The Unintended Consequences of Merit-based Teacher Selection: Evidence from Large-scale Reform in Colombia

Matias Busso Inter-American Development Bank Sebastián Montaño University of Maryland

Juan Muñoz-Morales IÉSEG School of Management Nolan Pope University of Maryland

August 31, 2023

Motivation

- Large disparities in educational outcomes.
- Policymakers implement reforms in an effort to improve educational outcomes.
- ► Teacher-hiring policies are determinant and constitute natural candidates. (Chetty et al., 2011; Hanushek and Woessmann, 2011; Rivkin et al., 2005).
- ► Teacher-hiring reforms may work well with good information on teacher quality.
- ▶ Many observable characteristics fail to predict teacher effectiveness Hanushek and Rivkin (2006); Rockoff et al. (2011).
- ► Hiring systems that heavily weight specific indicator/characteristic might backfire (Staiger and Rockoff, 2010).

Research Question

Do merit-based hiring systems for public teachers always increase student learning?

Research Question

Do merit-based hiring systems for public teachers always increase student learning?

- ▶ We study a teacher hiring reform in Colombia.
- ▶ The reform introduced a merit-based hiring system.
- Effects on teachers' characteristics and student's educational outcomes.
- ▶ We employ a difference-in-differences strategy comparing public and private students.
- ▶ Administrative data sets that cover the entire Colombian public teacher system.

Preview of Results

The merit-based system,

- Impact on teachers:
 - increased pre-college test scores for public teachers (screening measure of skills).
 - decreased overall stock of teacher experience.
 - no effect on other teacher characteristics.

Preview of Results

The merit-based system,

- Impact on teachers:
 - increased pre-college test scores for public teachers (screening measure of skills).
 - decreased overall stock of teacher experience.
 - no effect on other teacher characteristics.
- Impact on students:
 - Reduced student performance on high school exit exams by 8 percent of a standard deviation.
 - Reduced the likelihood that students enroll and graduate from college by more than 10 percent.

Preview of Results

The merit-based system,

- Impact on teachers:
 - increased pre-college test scores for public teachers (screening measure of skills).
 - decreased overall stock of teacher experience.
 - no effect on other teacher characteristics.
- Impact on students:
 - Reduced student performance on high school exit exams by 8 percent of a standard deviation.
 - Reduced the likelihood that students enroll and graduate from college by more than 10 percent.
- ▶ Implementation issues increased student exposure to novice teachers resulting in a decrease in learning.



Outline

- 1. Introduction
- 2. Background
- 3. Data
- 4. Results
- 4.1 Effects on Teachers'
- 4.2 Effects on Student Academic Achievement
- 4.3 Teaching Experience and Student Test Scores
- 5. Conclusions

Outline

- 1. Introduction
- 2. Background
- 3. Data
- 4 Results
- 4.1 Effects on Teachers'
- 4.2 Effects on Student Academic Achievement
- 4.3 Teaching Experience and Student Test Scores
- 5. Conclusions

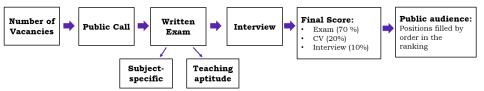
The 2002 Reform

- ightharpoonup The hiring system was modified to a fully centralized system ightarrow standard hiring procedures for all school districts.
- First wave of new teachers arrived in 2005.
- ► Two main changes:
 - 1. Merit-Based System: Hiring, tenure, and promotion subject to an evaluation process.
 - 2. Salaries increase (compared to previous system).
- Aim was to improve quality of public education by increasing the quality of the pool of applicants.

Merit-Based System

Teachers are constantly evaluated:

► Hiring:



► Tenure:

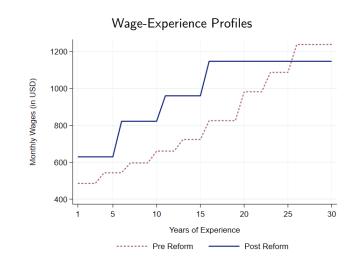
Four-month evaluation + annual evaluations by school principals. Teachers cannot fail 2 consecutive evaluations. Essentially no teachers failed.

Promotion:

Written exam for promotion (replaced in 2014 evaluation of class recording).

Increase in Public Teachers Salaries

Salaries increased (assuming promotion every 5 years).



