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## Moving on up: The Rooney rule and minority hiring in the ${ m NFL}^{ arrow}$

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### A R T I C L E I N F O

ABSTRACT

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*Keywords:* Labor Discrimination Race Detecting and quantifying racial discrimination in the labor market is difficult. The sports industry offers a wealth of data and specific hiring practices which mitigates this difficulty. The Rooney Rule requires National Football League teams to interview at least one minority candidate when hiring a head coach. We examine a unique data set of high-level assistant coaches (offensive and defensive coordinators) from the beginning of the 1970 season through the beginning of the 2009 season to determine whether race is a factor in NFL teams' decisions to promote these assistants to head coach. Using logit and hazard models that control for age, experience and performance, we conclude that conditional on a coach reaching coordinator status, there is no evidence that race influences head coach hiring decisions. We also find no evidence that the Rooney Rule has increased the number of minority head coaches.

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#### 1. Introduction

As emphasized in Goldin and Rouse (2000) and Bertrand and Mullainathan (2004), the conventional methodology for examining racial or gender bias in the labor market (i.e., estimating statistical models using survey data) may not adequately capture the true effects of discrimination. This is because standard labor force statistics (e.g., education and experience) may not reflect the capabilities of the applicant, nor does it contain all the data that employers observe when making hiring decisions, such as the total supply of applicants.

We study the question of discrimination in the market for NFL head coaches, which mitigates these critiques for two reasons. First, a majority of the head coaches in the NFL served as either defensive or offensive coordinators (level-two coaches) before becoming head coaches. Therefore by examining the movement from level-two coaches to head coaches, we have some measure of the supply of applicants when a head coaching job becomes available. That is, we are able to determine if a deserving level-two coach is *not* promoted to head coach due to racial discrimination. Second, we have relatively accurate measures of the productivity. Unlike the typical statistical model of discrimination (see Altonji and Blank (1999)) which may omit certain unobservable characteristics important for employment decisions, the productivity of level-two coaches can be measured by "points allowed" for defensive coordinators and "points scored" for offensive coordinators. Thus we echo the sentiment of Kahn (2000), in that the sports industry offers a unique opportunity to study labor market discrimination.

Although Super Bowl XLI in 2007 was the first National Football League (NFL) championship game to feature two African–American head coaches, racial equity in football hiring decisions remains a contentious issue. High-profile figures in discrimination law, such as lawyers Cyrus Mehri and the late Johnnie Cochran, as well as in sports, such as the late Myles Brand, have pushed to increase the numbers of minority head coaches in both professional and collegiate football. Following an analysis commissioned by Cochran and Mehri in early 2002 which concluded that minority coaching candidates were unfairly discriminated against in the NFL, the NFL instituted an antidiscrimination policy known as "The Rooney Rule."<sup>3</sup> This policy requires NFL teams to interview at least one minority candidate any time their head coaching position comes open. Since the Rooney Rule's establishment, the number of African–American head coaches among the 32 NFL teams has increased from two to six currently

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<sup>&</sup>lt;sup>3</sup> The rule is named for Dan Rooney, the owner of the Pittsburgh Steelers and the chairman of the NFL's diversity committee.

(peaking at 7 head coaches in 2006), and 12 African–Americans have held head coaching positions for at least one NFL season.<sup>4</sup>

Those who assert bias in NFL hiring practices typically note that the limited number of minority head coaches occurs despite the fact that roughly 65% of NFL players are African-American (see, e.g., Lapchick (2007)). The implicit suggestion that this is evidence of discrimination, presumably because minority players are prevented from moving into coaching, does not follow. NFL playing experience is neither a necessary nor a particularly common gualification for coaching in the league. For example, of the 32 head coaches that started the 2009 season, only 7 (22%) had significant professional playing experience. This is equally true for minority head coaches; of the 6 that started the 2009 season, only one (17%) was a former NFL player. Nor is it clear that the Rooney Rule is an effective way of increasing the proportion of minority coaches. A team that wished to discriminate on a racial basis could do so without violating the rule by interviewing a minority candidate whom it had no intention of hiring, before hiring a candidate of the preferred race. Although the policy is often credited for the increase in the number of minority head coaches, that increase could also be result of other factors, including the development of assistant coaches that are excellent candidates for promotion.

In this paper, we examine the impact of race on the hiring of NFL head coaches and the impact of the Rooney Rule by estimating models of high-level assistant coach tenure and whether they end with promotion to head coach or other separation. We focus on high-level assistant coaches (offensive and defensive coordinators) because they are the most common source of head coaching candidates, and because we are able to construct measures of their performance. Football is unique in that the coaching structure designates one individual chiefly responsible for defense, and another responsible for offense. This allows us to measure the performance of assistant coaches based on team points scored for offensive coordinators, and based on team points allowed for defensive coordinators. Using data that cover the period from 1970 through the beginning of 2009, we estimate logit models which have as the dependent variable the probability of promotion. We also estimate hazard models of assistant coach promotion. We first test for racial differences in the probability of promotion and time to promotion to head coach, controlling for other variables including performance, age and experience. We then examine the effect of the Rooney Rule on the probability of promotion of White and minority coaches. We conclude that conditional on a coach reaching coordinator status, there is no evidence that race influences head coach hiring decisions. We also find no evidence that the Rooney Rule has increased the number of minority head coaches.

