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Let's put in the pay for performance stuff

November 3, 1999

The Illusion of Paying Teachers
For Student Performance

By Wellford W. Wilms & Richard R. Chapleau

Frustrated by 25 years of failed school reforms, a growing number of districts are adopting "pay for performance" plans. These plans offer cash payments to teachers and administrators for boosting their students' scores on standardized tests. Yet history shows that any pay-for-performance gains are mostly illusions. Not only do they fail to improve student achievement, they are also destructive, encouraging administrators and teachers to cheat by manipulating statistics, or by teaching to the test. Inevitably, children wind up the losers because curricula are narrowed to include subjects that can be taught by drill and repetition and that are easily measured.

For all of the flaws in the idea, a bigger issue is at stake: our inability to resist these "political fixes" that divert efforts to address the root causes of education's failures at the schoolhouse level.

Pay-for-performance was first tried in England around 1710. Teachers' salaries were based on their children's scores on examinations in reading, writing, and arithmetic. This early payment-for-results system had great appeal because it promised to help keep children from poor families in school, where they might learn the basics. It became fixed in the English system of education in 1862 as part of the Revised Education Code, where it remained for more than 30 years.

As historical accounts show, English teachers and administrators became obsessed with the system's financial rewards and punishments. It was dubbed the "cult of the [cash] register." Schools' curricula were narrowed to include just the easily measured basics. Drawing, science, singing, and even school gardening simply disappeared. Teaching became increasingly mechanical, as teachers found that drill and rote repetition produced the "best" results. One schools inspector wrote an account of children reading flawlessly for him while holding their books upside down.

Payment-for-results in the English system degraded teaching as a calling, because teachers now had to pay close attention to the Education Code. It clearly spelled out standards for their students' success or failure (and their own). Grants were given to the schools, and teachers had to haggle with individual school managers for their share. One teacher of the time elaborated: "I do not deny that many teachers do overwork the youngsters in a terrible way, but the poor souls really act under the pressure of the law of self-preservation. They must either meet the requirements of their superiors or become professionally extinct."

The effect was to erode teachers' creativity. An inspector wrote that the Education Code "did all the thinking for the teacher; it told him in precise detail what he was to do each year." Another recalled, "Every teacher in the country takes his orders from the Code, studies the Code, and devotes his energies to satisfy or to circumvent it." The results were not always benign. Some teachers falsified records by including names of good students who had died or who had moved from the district. They poured energy into fooling inspectors by flashing signals to students who were being examined, telling them when to add, subtract, multiply, or divide.

When payment-for-results was finally dropped in the 1890s, the overwhelming judgment was that it was unsound policy. Cynics referred to schools as "grant factories" and children as "grant-earning units." The English experiment with payment-for-results had created almost irresistible incentives that in the end demeaned teachers and sacrificed children's education for financial gain.

Payment-by-results appeared briefly in Canada in 1876, causing conservatives to rejoice because it made teachers and students work harder to avoid failure. The Canadian experience showed that test scores could be increased quickly, so long as the subject matter could be narrowed and measured. But, as in England, the system caused teachers to focus their energies on students who were most likely to succeed, helping them cram for examinations while ignoring the others. In 1883, a public outcry ended the experiment abruptly.

Almost a century later, in 1969, the idea emerged in this country as "performance contracting," not long after big-city schools began to desegregate. Making American schools accountable became a top priority for the efficiency-minded Nixon administration. President Richard M. Nixon, like English politicians a century earlier, expressed concern over the lack of educational achievement among the growing population of urban poor. He stated:

"The outcome of schooling--what children learn--is profoundly different for different groups of children. ... School administrators and school teachers alike are responsible for their performance, and it is in their interest as well as in the interests of their pupils that they be held accountable. ... [T]he avoidance of accountability is the single most serious threat to a continued, and even more pluralistic educational system."

So began a huge experiment with performance contracting designed to overhaul the public schools. But, unlike the 19th-century English experiment, American educators now had the advantage of using standardized tests to measure outcomes. School funding could be scientifically tied to students' test scores. The original experiment, housed in the U.S. Department of Health, Education, and Welfare's offices of education and housing and urban development, aimed to increase reading and math scores for 300 high school and junior high school students in the public schools of Texarkana, Ark. The district was under great pressure from hew to desegregate, and local officials were desperate to close the performance gap between black and white students.

The Arkansas district offered the federal government a money-back guarantee--funds would be returned for students who failed to pass at a specified level. And students would get free transistor radios, green stamps, and free rock music. The experiment provided incentives for everyone--administrators, teachers, and students. The New York Times' education writer, Fred Hechinger, called it as "American as apple pie." Other journalists observed that performance contracting touched the American consciousness with its "you get what you pay for" philosophy, and the belief that "private industry know-how can solve any problem."

A preliminary evaluation indicated astonishing results. Students averaged gains of more than two grade levels in reading and one in math after only 48 hours of instruction. Buoyed by those preliminary results, supporters of the idea hailed the Texarkana experiment as a success, and new performance contracts were announced.

But scandal quickly clouded the growing enthusiasm, with accusations that one of the key contractors was caught teaching to the test. The contractor was fired, but the idea moved forward in 18 cities, where private contractors taught reading and mathematics using a variety of incentive schemes.

The now-expanded initiative ran into trouble. Contractors were disorganized and, despite the public rhetoric, few companies were willing to actually commit themselves to a money-back guarantee. Also, despite hopes that contractors would bring innovative teaching practices to the classroom, most used conventional methods augmented by teaching machines and incentives for students. Finally, education experts warned federal officials against using standardized-test scores as the ultimate benchmark for student achievement because they were unreliable.

Scandal and the lack of results ultimately doomed performance contracting, and it was declared a failure. Like the earlier English and Canadian experiments, performance contracting once again showed how financial incentives failed to produce expected gains, while at the same time generating damaging educational effects.

Today, districts around the country--Denver; the District of Columbia; Fairfax County, Va.; Hartford, Conn.; Minneapolis; and Montgomery County, Md., to name just a few--are rushing to embrace the idea. While none has suggested such harsh financial consequences as the earlier experiments, much can be learned from those past efforts to help focus the education reform debate in more productive directions.

Tying changes in student test scores to teachers' or administrators' pay presents powerful incentives for educators to first consider "what's best for me?" instead of "what's best for the child?" Shifting the focus of education from the student to the pocketbook erodes teachers' professional judgment and demeans the process of education.

The record is rife with examples of how payment-for-results schemes have led to dishonest behavior--falsifying records and teaching to the test. No doubt, safeguards would have to be established to catch cheaters, but this would only further diminish teachers' crucial role.

There is little doubt that one of the villains is standardized testing. While testing is only a means to making payment-for-results work, it has far-reaching effects. Standardized tests, created by people who have nothing to do with local schools, eclipse educational judgments made by teachers and parents. Just as the English Educational Code served to narrow the curriculum and drain creativity from teaching a century ago, standardized tests have much the same effect today.

Few reforms that are forced on the schools (especially destructive ones like payment-for-results) will ever penetrate the classroom and positively change the teaching and learning processes. Teachers are every bit as adept at deflecting or sabotaging reforms of this kind today as they were at deceiving English school inspectors in the 1800s. Politically driven reforms like pay-for-performance are nothing more than reflections of public frustration. And rather than helping to solve the root causes of failure, they paralyze us and deflect public attention from reforming educational systems at their core.

Policy leaders must redefine their roles, from legislating reforms to supporting changes that emanate from the schoolhouse, if changes are to endure. Politicians, board members, superintendents, and union leaders must clear the way of obstacles to make innovation in the schoolhouse possible, and provide necessary resources. But only teachers, parents, and students working together at the schoolhouse level can improve the systems by which teachers teach and students learn.

Wellford W. Wilms is a professor in the departments of education and policy studies and the academic director of the Educational Leadership Program at the University of California, Los Angeles. Richard R. Chapleau, who was the California Milken educator and teacher of the year in 1995, is a doctoral candidate in educational leadership at UCLA.

John B. Buxton

11/05/99 04:07:18 PM

Record Type: Record

To: Andy Rotherham/OPD/EOP@EOP, Bethany Little/OPD/EOP@EOP, Kendra L. Brooks/OPD/EOP, Lana D. Krstich/OPD/EOP

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Subject: teacher pay

Good piece on pay for performance and the issues involved.

Lawmakers look at new ways to pay teachers

Salaries scrutinized amid contract talks

LINDA OWEN STAFF WRITER

Teachers' pay is once again under scrutiny this fall as Minnesota school districts negotiate new contracts on the heels of their first major increase in state funding in years.

Lawmakers are watching not only the size of contracts -- some of the early settlements call for total pay and benefit increases of more than 10 percent over two years -- but what the new money will do to increase student achievement, boost the quality of teaching and remedy teacher shortages.

``I think teachers and administrators better be ready for what I and the governor and the Legislature are going to ask," education commissioner Christine Jax said. ``Tell us how higher teacher salaries translates to classroom performance."