Temporary Teachers

- Not all vacancies are filled in time:
 - 1. Under-provision in low demand areas.
 - 2. Unexpected retirements and departures.
- Lists of eligible candidates are only updated after every public call.
- ▶ Temporary teachers: hired to cover unexpected vacancies:
 - 1. They do not need to pass the entry exam.
 - 2. Contracts do not specify length.
 - 3. Constitute between 12% 20% of the public teacher stock.

Outline

- 1. Introduction
- 2. Background
- 3. Data
- 4 Results
- 4.1 Effects on Teachers'
- 4.2 Effects on Student Academic Achievement
- 4.3 Teaching Experience and Student Test Scores
- 5. Conclusions

Data

We combine three administrative data sets:

- 1. <u>Test Score Measures</u> (2000-2019): High school exit exam of every student who obtained a diploma (*Saber 11*).
- 2. <u>Census of Public Teachers</u> (2007-2015): Census of around 400,000 public teachers with socio-demographic information, locations, hiring dates, etc. We create a retrospective longitudinal data set to build teachers' experience (*Anexo 3a*).
- 3. College Records (1998-2016): Census data of all students enrolled in college (Spadies).

We merge these to: (1) compute measures of teachers' skills; (2) compute student outcomes.

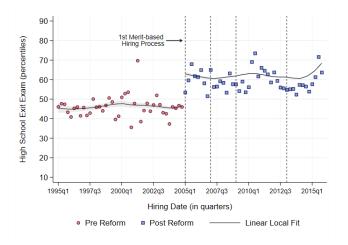


Outline

- 1. Introduction
- 2. Background
- 3. Data
- 4. Results
- 4.1 Effects on Teachers'
- 4.2 Effects on Student Academic Achievement
- 4.3 Teaching Experience and Student Test Scores
- 5. Conclusions

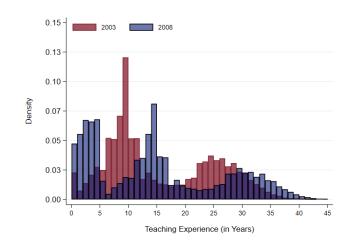
Pre-College Test Scores of Public School Teachers

The reform increased pre-college test scores (measure of skills) of public teachers considerably.



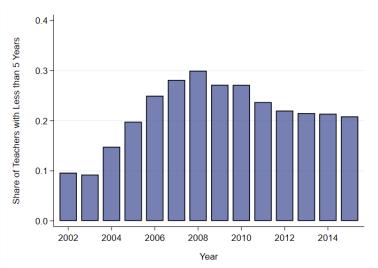
Distribution of Teacher Experience

Big entrance of novice teachers (less than five years of experience).



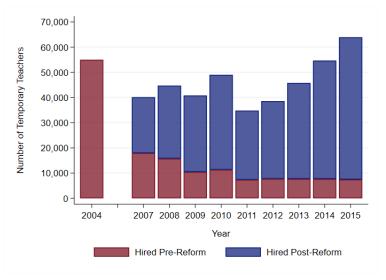
Share of Novice Teachers

Share of novice teachers increased from 10% to 30%, and stabilized at around 20%.



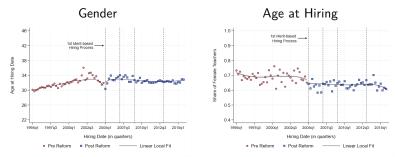
Stock of Temporary Teachers by Year

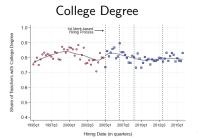
Temporary teachers with several years experience leave.



Other public teachers' characteristics

Other public teacher characteristics were not affected by the reform.





