can be calculated and the costs associated with teacher turnover can be aggregated. When combined, this information allows districts to analyze which teachers are leaving, from where they are leaving, and how to invest in teacher retention in order to reduce turnover costs.

6. District data systems are not designed to control the costs of turnover.

Rather than providing access to relevant information, most district data systems stand as formidable obstacles to managing and controlling turnover. The costs of turnover are hidden in mounds of teacher records, school data, and district financial information. Without new, coherent data systems that break down the silos of existing systems, calculating the full cost of teacher turnover is difficult for many districts

Recommendations

1. Invest in new teacher support and development

Comprehensive induction programs have been proven to increase teacher retention and improve student achievement. The costs of such programs could be offset by the savings achieved through decreases in the costs of turnover.

2. Target comprehensive retention strategies to at-risk schools

Teachers leave at-risk (low-income, high-minority, low-performing) schools at high rates. Retention initiatives in these schools have the greatest potential for a high return on investment, both in terms of resources and school performance.

3. Track teacher turnover and its costs annually

In order to make sound decisions, school leaders and policymakers need data on teacher turnover and its costs. By tracking teachers and costs year by year, school leaders and policymakers will be able to determine where to invest in teacher retention and the impact of these investments.

4. Amend NCLB to hold school leaders accountable for turnover and its costs

To ensure that every child has access to a school with a rate of teacher attrition and experience that is comparable to all other schools served by its local education agency, each local and state education agency should be required to publicly report the distribution of qualified teachers, the average years of teaching experience in each school, the annual rate of teacher and principal attrition, and the cost of that attrition for each school it serves.

5. Upgrade district data systems

Most districts have huge collections of data on the cost elements associated with teacher turnover, but the current data systems stand in the way of accurate and timely analysis. Coherent data systems should be created to house cost data in a way that is easily accessible and analyzable. Teacher turnover data should be added to current systems and should be included in the design of new systems. With easily accessible data, districts could begin to analyze and manage teacher turnover and its costs. Robust data systems that provide sufficient information about teacher effectiveness in specific schools will also enable district human resource departments to be increasingly accountable for the retention of high quality teachers.

The Teacher Turnover Cost Calculator

Using the data collection and analysis protocol from this study, NCTAF has created a Teacher Turnover Cost Calculator to make these findings accessible to school leaders and members of the public. Using the NCTAF Teacher Turnover Cost Calculator, educators and members of the public can estimate the dollars spent on teacher turnover for a specific school or school district anywhere in the country. The Calculator contains enough background information on this tool to enable school leaders to design and conduct their own detailed turnover cost analyses. NCTAF's Teacher Turnover Cost Calculator can be found at www.nctaf.org. At the site, NCTAF will host a Wiki for discussion and comparison of costs that have been calculated by users in communities around the country.

The full report is available at www.nctaf.org. If you have any questions, you can contact the National Commission on Teaching and America's Future at:

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