Today a House education finance subcommittee will take the question a step further by opening a wide-ranging discussion on what teacher pay scales and career paths should look like in the future. The panel has invited national experts who propose to tie pay more closely to skill, job duties and improved student performance.

House Republican education leaders contend the system of ``steps" and ``lanes" in teacher contracts no longer works. Step increases automatically reward additional years of teaching, while lane increases reward additional college credits and degrees.

``It's not an incentive for improvement," says Rep. Alice Seagren, who leads the House K-12 Education Finance Committee. ``You'll have two teachers hired the same day, and one takes off and has improved every year. . . . The person next door has used the same lesson plans for 20 years, biding time till he retires. They make the same amount of money."

What's more, she said, teachers who hit the top of the salary schedule can't make more money, except for inflationary increases. ``It's not tied to what you're doing and your responsibilities," she said.

Seagren and Rep. Ken Wolf, R-Burnsville, who leads the Subcommittee on Government Efficiency and Reform, have invited a broad spectrum of lobbyists, teachers, politicians and others to hash over the issue in a daylong hearing today. Legislators hope the discussion will continue and produce incentives in the 2001 session for districts and unions to try something new.

``We've got to send a message that we're serious about reform," Wolf said.

The Minnesota School Boards Association also has set up a task force to study pay issues, and a group of west metro superintendents already has met with Allan Odden of the University of Wisconsin-Madison, a teacher compensation expert who will speak at today's subcommittee hearing.

Odden's Consortium for Policy Research in Education studies two kinds of alternative pay systems: those that reward individual teachers based on their knowledge or skill, and incentive programs that reward a school's staff for improved student performance. He plans to discuss programs adopted in Kentucky, Cincinnati and elsewhere.

Seagren and Jax also are interested in a Milken Family Foundation plan that would create multiple career paths for teachers, with salary ranges for different levels of experience, training and responsibility. Representatives of the California-based foundation also will speak today.

The Milken model would establish categories such as associate, mentor and master teacher, with well-defined requirements for career advancement and ``market-oriented" salaries that could be substantially higher than they are now for those at the top of the profession. The average teacher salary in Minnesota last year was $39,975, the 19th highest in the nation.

The Milken plan has not been tested yet, but several states are planning demonstration projects, said Tom Boysen, the foundation's senior vice president of education.

Jax said the model could make the teaching profession more attractive to the best and brightest. ``We are losing people who are entering the teaching field," she said. ``If we're going to entice quality people, we have to have more to offer them, especially the more entrepreneurial people."

In Minnesota, much will depend on whether teachers buy into new pay or career structures. Any talk of individual merit pay raises red flags for teachers unions.

The school board task force has discussed pay for performance despite cautions from the association staff, said John Sylvester, the group's director of management services. Merit pay has a poor track record in the public sector, he said: It is hard to evaluate employees fairly, such systems are more expensive and it's questionable whether they produce better results.

Judy Schaubach, co-president of Education Minnesota, the statewide teachers union, agreed. ``Most (merit systems) have failed because there isn't enough money," she said. An Education Committee also is studying pay issues, she said, but ``we want to make sure we do this in a way that provides appropriate incentives for people and doesn't create competition."

Seagren insists she is not talking about merit pay, but she argues there has to be some differentiation in pay to recognize teaching skill and more demanding duties. It's time for everyone to ``think outside the box," she said.

``I'm just not going to accept the excuse that we can't do a little bit more or try to figure out more innovative, creative ways of education children, because children are the focus," she said.

Judy Schaubach, co-president of Education Minnesota, said the statewide teachers union has a committee looking at alternative compensation, but ``we want to make sure we do this in a way that provides appropriate incentives for people and doesn't create competition (among teachers)." An earlier legislative task force found many merit-type systems weren't working well, she said.

The union also wants any new career structure to ensure teachers are properly licensed, Schaubach said, and she cautioned against sending a message that experience isn't valued. ``We know master teachers are not made the first three years," she said. ``It takes time to develop all those skills."

But discussing pay alternatives ``isn't hostile to where we're at," she said. ``Much of this is being bargained now. When teachers are involved, it's going to be successful."

Linda Owen can be reached at lowen@pioneerpress.com or (651) 228-5432.

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"A Working Annotated Bibliography of Selected Articles on Accountability and Incentives"

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This working bibliography was prepared by Leah Altemeier, Lisa Carlos, Don Klein, and Joan McRobbie of the Policy Support & Studies Program at WestEd. Its purpose is to introduce readers to selected articles that raise some of the complex issues involved in designing accountability and incentive structures. We will continue to add to this document as new literature is uncovered. It was funded in part by the U.S. Department of Education, Office of Educational Research and Improvement.

For more information, citations, or our most recent copy, contact Lisa Carlos at WestEd at lcarlos@wested.org or 415.565.3085

A Working Annotated Bibliography of Selected Articles on Accountability and Incentives

Abelmann, C.H., & Kenyon, S.B. (1996, April 12). *Distractions from teaching and learning: Lessons from Kentucky's use of rewards.* Paper presented at the meeting of the American Educational Research Association Annual Conference, New York, NY.

Anderson, A.B., & Lewis, A.C. (1997, March). *Academic bankruptcy.* Policy Brief from Education Commission of the States (ECS), Denver, CO.

Bryk, Anthony, Shipps, Dorothy, Hill, Paul, & Lake, Robin, et. al. (1997). *Decentralization in practice: Towards a system of schools* (draft). Paper presented at the meeting of the American Educational Research Association
Annual Conference, Chicago, IL.

Clotfelter, Charles, T., & Ladd, Helen F. (1996). *Recognizing and rewarding success in public schools.* Holding Schools Accountable. Washington, D.C.: The Brookings Institute

Cohen, David K. (1996). *Rewarding teachers for student performance.* Rewards and Reform: Creating Educational Incentives That Work. San Francisco: Jossey-Bass

Elmore, Richard F., Abelmann, Charles H., & Fuhrman, Susan H. (1996). *The new accountability in state education reform: From process to performance.* Holding Schools Accountable. Washington, D.C.: The Brookings Institute

Heneman, Herbert. (1997, March 24-28). *Assessment of the motivational reactions of teachers to a school-based performance awards program.* Paper presented at the American Educational Research Association Annual Conference, Chicago, IL.

Kelley, Carolyn (1997, Spring). Teacher compensation organization. *Educational Evaluation and Policy Analysis, 19*(1), 15-28.

Kelly, C. (1997, March). *The Kentucky school-based performance award program: School-level effects.* Paper presented at the meeting of the American Educational Research Association Annual Conference, Chicago, IL.

Ladd, Helen F. (1996). *Introduction*. Holding Schools Accountable. Washington, D.C.: The Brookings Institute

Newmann, F.M., King, M.B., & Rigdon, M. (1997, Spring). Accountability and school performance: Implications from restructuring schools. *Harvard Educational Review 67* (1), 41-74.

Odden, A., Heneman, H., Wakelyn, D.J., & Protsik, J. (1996, October). *School-based performance award designs: A case study*. Paper presented at the meeting of the American Educational Research Association Annual Conference, Chicago, IL.

SouthEastern Regional Vision for Education (SERVE). (1994, September). *A new framework for state accountability systems*. Special Report. Greensboro, NC .

Suarez, Tanya M. et. al. (1991, June). *The use of sanctions with low performing school districts*. Chapel Hill, NC .

Work Summaries

Abelmann, C.H., & Kenyon, S.B. (1996, April 12). "**Distractions from teaching and learning: Lessons from Kentucky's use of rewards**." Paper presented at the meeting of the American Educational Research Association Annual Conference, New York, NY.

Abelmann and Kenyon begin with an historical overview, explaining that states have shifted from school improvement policies that emphasize inputs or process regulations to those policies that provide monetary incentives. According to the authors, states and districts developing such plans have typically asked: 1) what cognitive and non-cognitive indicators should be used to index performance; 2) should such an index correct for racial and SES bias; and 3) should collective or individual incentives be used? The authors go on to discuss differences among state rewards schemes, such as judging a school's performance against a relative standard or its own benchmark and basing teacher merit pay on subjective supervisor evaluations of teacher performance or on objective criteria - typically standardized student test scores. The remainder of the article analyzes data derived from four school-level case studies, news articles, and state education department surveys. This analysis is organized around five assumptions:

The first assumption-that teachers understand and are motivated by the concept that they will be rewarded for good performance-was proven untrue. In these four cases, teachers did not view themselves as participating in "an even exchange." Moreover, "there is little indication that rewards acted as an incentive at all" and "fear of sanctions" or fear of becoming a "school in crisis" was a stronger motivator than incentives.

A second assumption-that intrinsic rewards (e.g. quality of working environment) are more important than extrinsic rewards (e.g. financial incentives) in motivating people, was found to be true. In these cases, extrinsic awards were less important or conflicted with the intrinsic value teachers felt about their professions.