Outline

- 1. Introduction
- 2. Background
- 3. Data
- 4. Results
- 4.1 Effects on Teachers'
- 4.2 Effects on Student Academic Achievement
- 4.3 Teaching Experience and Student Test Scores
- 5. Conclusions

Empirical Strategy

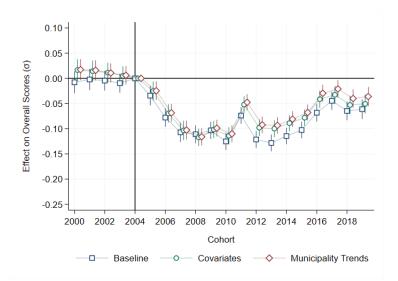
- ► The 2002 reform increased teacher measures of skills but decreased experience.
- ▶ Student learning could have been affected.
- ▶ We test this by comparing test scores of public and private students:

$$Y_{\mathit{ist}} = \mu_t + \mu_s + \sum_{ au
eq 2004}^{ au} \delta_{ au} imes 1[au = t] imes \mathsf{Public}_s + X_i' \gamma + arepsilon_{\mathit{ist}}$$

▶ Identifying assumption: traditional parallel trends (no variation in treatment timing, and no other policy that affected at the same time).



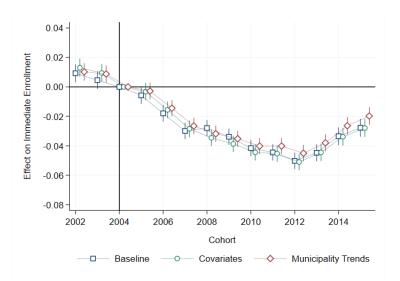
Effect on Test Score Measures



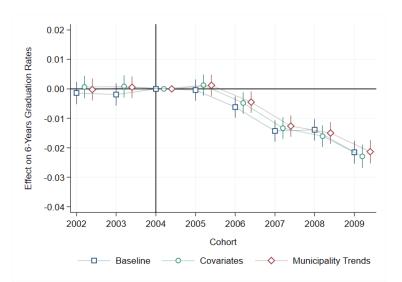




Effect on College Enrolment



Effect on College Graduation



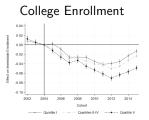
Outline

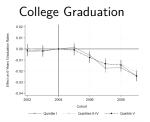
- 1. Introduction
- 2. Background
- 3. Data
- 4. Results
- 4.1 Effects on Teachers'
- 4.2 Effects on Student Academic Achievement
- 4.3 Teaching Experience and Student Test Scores
- 5. Conclusions

Teaching Experience and Student Test Scores

- ► Can the decrease in teaching experience explain the decrease in student test scores?
- Stronger effects with higher initial share of novice teachers.







Outline

- 1. Introduction
- 2. Background
- 3. Data
- 4 Results
- 4.1 Effects on Teachers'
- 4.2 Effects on Student Academic Achievement
- 4.3 Teaching Experience and Student Test Scores
- 5. Conclusions

Conclusions

- ▶ We explore the effects of merit-based hiring systems on student outcomes.
- ► Analyse the effects of a sweeping reform to teacher hiring in 2002 in Colombia.
- Our results indicate that a system that heavily relies on evaluation, and jeopardizes teacher experience, can backfire.
- We estimate significant learning losses, and negative effects on college attendance and graduation.
- Our results raise concerns about the importance of ex post measures of teacher effectiveness.
- Open questions about how to implement teacher-hiring policies that foster student learning.

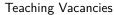
Thank you!

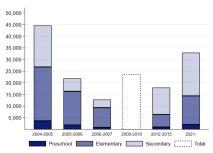
Comments & suggestions: j.munoz@ieseg.fr

www.juansmunoz.com

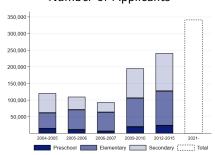


Public Calls



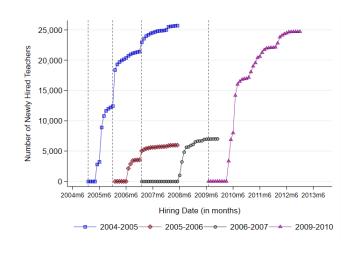


Number of Applicants





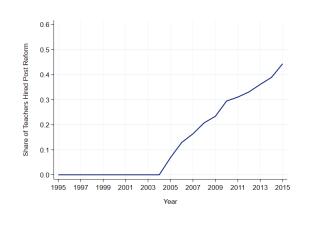
Hiring Dates by Public Call







Share of Teachers Under New Regulation





Public VS Private Teachers (2008-2018)

