



April 15, 2003 | Volume 1 Number 8



## The Cost of Teacher Turnover

### The Question

What does it cost school districts to replace teachers leaving the profession?

### The Context

The significant negative effect on schools and students of teachers leaving the profession has been the focus of many recent studies. These studies find that high rates of teacher turnover play a significant role in teacher shortages and out-of-field teaching, with a disproportionate effect on high-poverty schools. Although substantive learning effects are an important part of any discussion of teacher turnover, also important, and often overlooked, is the fiscal effect on districts of teachers leaving the school, district, or profession. By having a reliable estimate of teacher turnover costs, districts can more adequately assess the effect of such turnover, as well as examine the cost-effectiveness of implementing interventions designed to reduce turnover, including induction and mentoring programs. This study attempted to quantify the fiscal effect of teachers leaving the profession on the state of Texas and school districts within the state.

### The Study

Rather than examine the classroom effect of teachers leaving the profession, this study used models typically found in industry for estimating the costs of employee turnover and applied these methods to school districts. The most conservative model estimates turnover costs at a percentage of an employee's wages and benefits (typically 25–30 percent). Using this method, the authors estimated that, in 1999, the cost to Texas systems of losing each teacher ranged from \$8,231 (for a teacher with no experience) to \$13,122 (for a teacher with 20 years of experience). The average cost turned out to be \$11,120.

Although turnover costs as a percentage of wages and benefits provide a useful preliminary estimate, such formulas are conservative and do not necessarily accurately estimate organizational costs related to termination, recruitment and hiring, substitute salaries, learning curve loss, or training. The authors looked at five other models that attempt to identify more accurate turnover cost estimates, and ultimately used two "pragmatic" models to provide comprehensive cost estimates. Under the first pragmatic model, the average cost, per teacher, was \$56,115. This industry-based model estimated that when termination, hiring, and screening costs are combined with costs required to cover vacant positions, account for learning curve loss (estimated at five months for an employee to reach full productivity), and training, total costs to the organizations would be approximately 150 percent of the leaver's salary.

The second pragmatic model attempted to quantify district costs through detailed analysis of actual district costs (obtained from interviews and district supplied expense data). The authors looked at separation costs, hiring costs, and training costs in three districts (two large urban areas outside of central cities—and one small rural area). Two of the districts

- Overview
- Current Issue
- Archived Issues
- Search Issues
- Advisory Board
- Online Education Research Resources
- Research Evaluation Tools
- Contact the Staff

had a higher turnover rate than the state average, while one district faced a lower turnover rate. Using this model, the turnover costs were found to vary widely by district, from \$355 (this district's training costs were not available and this district also reported little difficulty finding new teachers), to \$3,367 and \$5,166 per teacher. Combining these estimates with industry models, the author recommended a turnover cost estimate of 20 percent of each leaving teacher's annual salary.

Statewide, the authors estimated that teacher turnover costs Texas schools from \$329 million per year to \$1.59 billion—and recommended addressing the issue by implementing strategies design to increase teacher retention.

### **Who's affected?**

The study affects schools and districts planning strategies to respond to teacher turnover issues.

### **Caveats**

Although this study provides useful information regarding the costs associated with replacing teachers leaving the profession, it was not published in a peer-reviewed journal. Additionally, the data used are specific to Texas and may not be applicable to other states. The wide variation in district costs apparent in the second pragmatic model suggests that there may be some equity concerns when looking at the ability of individual districts to respond to teacher turnover. The Texas Center for Educational Research, where this research was conducted, is a joint project of the Texas Association of School Boards, the Texas Association of School Administrators, and the Texas State Board of Education.

### **The Bottom Line**

The cost to education systems of teachers leaving the profession amount to approximately 20 percent of each leaving teacher's salary. The application of industry models in estimating such costs may be a useful strategy for schools and districts examining teacher turnover issues.

### **The Study**

Benner, A. D. (2000). The cost of teacher turnover. Austin, TX.: Texas Center for Educational Research. Retrieved March 8, 2003, from

### **Other Resources**

#### **Readings**

Brannick, J. (1999). Decreasing the staggering costs of turnover in your organization. Retrieved March 8, 2003, from <http://www.brannickhr.com/Article-Retention.htm>

Hauenstein, P. (1999). Understanding turnover. Advantage Hiring Newsletter. Retrieved March 8, 2003, from [http://www.advantagehiring.com/newsletter/n99Q4\\_1.htm](http://www.advantagehiring.com/newsletter/n99Q4_1.htm)

Hussar, W. J. (1999, August). Predicting the need for newly hired teachers in the United States to 2008–09. National Center for Education Statistics, U.S. Department of Education. Retrieved March 8, 2003, from <http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=1999026>

Ingersoll, R. M. (1999, March). The problem of underqualified teachers in American secondary schools. *Educational Researcher*, 28(2), 26 -37. Retrieved March 8, 2003, from <http://www.aera.net/pubs/er/arts/28-02/ingersoll01.htm>

Ingersoll, R. M. (2002, January). Out-of-field teaching, educational inequality, and the organization of schools: An exploratory analysis. University of Washington: Center for the Study of Teaching and Policy. Retrieved March 8, 2003, from <http://depts.washington.edu/ctpmail/PDFs/OutOfField-RI-01-2002.pdf>

National Commission on Teaching and America's Future. (2003, January). No dream denied: A pledge to America's children. Retrieved March 8, 2003, from <http://www.nctaf.org/dream/80303%20r1.pdf>

Pinkovitz, W. H., Moskal, J., & Green, G. (n.d.). How much does your employee turnover cost? University of Wisconsin Cooperative Extension, Center for Community Economic Development. Retrieved March 8, 2003, from

---

Copyright © 2003 by Association for Supervision and Curriculum Development

---

[Customer Service](#) • [Contact Us](#) • [Join Us](#)

**Association for Supervision and Curriculum Development (ASCD)**

1703 N. Beauregard Street, Alexandria, VA 22311 USA • 1-800-933-2723 • 1-703-578-9600

Copyright © ASCD, All Rights Reserved • [Privacy Statement](#)