Third, the authors question the strategy of spending resources on rewards as opposed to building teacher capacity (e.g. knowledge and skills about best practice). In lieu of such capacity, "each school takes its best guess at practices that might assure success..."

Fourth, the authors ask whether incentives should solely be aimed at teachers, since teachers are not the only determinant of student performance. The authors point out, for example, that students are not recipients of cash incentives, yet they too need to be motivated.

Finally, many teachers were skeptical that cash awards would ever materialize. Although the authors concede that performance in some schools has increased, this article raises issues about whether or not such an increase is directly related to cash incentives.

The authors list six lessons learned from these case studies of four schools: 1) teachers should be involved in the development of an incentive system, so that they can signal to policy makers whether they are motivated, for example, by intrinsic over extrinsic rewards; 2) rewards should be linked to individual student progress, not cohort comparisons; 3) inequities among schools regarding their capacity and access to the knowledge necessary to enact reforms that improve performance must be addressed; 4) the reward process should not be left up to school level staff and use of such funds should be clearly tied to school improvement, not individual salaries; 5) incentives should be tied to clear goals within a reasonable time frame; and 6) to take the reform seriously, teachers need assurance in the promises made and the long-term stability of the effort.

Anderson, A.B., and Lewis, A.C. (1997, March). **"Academic Bankruptcy."** Policy Brief from Education Commission of the States (ECS). 707 17th Street, Suite 2700. Denver, CO 80202. (303) 299-3600.

Twenty-two states currently have state takeover laws for schools experiencing "academic bankruptcy", or a consistent failure to meet state education performance standards. This policy brief provides a summary of the provisions for the different states and discusses academic bankruptcy in practice from three states' experiences. For almost all states, interventions usually occur in stages, with districts first being identified by the state as having a number of low-performing schools, with a period of time (usually up to one year) for the school's district to develop an improvement plan. If the district is still underperforming, it receives state intervention, which can often involve hiring a consultant to conduct a comprehensive audit and make recommendations for improvement to the state board of education. If after another period of time (usually one year), the district has not improved, some form of takeover may occur. Contained in this brief is an outline of the levels of authority at which each state is permitted to intervene; for example, some states have the power to send technical assistance teams for audit purposes, appoint interim administrators, remove the superintendent, staff and/or school board, dissolve districts/schools, withhold funding from underperforming districts, and/or notify the public.
Following is a section listing arguments used both for and against aspects of the academic bankruptcy issue, such as the efficacy of state governance, the impact on teaching and learning, the use of rewards and sanctions, and the effects on school staff and community members attitudes.

Three case studies elucidate some practical experiences. Baltimore City Public Schools failed to improve even after the mayor appointed school board members and the superintendent, and after the City Council directed the school district budget. It was the added element of accountability for the school board members, chief executive, academic, and financial officers to improve academic performance that began to produce results. The second lesson for Baltimore was that partnerships are more effective than top-down strategies. Ohio legislation has recently stated clear state expectations, used a formal calculation to determine "satisfactory progress", and provided for sensitivity to the uniqueness of each district. New Jersey is operating three urban school districts, assigning an urban specialist, providing special coordinators and services for programs, holding monthly meetings between the state department of education and district leadership, providing an Urban Coordinating Council that handles the administrative red tape, and giving funding for districts to develop improvement plans. Since the state has seen satisfactory improvement in all districts over the seven-year period, it is developing guidelines for continued progress and safeguards for the near future when districts re-assume local control.

Bryk, Anthony, Dorothy Shipps, Paul Hill, and Robin Lake et al. 1997. **"Decentralization in Practice: Toward a System of Schools" (Draft).** Paper presented at the meeting of the American Educational Research Association Annual Conference, Chicago, IL.

This paper presents an overview and findings of a 2 ½-year study of school reform efforts in several cities that have tried to decentralize school operations. The study focused on six large cities that have, in different ways, sought to increase local schools' freedom of action and emphasize greater accountability for results. The cities were Charlotte-Mecklenburg, Chicago, Cincinnati, Denver, Los Angeles and Seattle. In sum, the authors found that the pace of reform in these cities remained slower than expected. They found that loosening controls on schools is not in itself a sufficient condition for improvement. Left to their own devices, some individual schools have moved forward, but many more continue to struggle and experience much less success. Primarily, none of the decentralization efforts studied sufficiently attended to the external assistance that teachers, principals, and parents need to meaningfully redress the quality of instruction and other services to children. None of the districts fully considered how its extant system of incentives and sanctions may need to be reframed to aggressively stimulate improvements.

As one component of the larger study, the authors did examine the efforts to implement new systems of school-based accountability. The authors found that only Charlotte-Mecklenburg included accountability designs in their original reform plans, while Chicago and Cincinnati added them only after reforms had begun, and in Denver, Los Angeles and Seattle such plans were either unclear or not present. The authors conclude by noting that decentralization opens up the possibility of four different types of accountability: hierarchical district accountability (schools and students must meet learning requirements), customer accountability (schools must attract students), professional accountability (schools must win accreditation and maintain respect of professionals), and political accountability (school leaders must answer local site councils). According to the authors, no locality has yet committed the necessary resources nor established the governance arrangements to implement a decentralization program fully integrated with a comprehensive accountability system.

Clotfelter, Charles T., and Helen F. Ladd. 1996. **"Recognizing and Rewarding Success in Public Schools."** Holding Schools Accountable. Washington, D.C.: The Brookings Institution.

This article examines in detail two initiatives that combine a focus on student outcomes with financial incentives for schools, commonly referred to as recognition and reward programs. In particular, they compare the experiences of the state of South Carolina since it adopted its incentive award program in 1984, and those of the Dallas Independent School District, which adopted a similar program in 1990, regarded by the authors as the most complete and sophisticated accountability and incentive program in the country. The main questions the authors address are: how to pick winning schools; whether or not to adjust for socioeconomic differences among schools; what sorts of incentives are generated; and whether such programs are likely to increase student learning. Their main findings are: such programs will not meet the fairness test unless test scores are adjusted for the students' socioeconomic status; while attempts to make these adjustments in SC and Dallas have increased fairness they have also resulted in incredibly complex methodologies that render the process confusing to participants and the public; and rewards that have been large enough to change behavior have also engendered less than desirable results, such as cheating and data manipulation

Cohen, David K. 1996. **"Rewarding Teachers for Student Performance."** Rewards and Reform: Creating Educational Incentives That Work. San Francisco: Jossey-Bass

Cohen outlines a complex analytical framework that includes three key themes. The first is the lack of reliable professional or social science knowledge about the effects of such schemes. Cohen argues that "we know enough to rule out simplistic and punitive schemes-though that may not be sufficient to keep them from being adopted-but not enough to inform choices among more complex and sophisticated alternatives." Another tension is that rewards alone do not fix the complex problems facing the worst schools. Despite arguments to the contrary, resources are needed to improve the capacity of schools. Finally, Cohen argues that educators and the public will need clarity about the measures of performance, criteria of success, and fairness associated with a rewards scheme.

However, striving for such clarity can often exacerbate fundamental disagreements, which-in turn-raise other complex issues.

Several other questions are explored. One involves how best to measure student performance. Which standardized or performance-based tests are more likely to drive student learning and school performance in the right direction? tests? Each has its merits and drawbacks. A second question concerns the criteria used to determine school success. Should single or multiple criteria be used? What compensatory adjustments, if any, should be made for non-school influences on student performance, such as parental education and income level? Another issue is how to improve "professionalism" or the professional capability of a school to respond constructively to a rewards scheme. The chapter continues exploring these and other issues and concludes by reiterating that additional research is needed before some of these important questions can be answered.

Elmore, Richard F., Charles H. Abelmann, Susan H. Fuhrman. 1996. **"The New Accountability in State Education Reform: From Process to Performance."** Holding Schools Accountable. Washington, D.C.: The Brookings Institution:

In this article, Elmore, Abelmann and Fuhrman describe an emerging model of state and local governance and accountability: a "model of steering by results"-using rewards, sanctions and assistance to compel higher levels of school performance. Few states have a performance-based system fully operating, but at least 80 percent of 50 states surveyed in 1993 indicated they were engaged in developing, piloting or implementing some form of this new approach to accountability. Several states, for example, have experimented with financial incentives, including Indiana, Kentucky, North Carolina, South Carolina, and Texas. Meanwhile, other states developed interventions for severely troubled districts and schools that lost accreditation. Interventions include the appointment of on-site monitors, followed by state takeover or removal of local governance. In Maryland, sanctions include privatization and reconstitution of schools' staff. Other states focus on program improvement through intensive on-site inspection, which includes classroom observations and lengthy feedback, such as the Program Quality Review process found in California.