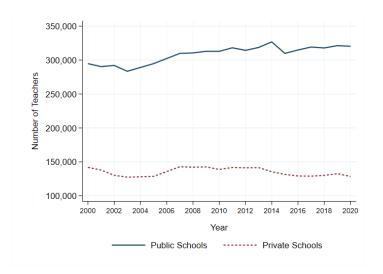
	Public Teachers	Other Teachers	ners P-value	
	(1)	(2)	(3)	
Monthly Wages (in 2010 USD)	896.28	752.33	0.000	
Hourly Wages (in 2010 USD)	6.59	4.57	0.000	
Weekly Hours	30.34	38.88	0.000	
Age	46.33	42.04	0.000	
Years of Education	17.00	16.29	0.000	
Female	0.64	0.64	0.693	
Found job in open call	0.56	0.34	0.000	
Tenure (Months)	199.62	123.82	0.000	
Is part of a union	0.62	0.25	0.000	
Satisfied with current contract	0.98	0.86	0.000	



Descriptive Statistics

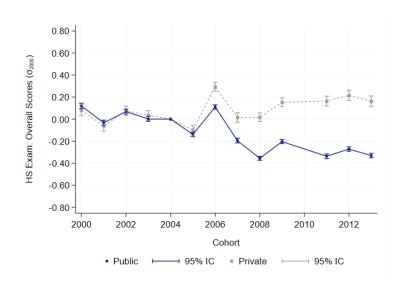
	Public Schools		Private Schools	
	Mean	S.D.	Mean	S.D.
	(1)	(2)	(3)	(4)
Student's Characteristics :				
Age	18.09	3.28	18.36	4.29
Female	0.55	0.50	0.52	0.50
Working	0.10	0.30	0.12	0.32
Family Background :				
Socioeconomic Stratum	1.73	0.77	2.66	1.07
Family Size :				
1 or 2	0.05	0.22	0.07	0.25
3 or 4	0.41	0.49	0.52	0.50
5 or 6	0.39	0.49	0.33	0.47
7 or more	0.16	0.36	0.09	0.28
Mother's Education :				
None or Any Preschool	0.05	0.21	0.04	0.18
Any Elementary	0.40	0.49	0.20	0.40
Any High School	0.42	0.49	0.38	0.49
Any College	0.13	0.34	0.38	0.49
School's Characteristics :				
Urban	0.86	0.35	0.96	0.19
Main City	0.35	0.48	0.64	0.48
Schooling Time :				
Morning	0.55	0.50	0.33	0.47
Afternoon	0.21	0.41	0.07	0.25
Whole day	0.14	0.35	0.44	0.50
Weekends or Night	0.10	0.29	0.16	0.36
Observations	6,627,860		2,322,799	

Total Stock of Private and Public Teachers Does Not Change



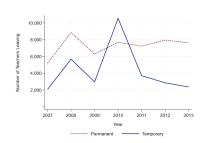


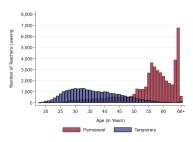
Constant Results in Private Schools

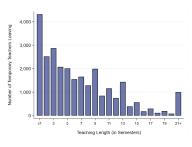




Teachers Leaving Public School Positions









References

- Chetty, R., Friedman, J. N., Hilger, N., Saez, E., Schanzenbach, D. W., and Yagan, D. (2011). How Does Your Kindergarten Classroom Affect Your Earnings? Evidence from Project Star. The Quarterly Journal of Economics, 126(4):1593–1660.
- Hanushek, E. A. and Rivkin, S. G. (2006). Chapter 18 teacher quality. In Hanushek, E. and Welch, F., editors, Handbook of the Economics of Education, volume 2, pages 1051–1078. Elsevier.
- Hanushek, E. A. and Woessmann, L. (2011). Chapter 2 the economics of international differences in educational achievement. In Hanushek, E. A., Machin, S., and Woessmann, L., editors, Handbook of the Economics of Education, volume 3, pages 89-200. Elsevier.
- Rivkin, S. G., Hanushek, E. A., and Kain, J. F. (2005). Teachers, schools, and academic achievement. Econometrica, 73(2):417-458.
- Rockoff, J. E., Jacob, B. A., Kane, T. J., and Staiger, D. O. (2011). Can You Recognize an Effective Teacher When You Recruit One? Education Finance and Policy, 6(1):43-74.
- Staiger, D. O. and Rockoff, J. E. (2010). Searching for effective teachers with