



## Tenure Isn't the Problem, Government Is

By Neal McCluskey

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Tenure takes a lot of abuse from a lot of well-intentioned people. Ensclosed in a top-down education system in which kids and dollars primarily flow to schools based on home addresses, tenure is a considerable inefficiency. But tenure itself is not the problem; the system is.

Taken on its own, tenure is neither inherently good nor bad, but just one among many possible tools to attract and compensate employees. Everyone understands the value of job security. While I might like a job that pays \$100,000 a year, I'd seek out different employment if there were a good chance that job would disappear within a year. I'd prefer something paying \$70,000 if it also guaranteed several years of employment. Of course, the desired mix of pay and job security – not to mention retirement benefits, health insurance, workplace food and drink options – will vary from person to person.

The value of tenure would also differ from employer to employer. For instance, a start-up school without much money to offer high salaries or expensive perks might benefit from offering tenure to attract good teachers. A well established, wealthy institution, in contrast, might make almost all the compensation it offers monetary.

For both employers and employees, the reality-based maxim on which compensation should be based is "different strokes for different folks." Different employers and employees face different problems and incentives, and tenure should be an option that can either be used, or not used, based on peoples' varying situations and desires.

The problem in the current system is that such bottom-up, fine-grained decision making is impossible to achieve. When government controls schooling, uniform compensation is almost inevitable. One system, one rule-maker, one compensation policy. Either "yes, tenure," or "no, tenure."

Moving to much greater school choice for parents, and freedom for educators to start and run schools, would destroy this hidebound, monolithic system, and in so doing, enable all sorts of compensation arrangements to be employed. It would also, crucially, allow parents to choose the schools that work best for their children and to leave those that fail them. This, in turn, would furnish major incentives for schools to try lots of different ways of operating – including different forms of compensation – to better compete for students and the dollars attached to them.

Choice would, in fact, fully align the incentives of employers, employees and customers, with all benefiting when schools perform better. A well-performing school would help its students, which would attract more customers, which would reward school operators, who would better compensate employees to keep attracting students. And if incentives were aligned, one of the major threats tenure is meant to guard against – firing of teachers by vindictive bosses – would be seriously mitigated. Fire a good teacher because you have a personal conflict, and you'll have a harder time attracting good employees and providing a service on which families will spend their education dollars.

Tenure, quite simply, is not the problem. Government controlled schooling is. Break that down, and tenure will be offered in the amount best for employers, teachers and students alike.

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