Based on follow-up interviews in 1994, the authors selected Kentucky and Mississippi as the two states farthest along in the development of performance-based systems and the focus of more in-depth analysis. They represent opposite ends of the continuum: KY is viewed as a higher cost, more complex version of performance-based accountability, and MS as a lower cost, basic version. Kentucky, unlike Mississippi, is a higher stakes model, in that the financial incentives and sanctions are far more significant. The Mississippi system provides technical assistance for low level districts and limited incentives, in the form of deregulation, such as exemption from staff development day requirements, for high performance districts. In this state, the unit of accountability is the district, as determined by a district accreditation process. The KY system, meanwhile, is more comprehensive and holds schools and districts accountable as the unit of analysis.

Schools in Kentucky are accountable for meeting performance standards, as measured by a newly created performance-based assessment system, in eight domain areas: reading, writing, mathematics, science, social studies, arts and humanities, practical living and vocational studies. In 1995-96, MS state switched to a new performance-based assessment system which tests all students in grades 4-9 (but most of CPRE's analysis is based on their prior standardized testing system). In MS, performance is based on the notion that performance is relative. In KY the message conveyed is that performance is an absolute phenomenon, meaning all schools could potentially have a significant number of students performing below the expected standard in all domains.

The two states have faced a common set of implementation issues. One is the extent to which these systems focus on schools that fall at either end of the performance scale, thereby paying virtually no attention to schools in the middle. Issues of the fairness for holding districts and schools that serve differing numbers of poor and transient students have also been raised. But the data in KY indicate that the distribution of awards sponsored the entire SES spectrum. Another important set of issues has to do with state department capacity to assist low performing schools. Despite MS efforts to hire special consultants to provide support, such support has been considered "short-lived." In KY, the department went through an exhaustive search process for "distinguished educators" to assist poor performing schools, but the General Assembly cut funds for this program by 40% while simultaneously cutting back the department's staff. The article details the political pressures imposed by different constituents, fiscal constraints, lack of public understanding and the ongoing ambivalence towards shifting to a deregulated system.

The article ends with five main challenges for states as they move toward new accountability: 1) making accountability systems understandable and defensible to policymakers, educators, parents, and students; 2) resolving issues of fairness in the design and implementation of accountability systems; 3) focusing incentives for improvement; 4) developing state capacity to implement and maintain accountability systems; and 5) creating a stable political environment.

Heneman, Herbert (1997, March 24-28). **"Assessment of the Motivational Reactions of Teachers to a School-Based Performance Award Program."** Paper presented at the American Educational Research Association Annual Conference, Chicago, Illinois.

This case study describes the design and operation of a school-based performance award program used by the Charlotte-Mecklenburg schools and its impact on teachers' motivation. The author, Herbert Heneman, based the study on "expectancy theory"-- a theory explaining employee motivation to perform. That theory posits that employees operate according to several expectations: the probability that high effort will lead to high performance; high performance will lead to various outcomes (bonuses, etc.); and that these outcomes are highly desirable.

As part of this study, twelve bonus recipient and non-recipient schools were chosen for inclusion, selected by districts with several criteria preset by the researchers. Interview protocols were followed with individual principals and with groups of between 3 and 8 teachers. Major themes and issues were identified according to the researchers' theoretical model.

Qualitative data on teacher motivation found that, in accordance with findings from the Kentucky program, teachers viewed student achievement goals as understandable, appropriate, specific, focused, and attainable; moreover, they agreed that it was appropriate to be held accountable for these goals. Discussion about teaching "enablers", or facilitative factors such as resources, the principal, professional development, and school culture, were lengthy. Although they felt the school had adequate resources, teachers wanted more professional development and information about "best practices". Bonus amounts were criticized as taxes typically deducted more than $400 from a $1000 award; nevertheless, teachers interpreted receipt of the bonuses as a source of pride and recognition. This source of professional pride was an important motivating factor for teachers. They also recognized the importance of enablers in helping them accomplish their goals.

These results were similar to those found with the Kentucky program (Kelley, 1997), with several differences. Measures of student achievement were more performance-based (e.g., results based on student writing) and complex in Kentucky than in Charlotte-Mecklenberg schools. Teachers in Kentucky felt their bonuses were large enough, and the authors report that for bonuses to have maximum motivational value, they should be at least 5% of base salary. In contrast with Charlotte-Mecklenberg teachers, Kentucky teachers voted on how to divide the bonus award for their school among teachers and staff, creating some internal conflict. Finally, Kentucky teachers were very aware of negative sanctions their schools could experience, and many were more motivated to perform better as a way to avoid the negative sanctions than as a way to achieve positive rewards. Charlotte-Mecklenberg teachers did not feel this pressure.

Kelley, Carolyn (1997, Spring). **"Teacher Compensation and Organization."** Educational Evaluation and Policy Analysis, 19 (1), 15-28.

The author, Carolyn Kelley, provides an historical overview of the evolving models for teacher compensation. Her basic point is that teacher compensation is one aspect of educational organization that has not changed in accordance with recent systemic reform efforts. Outlining 20th Century school organization changes that have resulted in new roles, skills, and knowledge requirements for teachers, as well as performance expectations, Kelley highlights how teacher compensation should be changed to better complement these changes. Different compensation schemes are discussed, such as pay raises based on seniority, skills or competencies, and performance outcomes. Though viewed as equitable, she argues that the single salary schedule rewards teachers on the basis of longevity and education alone, resulting in a teacher compensation method that no longer supports current reforms in organizational structures and human resource needs. From a systems perspective, this lack of change in teacher compensation in turn impedes organizational change, explains Kelley.

The article describes the history of education reform using four conceptual models of school organization, each with its own implications for teacher compensation. From the 1900s through the 1950s, the *Scientific Model* of organization prevailed in schools, in which hierarchy and formal authority were valued. Teachers' roles were limited to structured curriculum implementation and rule-following. Under this model teachers received compensation for membership and seniority.

In the 1970s, the *Effective Schools* model valued equity for student populations over results-driven goals. Teachers' roles under this model were to teach basic skills, develop generic teaching skills, and assist in school improvement planning. Implications for compensation increases include seniority, plus rewarding professional development in teaching skills.

The 1980s brought a shift of focus from basic skills and at-risk populations to an enhanced curriculum. The *Content-Driven* model sought high levels of competency and encouraged teacher training in specialized content areas. Teacher compensation that fits this model would include pay raises for increased skills or competencies, and incentives for school-level behaviors, with the skills component as most important.

The fourth model of organizational change is the *High Standards/High Involvement* model, which increases the demand for improved student achievement outcomes rather than just changes to the curriculum. Teacher leadership becomes important, further broadening teachers' roles. Compensation implications include pay raises for the skill component, and, for the first time, bonuses for student outcomes.

In conclusion, Kelley briefly mentions the Kentucky and Charlotte-Mecklenburg programs as examples of schools that link performance awards to broader educational goals. Kentucky's program rewards schools for improving student performance along multidimensional state criteria. In the Charlotte-Mecklenburg school district, teachers are rewarded for several types of improvements, including increased student enrollment in higher-level classes and standardized test scores.

In line with private sector findings, these two programs have found that bonuses for improved performance do not necessarily risk large amounts of teacher salary. Citing private sector research, Kelley states that small rewards can serve as effective incentives, as long as the programs are designed with the input of affected employees. This is a key point, she explains, since teachers are in the best position to understand obstacles to performance improvement. Although the impetus for compensation reform may be initiated from management, Kelley states that successful districts have used participatory processes from teacher unions and community members.

Kelley, C. (1997, March). **"The Kentucky School-Based Performance Award Program: School-Level Effects."** Paper presented at the meeting of the American Educational Research Association Annual Conference, Chicago, IL.

Kelley's study builds upon previous research on the effects of school-based performance award programs in Kentucky, and examines the differences between high-and low-performing schools.

The program consists of using the state's authentic assessment instrument (KIRIS) every two years, administered in grades 4-5, 7-8, 11-12, and includes portfolios, performance events, open-response and multiple choice questions in seven subjects. Non-cognitive components are also included: student attendance, dropout and retention rates, and transition to adult life. Student scores fall in one of four categories: novice, apprentice, proficient, and distinguished. Performance targets are a 10% increase in performance from each school's initial score. Following initial assessment, schools can fall in one of five categories: "in crisis" (schools that drop more than five points below baseline assessment), "in decline" (five or less points drop from baseline), "improving" (achieve over baseline but fail to reach target), "successful" (meet their target), and "reward" (exceed target, and receive the award). Awards go to the entire school, with the teachers deciding how to distribute the money.

Results show that in the first biennium, 40% of schools exceeded their performance target and received performance awards. Schools that were deemed "improving" needed to submit a transformation plan to the state, outlining how they would meet goals in the future. Schools "in decline" were appointed a "distinguished educator" for one year and given funding, and also submitted a transformation plan. A distinguished educator is hired and trained by the state to help these schools meet accountability goals. Schools "in crisis" are similar to schools "in decline", but in these cases the distinguished educators have broad latitude to terminate staff and override school site council decisions.