#### 2. Related literature

Race and gender differentials in the labor market are well documented, but understanding the reasons behind such large and persistent differences is still an area of active research (see Altonji and Blank (1999)). Recently, economists have used first names to control for racial discrimination in examining lifetime outcomes such as financial status, social class, occupational prestige, etc. Bertrand and Mullainathan (2004), Fryer and Levitt (2004). Aura and Hess (2010) find evidence that "blackness" of a name (fraction of people with that name who are Black) is a significant predictor of economic outcomes. The advantage of this approach is that productivity of an individual is obviously independent of their name. And therefore if a particular first name is a significant predictor of economic status, then discrimination must be playing a role. While we focus on a much smaller labor market, our approach has similar advantages. We are able to control for the productivity of individuals directly. Therefore if race plays a role in hiring or firing decisions, it must be due to discrimination.

While much has been written about racial discrimination against players in various sports, few studies have focused on coaches and even less has been done on the issue of discrimination in hiring and promotion of coaches. Scully (1989) examines why so few minority baseball players become managers. He finds that the position played is significant in determining the probability a player will become a manager. Kahn (2006) examines pay and retention of NBA head coaches from 1996 to 2003, and finds small and statistically insignificant racial differences after controlling for team and coaching quality. In a study that focuses on which baseball players are most likely to become coaches, Singell (1991) estimates a probit model and finds that, controlling for years of playing experience, position played, measures of performance, age and time trends, Black players had a lower probability of becoming a coach initially, all else equal, but that the probabilities of Black and White players becoming coaches were converging over time.<sup>5</sup> Mixon and Trevino (2004) consider the impact of race on the decision to retain or dismiss NCAA football coaches. Using a hazard model and data from 81 universities from the major football conferences from 1990 to 2000, they find that Black coaches had a probability of dismissal that was nearly 10 percentage points lower than that for White coaches, after controlling for the coaches' cumulative winning percentage, participation in pre- or post-season games, and improvement in team record over the previous year. They conclude that Black college head football coaches are given more time to succeed than their White counterparts, all else equal.<sup>6</sup>

Madden (2004), in the study commissioned by Mehri and Cochran, and examines the links between race and performance of NFL head coaches between 1990 and 2002. Using simple *t*-tests and with little control for other variables, she finds that African–American coaches performed better in the first year of their hiring, performed better on average for the duration of their tenure, and performed better in the last year of their tenure than white coaches. While provocative, Madden's analysis does not provide direct evidence on the hiring question, but can only suggest inferences from head coaching performance; she concludes that, since African–American NFL head coaches perform better than their White counterparts, they must be held to a higher standard in order to obtain their positions.

Madden and Ruther (forthcoming) conclude that the implementation of the Rooney Rule has "likely eliminated" the racial disadvantage faced by African Americans with respect to NFL head coaching positions. This conclusion is based largely on the finding that the differences in performance by race for existing head coaches observed prior to 2003 are not present in the post-Rooney Rule data. We look instead at the hiring outcomes for high-level assistant coaches; using logit models, competing hazard models and a Oaxaca decomposition of differences in hiring probabilities into performance characteristics and race, we find little support for the proposition that highly qualified minority candidates have been overlooked when NFL teams hire head coaches or that the Rooney Rule has successfully increased the number of minority coaches. Interestingly, when they do examine racial differences in hiring from the pool of defensive coordinators, Madden and Ruther find no evidence of racial discrimination either before or after the imposition of the Rooney Rule.

<sup>&</sup>lt;sup>4</sup> At a 2009 meeting, the NFL owners discussed extending the Rooney Rule to cover the hiring of general managers as well.

<sup>&</sup>lt;sup>5</sup> We use the terms "Black" and "African–American" here following the usage of the particular author. We use the term "African–American" in describing our own results.

<sup>&</sup>lt;sup>6</sup> One must be careful to draw too strong an inference from these results, however, as Black college head football coaches were very rare in this sample; of 886 coaching-years of observations, only 3.8 percent, or about 34 coaching years, were attributable to Black head coaches.

<sup>&</sup>lt;sup>7</sup> It is not clear whether Madden and Ruther (forthcoming) extend their data to include all minorities or focus exclusively on African–American candidates, and whether they include all high-level assistant coaches or only those with the title of offensive or defensive coordinator. The Rooney Rule applies to all minority candidates, and some high-level assistants, including some African–Americans, have titles other than coordinator.

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