Following the assessment results of Fall, 1996, the author selected a sample of 16 elementary, middle, and high schools, and researchers conducted interviews with principals and selected teachers. Kelley found different "enabling conditions", or organizational capacity and alignment of resources with accountability program goals, in higher success schools. Specifically, these schools shaped their curriculum to the assessment instrument and/or the state curriculum guides, and they incorporated test-taking strategies in the curriculum. Schools that received rewards both assessment periods had teachers that were professionally "in the loop" with the accountability program, and because of this, these schools could take advantage of information provided by the state as a guide to improve performance. These reward/reward schools did not necessarily have traditionally strong principals; more likely, these principals' roles were more like facilitators with their skilled and professional teaching staff.

Low-performing schools, on the other hand, did not attempt to incorporate assessment goals into their curriculum. The principal was less an authoritative figure than a nurturing one, and did not tend to exercise leadership in encouraging teachers to shape their traditional instruction to ones with proven performance. Teachers tended to view assessment results more as a reflection upon their students than upon their teaching. Principals indicated lower personal goals of achieving slight improvement of KIRIS scores rather than achievement of reward status.

After the first assessment, 53 schools were considered in decline. Of these, 31 received awards in the second cycle, and the remaining 22 were either improving or successful. Turn-around schools, or schools that did not receive rewards the first cycle, but received them in the second cycle, shared many characteristics: teachers attributed their success to the extra funding and to working with distinguished educators, reporting this type of intervention as incredibly difficult, even painful, but also as one of their most professionally rewarding experiences. In addition, both decline/reward schools hired a new principal after the first award cycle, with strong leadership and track records of success in the accountability program.

As in Kelley's initial study of reward schools (see page 11), schools in the second reward cycle did not attribute their motivation to expectations of financial reward. They indicated a fear of sanctions, positive publicity, and an interest in helping their students as their primary motivating factors. Some teachers were also motivated by a desire to maintain professional autonomy. A few teachers and more principals were fearful of losing their jobs. Rural Kentucky schools mentioned that the KERA resources and the focus on relative improvement over absolute performance, enabled them to compete with even the best Kentucky schools. Still, the reward served as a "thank you" for teachers' hard work. However, there were many conflicts over the distribution of reward money, and the author notes that because of this the Kentucky Education Association opposed the funding of bonus awards in 1997.

Other findings showed that elementary schools were found to be more successful in achieving reward status than middle and high schools. Teacher explanations for this were the organizational structure, and the flexibility of the program and staff of elementary schools. Middle schools had difficulty motivating adolescents who were preoccupied by their own developmental changes. High schools were described as large and departmentalized, which impeded collaboration. Also teachers in some high school subjects were uncomfortable with the large emphasis on writing and thus not as cooperative.

Ladd, Helen F. 1996. **"Introduction."** Holding Schools Accountable. Washington, D.C.: The Brookings Institution.

As an introduction to the larger book, this article provides an overview of the two sides of performance-based reform movement: accountability initiatives designed to work within existing administrative structures of schools, and accountability initiatives designed to work through parents' ability to choose. From this overview, a series of questions emerge: Who should be held accountable - teachers, schools or districts? Are administrative accountability systems desirable and sustainable? What are the crucial components of a well-designed accountability system? (For example, how do you account for schools whose kids have larger needs? How do you incorporate the call for more authentic assessments into the program? How do you avoid "teaching to the test?") Which is better, an administrative program or a choice program? Should vouchers be based on need? Does money matter in helping kids in high-poverty areas reach high standards?

The author draws a number of conclusions. First, schools are the most effective units of accountability. Second, attempts to adjust for socioeconomic status have been publicly controversial. For example, in MI, the state's Black Caucus opposed any adjustments to the district-level outcome measures that would set lower expectations for African American children. Moreover, if all the multiple goals of a school can't be measured and rewarded equally, then an outcome-based system has the danger of warping the "complex fabric" of a school by prioritizing one goal over another. Consequently, the authors conclude that not much is understood about these systems and states should move slowly in implementing them. When comparing administrative and choice programs, the author points to arguments that conclude that the decision depends on the degree to which the type of school impacts a student's learning. If the effect on student learning of attending a particular school is fairly uniform across students, then centralized systems are better because there are fewer costs borne by those students who remain behind when others leave. If the effect tends to vary, then choice programs will be more effective.

Newmann, F.M., King, M.B., and Rigdon, M. (1997, Spring). **"Accountability and school performance: Implications from restructuring schools."** Harvard Educational Review, 67 (1), 41-74.

Newmann and King address several issues in accountability, which they consider a key strategy of school-based restructuring efforts. In theory, increased school accountability will enhance student performance, as it pressures teachers to improve their instructional strategies and curricula. Since the schools in the study did not share a common metric for student achievement, no causal relationships could be made between approaches to accountability and performance results; instead, the study relies largely on qualitative data to explore the accountability structures within twenty-four restructuring elementary, middle, and high schools, from sixteen states sand twenty-two districts. This sample of schools was drawn from a recent, larger comprehensive study on school restructuring by the Center on Organization and Restructuring of Schools at the University of Wisconsin at Madison.

According to Newmann and King, a complete accountability system should minimally include: 1) explicit standards for student performance, with consequences for success or failure; 2) information, standards, and or consequences required by an external agent and/or the school itself; and 3) an external agent that required assessment beyond mandatory standardized testing as part of the school's accountability system, or required the school to develop its own accountability system.

Each of the twenty-four schools were examined according to these criteria for accountability; if a school had all components of information, standards, and consequences (either externally required, internally generated, or both) it was ranked as "strong". If a school had none of the four criteria, it was "weak". In addition, schools were ranked according to their school organizational capacity, as defined above.

Evidence from twenty schools shows that: one third of schools had strong external accountability systems; organizational capacity varied considerably, and was not related to accountability; schools with a strong external accountability system tended to have low organizational capacity; and schools with strong internal accountability also had stronger organizational capacity.

Newmann and King conclude that schools which try to operate within a context of strong external accountability sometimes face challenges in organizational capacity, such as in those cases where mandatory requirements conflicted with a school's program philosophy or with individual teachers' orientations. In contrast, the authors found a positive relationship between schools that exhibited strong internal accountability and organizational capacity. Meanwhile, the three schools with low external and high internal accountability had developed their own requirements for accountability, and thus had become very collaborative toward a shared purpose. One school that showed improved student outcomes, Humboldt Elementary (also based on the Accelerated Schools model), had as its goal that all children would score at grade level according to national norms by fifth grade. The entire faculty agreed with this goal, and there was considerable "peer pressure" among teachers to adhere to or work towards this performance standard.

Although unable to empirically relate a school's level of accountability and organizational capacity to student learning, the authors' research does provide a rich qualitative set of data from which to draw inferences. Based on such information, the authors offer guidelines for external agents (e.g., district and state agencies) to set accountability while simultaneously improving organizational capacity. Opportunities include setting expectations that individual schools establish their own standards for performance and a responsible reporting system and another is to support staff development in formulating performance goals and ways to meet them. By offering concrete examples of high standards in specific curriculum areas, approaches to assessment, and reliable ways of evaluating student performance, external agents can offer leadership in the definition of high standards without imposing uniform tests in all schools. Such strategies lend themselves to enhancing organizational capacity. Strong internal systems of accountability, as well as sponsorship and support from external agencies, may help schools build their organizational capacities.

Odden, A., Heneman, H., Wakelyn, D.J., & Protsik, J. (1996, October). **"School-based performance award designs: A case study."** Paper presented at the meeting of the American Educational Research Association Annual Conference, Chicago, IL.

This paper represents the collaboration of the Consortium For Policy Research in Education (CPRE) Teacher Compensation Project and both district and union leaders from various school districts and one state. A series of meetings was held to discuss and develop designs for school-based performance awards. CPRE framed the meetings with their own performance award template that posed design questions in six categories: performance targets, awards, funding, best practices, implementation, monitoring, and evaluation. Participants were also briefed on the comprehensive and well-known Kentucky and Charlotte-Mecklenburg award systems.

Kentucky's program, implemented in 1990, uses an assessment that tests students in grades 4,5,7, and 8 in seven core subject areas. Student scores are rated as "novice", "apprentice", "proficient", or "distinguished". The goal is for every student in the state to reach the "proficient level" within a twenty year timeframe; thus, awards are determined by each school's progress toward meeting that goal. Using an index score to rate performance, a school must make a ten percent improvement plus one more point in the difference between its current index score and the 100-point proficient level every two years. For example, if a school's index score is 40, then it must improve its score by 7 points (6 points is 10% of 100 minus 40, plus one additional point). Awards are paid for by the state, and teachers vote on how to spend the award money. Results indicate that 95 percent of Kentucky's schools have made progress in their index scores, the number of students performing at the proficient or distinguished level has doubled, and overall academic achievement has improved 19 percent.

Charlotte-Mecklenburg's program initiated its Benchmark Goals program in 1991 as part of a larger reform effort towards accountability. Each school has its own set of targets, most of which focus on improving test scores on state assessments, but also include attendance, advanced course enrollment, and dropout rates. Targets can be fully or partially met, for a full or partial award. The authors note that the Charlotte-Mecklenburg plan sets different annual targets for African-American students and for all other students, agreed upon after a dialogue with the African-American community. Results for this program indicate that student achievement has improved, the Black/White achievement gap has shortened, SAT test scores have improved, and enrollment in higher level courses by African-American students has tripled, from 9% to 26%.

Reviewing CPRE's performance award template, participants voiced their concerns and shared ideas. Although concerned with finding continual sources of funding, using valid and reliable assessment instruments, and obtaining teacher buy-in, nearly everyone agreed that performance awards would benefit students and enhance public support for schools, thus benefiting teachers as well. Components of the designs proposed by the participants included the following: concentrating on improving student achievement in five core academic subjects areas (every district also added indicators such as attendance and dropout rates as a small percentage of the performance measure); focusing on the school as a unit, not on individual teachers; use of current state or district testing programs to measure results, awaiting development of more standards-oriented, criterion-referenced achievement measures as soon as possible; calculating performance improvements in terms of value-added to the past performance, i.e., on improvement or changes produced; including scores for all students except the severely disabled; awarding bonuses to all staff in a school, with awards in the $1000-$2000 range; funding awards through a protected escrow account. The authors mention that only two plans specifically included methods of disseminating best practices, and that only recently have the model programs, Kentucky and Charlotte-Mecklenburg, realized the necessity of spreading knowledge of this nature in order to achieve long-term results. All of the participants agreed that a performance award system should be only one component of a larger reform effort that focuses on results.

A New Framework for State Accountability Systems. Special Report of the SouthEastern Regional Vision for Education (SERVE). (Revised, September, 1994).

The SouthEastern Regional Vision for Education (SERVE) was commissioned to study barriers to school reform in the southeast, and found state accountability systems (state-level processes designed to inform the public about student performance) to be central in the issue of school reform. Studying six state accountability systems, the report supports the idea of accountability but stresses the necessity for the educational community to be "ready" to use it. Goals, standards, and assessments need to be firmly established before accountability is implemented.

Some of the problems SERVE found with the state's accountability system are: as centralized mandates, there is little local sense of commitment or ownership to externally-derived goals and standards; state agencies are undergoing overhauls from a regulatory to a supportive role, and cannot provide the support and leadership necessary for adequate assistance; generic professional development practices have been inconsistent with the efforts needed for individual schools; consequences are perceived as meaningless in historically low-performing schools. Although all six states are transitioning from old (regulatory) to new (supportive) frameworks and assessment processes, and many are networking with low-performing schools, the authors caution that it is easier to begin an effective accountability system than it is to make mid-course corrections.

The authors believe that state-wide accountability systems should not be implemented until: (1) there is a consensus around goals, standards, and assessment, as well as enough time and funding for training, staff development, and local planning; (2) new standards and assessment practices have the support of practitioners who will implement them; (3) states perform needs assessments to determine the types of resources necessary for each school system; (4) schools build higher capacity by establishing links between education and business leaders, economic development efforts, social service providers, and other organizations in the community; (5) states provide for necessary resources, particularly in regards to teachers' time, and call on local school systems to design their own staff development plans that are congruent with new accountability standards, adhere to "best practices", and are themselves accountable; (6) accessible and responsive support organizations are located that provide tangible services; (7) site-based accountability systems are developed that review effectiveness on a more comprehensive scale than test scores alone; (8) systems of higher education are reminded of their responsibility to contribute to the public good by assisting school districts to build their capacity.

Suarez, Tanya M. et al. (1991, June). **"The Use of Sanctions with Low Performing School Districts."** North Carolina Educational Policy Research Center, Chapel Hill.

This article provides an overview of state takeovers and summarizes the experiences of New Jersey and Kentucky. Recommendations are put forth for the North Carolina State Board of Education as it develops its own policies regarding sanctions for low-performing districts. State takeovers are considered the most severe form of sanction imposed on a low-performing school or school district, and are rarely done in practice. Analogous to financial bankruptcy, persistently low student performance to established standards is considered "academic bankruptcy" if it does not improve within a given amount of time. Versions of school district takeovers have occurred in the 1960s in order to achieve desegregation, and specific components (usually financial) of operation have received takeovers, sometimes when districts themselves request it. As a penalty-based sanction, however, use of state takeovers has only occurred in New Jersey and Kentucky, though legislation for it exists in eleven states. Three states extend takeover policies to individual schools within districts. Following an analysis of problems, strategies for improvement such as developing and implementing a plan by the district, or providing technical or other assistance to the district, are implemented with more or less local involvement depending on the state. In most state statutes, however, the state accepts these responsibilities. When all attempts have failed, the ultimate sanction is the removal of the district's leadership. States vary as to the fiscal responsibility of the actions to be taken during sanction.

A summary of Kentucky's experience reveals that in 1984 Kentucky implemented an educational deficiency program, requiring the submission of performance reports to the State Department of Education and the local public, and requiring the creation of a Master Educational Improvement Plan. The program outlined nine areas of possible deficiency, including failure to comply with required reports and timelines, and failure to meet performance standards on standardized tests, attendance and drop out rate. Four phases of compliance included: Phase I for districts with no deficiencies; Phase II for districts out of compliance with timelines established in their own improvement plans, with these districts eligible for, but not required to receive state technical assistance and recommendations for improving deficiencies; Phase III was reserved for persistent noncompliance from districts; Phase IV districts were subject to removal of superintendents, local board members, and other district personnel. In January 1989, two Phase II districts were moved to Phase III, because of insufficient improvement in attendance rates. One county was also non-compliant in over 90 criteria. Intervention for these Phase III schools included a curriculum audit, interviews with the local school board school personnel, parents and other related persons, site visits, management assistance, technical assistance, and direct supervision by Department of Education staff on a daily basis. Local school board decisions were subject to approval by the state superintendent. The state provided substantial technical assistance; however, teachers complained that the intervention took place exclusively at the district level and was not felt at the school level. Some changes were appreciated, however, such as a new district policy manual and audit recommendations concerning budgeting.

The second county given Phase III status failed to improve sufficiently in both the attendance and drop-out standards. Serious management and financial problems were also found. The county filed and won a suit against the state, the courting finding that the state modified standards for deficiency that singled out these two counties from other districts with equal deficiencies; that the state did not provide the technical assistance to the districts as specified by its laws; and the legislature had not funded the Educational Improvement Act sufficiently to permit the realization of program goals.

Another court case ended the educational deficiencies program altogether, when 66 districts won a suit against the state educational system, for violating the "state's constitutional mandate for the provision of an 'effective system of common schools'." The result was sweeping reforms of public education in Kentucky, including: new state curriculum, new assessment procedures, prohibition of nepotism, expanded teacher involvement, newer and more equitable funding distribution for districts, and a system of rewards and sanctions.

The authors conclude that considering the hostility, resentment, and ultimate failure of Kentucky's takeover process, there are several lessons to be learned: The criteria for decisions to apply sanctions must be unambiguous and administered equitably across districts, and the criteria used to justify a takeover be decided upon for that purpose alone. They must involve critical indicators that emphasize outcomes rather than process, with the extent of shortfall meeting the test of "reasonableness".

Rationale:

- "We're expecting teachers to know more and do more, and in order to be successful at that they need a whole lot of new knowledge and skills," said Allan Odden, a professor of education at the University of Wisconsin-Madison, "and you could reinforce that in your pay structure."

- Everybody makes a concentrated effort to prepare students for the proficiency test, with out losing sight of the curriculum being driven by the test. (Hayes Metropolitan Education Center)

- Positive outcomes, such as reduced teacher absenteeism and turnover, improved teaching practices among borderline teachers, or an increased concern among teachers about the weaknesses of their teaching practices result from merit pay. (Issues and Case Studies in Teacher Incentive Plan 1994)

Arguments:

- Most Teachers oppose merit pay because it often has nothing to do with merit and everything to do with how well you get along with the principal. Merit pay encourages teachers to compete rather than collaborate. Teaching improves when teachers work together to share ideas and problems. With merit pay schemes, the incentive is to keep ideas to yourself. (AFT 1999)

- Test experts, even those in favor of merit pay, say the small sample size of a single classroom presents a statistical problem because the margin of error is too great. (National Education Summit 1999)

- In some New York school districts merit pay programs were eliminated because economic realities kept them from being able to reward all those who were deemed worthy. In schools with only enough to reward a chosen few, merit pay schemes bred a competitive atmosphere, created dissension, and lowered staff morale. (New York State United Teachers)

- A child's performance is influenced by factors far beyond the reach of the teacher, including the child's home life, prior teachers, direction provided by the school's administration, and cash available to the school district (Ormsby County Education Association)

- The Ohio Education Association generally encourages local teachers unions to resist merit-pay type concepts, which they feel are unproven and unfair.

- Pay performance plans have the inherent potential of teachers looking at students as to whether they're going to get them a pay raise. (Neil Quirk, Akron Education Association)

- At the National Education Summit a group of New York teachers say that what they do is a collegial, collaborative effort, and pitting one teacher against another in the same school for higher salaries would compromise that cooperation. (Gannett News Service 10/4/99)

Linking pay to performance is catching on in Cincinnati, Dallas, Houston, Columbus, Douglas County Colorado, Minneapolis and Rochester, NY are experimenting with performance based programs. (Christian Science Monitor 9/16/99)

State	City/School Corporation	Program Description
Colorado	Denver	Pilot will have approximately 450 teachers in 12 Denver elementary and three middle schools volunteering. Each teacher will immediately receive a $500 stipend and later, up to $1,000 if a majority of students met achievement goals during the first year of the program. In the second year, teachers from 2 district high schools will be invited to participate, and all participants will receive up to $1,500, if goals are met. Teachers' pay would not be cut if student performance did not improve. Participant teachers use the following to measure achievement: scores on the Iowa Test of Basic Skills, scores on teacher-designed skills tests, or scores comparing students' knowledge before and after teachers had undergone additional training. (Facts on File World News Digest 1999)
Colorado	Douglas County	Plan was put into action in summer, 1994. The plan covers all employee groups including teachers, classified staff and administrative/technical employees. Teachers receive extra pay for participation in district wide professional activities.
District of Columbia		

TO: Andrew Rotherham, Special Assistant to the President

FROM: Lana D. Krstich, Domestic Policy Council

RE: Teacher Merit-Pay Programs

DATE: October 15, 1999

What is Merit Pay?

Merit Pay is a system that that adjusts salaries or provides compensation to reward higher levels of performance. It comes in many different forms including, "merit-based" salary schedules, bonuses, incentive pay, and differential staffing or "master teacher" plans. Merit pay can be linked to a district's regular single-salary schedule (teachers with high ratings advance up the scale more quickly), or it can be administered as a separate "merit pay schedule" (supplementing the regular salary). Participation by teachers can be either mandatory or voluntary. Several states also have broached the idea of paying more to teachers in subject areas with shortages, those willing to teach in hard-to-staff schools, and those who have particular knowledge and skills or who have shown superior performance.

How is merit assessed?

If the pay-for-performance program proves to be successful seniority will no longer determine a teacher's pay. Criteria for moving up the salary ladder would be the teacher's level of education and student achievement (the class must show a pre-determined level of improvement). (Council for Basic Education 1999).

Higher pay for teaching effectiveness can be awarded on the basis of input criteria (teacher performance) or output criteria (student performance). Input criteria may include classroom management skills; preparation of lessons; knowledge of subject matter; instructional techniques; management of student, staff, and public relations; professional ethics; or professional growth.

While past systems were largely based on input, current systems tend to be based on output, whereby the degree of progress in achieving specified goals determines the amount of benefits that the teacher receives. These goals may be measured by criterion-referenced tests to ascertain students' mastery of prescribed course content or their ability to perform certain skills. In some programs, teachers are responsible for proposing objectives for themselves or for their students, the fulfillment of which entitles the teacher to merit pay.

In addition to superior teaching performance, extra pay also may be awarded for such factors as professional development, additional responsibilities, teaching at a high-priority location, contributions to the total school program, teaching subjects for which there is a teacher shortage, and even for outstanding teacher attendance. "Incentive pay" denotes such programs which reward teachers for helping the school district achieve certain goals or solve specific problems.

Florida		The Commissioner of Education has proposed paying some of the state's best teachers up to $80,000 a year if they agree to mentor others. In addition, all employees would be eligible for financial incentives tied to student performance.
Kentucky		A Kentucky state task force is likely to recommend extra compensation for teachers who meet some of those criteria.
Minnesota	St. Paul	School board approved a union contract that no longer grants automatic step increases to all teachers. Instead, teachers in need of improvement must show evidence that they are making progress to earn the incremental raises.
Minnesota	Minneapolis	
New York	Rochester	
	Cincinnati	The Cincinnati Federation of Teachers is working on a proposal that would tie salary advancement to teachers' ability to show performance against standards of professional practice. The system is being tested in 10 schools. Teachers could also earn extra pay for acquiring specific sets of skills, such as expertise in technology.
Ohio	Columbus	
Rhode Island	Coventry	Teachers ratified a contract that will allow individual teachers to earn $1,000 on top of their base pay if they can demonstrate excellent performance by completing portfolios of their work. "I believe that it's very important

		to recognize the best teaching," said John E. Deasy, the superintendent of the 5,600-student system, "and that recognition becomes substantial when you attach money and salary to it."
	Dallas	
Texas	Houston	
Washington	Seattle	Seattle Education Association approved an agreement with the district to devise an evaluation system that would be based, in part, on student achievement. Classroom evidence, not test scores, will be the primary source for showing student progress. Evaluations will be used for compensation decisions.

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Washington	Seattle

New York State United Teachers

The people who help New York to learn.

Timely Topics - Media Relations/Communications

Little Merit to Merit Pay

Over the years, this award system of extra pay for superior performance has been poorly and inconsistently defined, its standards for evaluation vague and subjective. Merit pay systems for teachers have failed, for the most part, because of the subjectivity involved in deciding who is deserving and because there is not enough money to properly reward all those who do meet the criteria.

Only about 6 percent of companies nationwide use such a system for their unionized employees. Yet, remarkably, some public school critics continue to tout this failed system as a way to improve student performance. They do this despite the fact there is no research to support that premise, and plenty of evidence that such schemes can have damaging effects on the school environment.

During the 1960s, 10 percent of the nation' s school districts had merit pay programs. Most have been abandoned, because administrators could not create objective yardsticks to evaluate performance. Personalities and friendships too often became a part of the decision-making process.

Furthermore, factors outside the teacher's control that influence student performance made it nearly impossible to develop criteria that were not arbitrary. School districts also eliminated merit pay programs because economic realities kept them from being able to reward all those who were deemed worthy. In fact, in those schools with only enough money to reward a chosen few, merit pay schemes bred a competitive atmosphere, created dissension, and lowered staff morale.

Teacher teamwork and camaraderie are essential to helping kids learn. A system that pits colleagues against each other and discourages them from sharing successful classroom techniques, for example, is more

Contact

For more information on the publications offered by Media Relations - Communications, please call the department at (518) 459-5400, Denise Clapham x6313 or Lori DiVeglia x6552

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likely to hurt school performance than help it. A "survival of the fittest" mentality, which subverts the free exchange of materials and ideas, has been the only measurable result of the merit pay system.

Merit pay always has been a case of reaching too few with too little. It is no substitute for a competitive wage scale for all teachers, good working conditions, smaller class sizes, meaningful participation in the decision-making process, and supportive administrators and school board members.

Rather than merit pay, school districts should offer competitive salaries and benefits to *all* teachers. That's the best way to attract and retain the best and brightest people in the profession.

CONTACT: Linda Rosenblatt, Director Media Relations/Communications or Carl Korn 518-459-5400, EXT. 6313

School Reform News

Rochester Schools Pass Merit Pay

"Businesses can't understand why teachers can work forever and have no change in their tenure based on whether students have done better or worse or the same. Business can't imagine a system where there are no incentives or consequences for failure or success."
Milton Goldberg, Senior Vice President
National Alliance of Business

After more than a decade of unacceptable student performance, a new contract holds principals and other administrative employees in the Rochester, New York school district accountable for their job performance. A similar system for teachers is under negotiation for the 37,000-student district.

Under a three-year contract agreement approved last fall, evaluations of 241 administrators in the Rochester school district will be linked to district goals and administrator performance in five areas:

- leadership in meeting instructional goals;
- knowledge of teaching/learning and commitment to student success;
- managerial effectiveness;
- dealing and collaborating with the public;
- professional development.

An administrator's performance will be reviewed by his or her direct supervisor and another reviewer chosen by the administrator, such as a parent, teacher, or fellow administrator. Positive evaluations would result in a pay increase and incentive bonus; negative evaluations would result in no pay increase and no bonus.

Under the new agreement, administrators receiving a performance evaluation of 'Exceeds expectations' will receive a 3.25 percent increase in salary plus a bonus of $950. Those receiving an evaluation of 'Meets expectations' will receive the pay increase plus a smaller bonus of $700. A 'Needs improvement' rating will result in the pay increase and no bonus, while an 'Unsatisfactory' rating merits neither a pay increase nor a bonus.

Additional information on the merit pay program in Rochester is available through *PolicyFax*. Call 312/377-3000 and request document #2180604 (Program for Careers in Administration/Supervision); #2180605 (ASAR Summative Review Process: Part 1); and #2180606 (ASAR Summative Review Process: Part 2).

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Nevada Appeal news Monday, November 23, 1998 4:47 PM tahoe.com

Merit pay doesn't add up

By Joanna Welch

It sounds like an ideal proposal: good teachers - models for the profession - are rewarded with more money. But the prospect of merit pay makes many educators uneasy.

Finding the additional money to offer merit pay is one problem, but by far the biggest challenge is determine who qualifies for the additional money in a fair and objective way.

"There is no way to measure it," said Gaylea Manning, president of the Ormsby County Education Association. "I'm not sold on merit pay. I see more negatives than positives and I've yet to see it work."

A child's performance is influenced by factors far beyond the reach of the teacher, including the child's home life, prior teachers, direction provided by the school's administration, and cash available to the school district, Manning said.

Carson City School District offers a program tailored to hearing impaired and deaf children, she said, asking how those teachers would be evaluated under a merit pay program.

Furthermore, she asked, who would be evaluating teachers, judging them?

Manning said the flip side to her concern is the need for incentives for teachers to improve.

"Why should teachers strive to be better, unless there is an intrinsic desire to teach?" she said.

Successful teaching is a collaborative effort, said a former education association official, who asked to remain anonymous.

Rewarding some professionals and not others creates a hostile environment because competition replaces cooperation, particularly if there is a finite amount of money to hand out for merit pay programs.

"Imagine, you have this really good math plan. Do you share that great plan if there is limited merit pay?" he said. "Teachers need to work together, but if only one in five gets the merit pay, the system of cooperation falls apart and the student loses."

Various states have experimented with merit pay, including Tennessee, Kentucky and Virginia.

The three programs have since been abandoned.

In the late 1980s, Fairfax County, Va., implemented a merit pay scheme as a collaboration between the school district and the teachers' association, said Ken Reinshuttle, executive director of Fairfax Education Association, which has 12,000 members.

Teachers who met a rigorous annual evaluation were awarded pay increases of up 30 percent, Reinshuttle said.

Developing an objective and equitable evaluation procedure for teachers was not the problem.

The program's downfall was a recession, which hit the state in the early 1990s.

But Reinshuttle, who wasn't working for the association at the time, suspects the program would have collapsed under it's own weight even without a recession because of its generosity.

"It had its moment in the sun," he said. "We don't talk about merit pay much these days."

An entry level teacher in Carson City School District will earn $24,837 for the 1998-99 school year and a teacher with 10 years of experience and a master's degree will earn about $38,474.

Most teachers did not enter the profession for the money, but for the intrinsic value of teaching, Manning said

"Money just may not be the motivation," she said.

Alternatives to merit pay exist.

The state awards an annual teacher of the year award, referred to as the Light of Education Award, and organizations like the National Council of Teachers in Mathematics and the National Science Foundation offer awards in their subjects.

Local school districts give proclamations in honor of outstanding teachers and schools have Teacher Appreciation Week.

In 1995, Chris Whitcome, a teacher a Eagle Valley Middle School, was the recipient of the prestigious Milken Award, which included a gift of $25,000.

Whitcome used some of the money to upgrade the technology in her classroom. The rest, she said, was invested in her future. In 1994, Carson City Rotary Club named her Teacher of the Year.

While the latter didn't included a monetary prize, she said, "It's nice to be recognized for doing a good job."

Whitcome, a teacher for the past 25 years, said she would be wary of merit pay schemes.

"How would you determine who gets it? It would be very difficult to make it work. There are so many variables."

As a teacher, Whitcome said she may have a class of excellent pupils one year followed by the reverse the following year.

"You don't know the product you'll get in the class," she said. "Merit pay is like paying kids to get good grades. No. You do a good job because that is your job."

In place of merit pay, the National Education Association has endorsed additional pay for teachers who acquire national certification, said Susan Whitmore, a spokesperson for the national association.

"By helping our members become nationally certified, you get away from evaluations, which are so difficult to do," Whitmore said.

Another pitfall with merit pay is that when budgets become tight these schemes like are the first to be cut.

When the recession hit Fairfax County, merit pay was initially scaled back. Those teachers who met the stringent requirements to qualify were placed in a lottery and a few winners were drawn.

When the merit pay scheme was finally disbanded, it strained relations between the school district and the association, Reinshuttle said.

It is because of situations like this that the education association has opposed merit pay, Whitmore said.

"Good teachers should get a good salary and bad teachers shouldn't be there," she said.

Carson City School District and the teachers' association have a formal procedure for dealing with teachers not up to par.

The procedure is designed to protect good teachers from bad administrators and vice-versa and give the teacher a chance to improve, said Manning.

"It is a very involved and takes participation from administration and teachers," she said.

There is no similar procedure in place to award outstanding teachers.

"I would say that most of us are satisfied with thank yous for what we do," she said. "A positive reinforcement and not negative. It doesn't always have to be big or monetary."

Nevada Appeal E-mail: appeal@tahoe.com

Teacher Accountability and Merit Pay

by Chuck Sambar

Reader response to my recent column which called for realism in teacher accountability, salary negotiations, and pay increases drew a quick and critical response from teacher union representatives as well as expressions of strong support from community members and several individual teachers.

Clearly, the subject of teacher accountability and pay incentives and rewards for an outstanding teaching job tends to provoke strong reactions. I did not intend to arouse either strong hostility or loud approval. My intent was to open a professional and intelligent dialogue on an issue that relates to one of the critical components of education reform. The subject of teacher accountability (and that of administrators) and pay incentives is a subject that has been discussed privately over the years but rarely has there been much intelligent public discussion or consideration.

One of the dangers of writing publicly about accountability and pay increases is the immediate teacher union charge that one is advocating merit pay. Merit pay has become the much-maligned concept and the red flag that is waved against any discussion of teacher/administrator accountability, incentives and rewards. For what it's worth, my column did not mention merit pay.

My extensive experience in education and my observation and knowledge of hundreds of teachers lead me to conclude that the overwhelming majority of teachers are competent, skilled, caring, effective and perform the most challenging, demanding, and inspiring job in the world. They deserve to be paid the highest salaries of any job in the world along with the best fringe benefits and pay incentives to attract and retain them in the classroom.

But reality is that there are teachers who should not be teaching and do not deserve a higher salary or a pay increase. But here we face the reality of the constraints of the tenure law, collective bargaining contracts, teacher shortage, and spineless administrators. Thus the conversation on teacher accountability, pay increases, and genuine school reform is avoided and left drifting in the wind of time and the result is to shut down discussion and dialogue.

Interestingly, a recent national survey by the Association of American Educators found that 60% of teachers surveyed agreed with the suggestion that schools should offer merit pay for teachers while 40% disagreed. Such result should give school administrators and teacher leaders cause for reflection.

Whether it is called merit pay, teacher incentives and rewards or something else, the majority of teachers are in favor of the concept. This issue has nothing to do with factory workers and everything to do with genuine educational dialogue, teacher satisfaction, respect, retention, reward, and, most importantly, school reform.

All of us must face the reality that school reform carries a heavy price both in dollars and compromise. We must have the courage and fortitude to examine this small part of the equation with professional honesty and respect. Intelligent dialogue is far more productive and meaningful than hate mail and unfounded accusations. Such unfortunately isolated response does not belong to the distinguished fraternity of outstanding teachers that I respect and appreciate every day of my life.

merit pay

Any of a number of plans to pay teachers on the basis of their demonstrated competence in teaching. The pay plans are controversial because it is difficult to objectively identify good teaching, and many argue that such plans would be little more than popularity contests.

* * *

(For definitions of other education terms, please see our Glossary of Terms.)

Teacher Salary Schedules

ECS Information Clearinghouse
September 1997

Source: *Paying Teachers for What They Know and Do: New and Smarter Compensation Strategies to Improve Schools*, Allan Odden and Carolyn Kelley, Corwin Press Inc., 1997.

A salary schedule is a framework for paying teachers, used by most school districts. With a salary schedule, teachers are paid according to objective criteria, such as years of teaching experience, education credits and university degrees. Please see the table below for an example of a salary schedule. This schedule works in the following way:

* A teacher with 0 yrs. of experience (Step 1) & a bachelor's degree is paid $24,820
* A teacher with 7 yrs. of experience (Step 8) & a master's degree is paid $35,355
* A teacher with 11 yrs. of experience (Step 12) & a master's degree plus 30 credits is paid $43,000

CLASS

STEP	Bachelor's	BA + 15	BA + 30	Master's	MA + 15	MA + 30	Doctorate
1	$24,820	$25,695	$26,570	$27,445	$28,320	$29,195	$30,070
2	25,765	26,705	27,640	28,575	29,515	30,450	31,390
3	26,710	27,715	28,710	29,705	30,710	31,705	32,710
4	27,655	28,725	29,780	30,835	31,905	32,960	34,030
5	28,600	29,735	30,850	31,965	33,100	34,215	35,350
6	29,545	30,745	31,920	33,095	34,295	35,470	36,670
7	30,490	31,755	32,990	34,225	35,490	36,725	37,990
8	31,435	32,765	34,060	35,355	36,685	37,980	39,310
9	32,380	33,775	35,130	36,485	37,880	39,235	40,630
10	33,325	34,785	36,200	37,615	39,075	40,490	41,950
11	34,270	35,795	37,270	38,745	40,270	41,745	43,270
12	35,215	36,805	38,340	39,875	41,465	43,000	44,590
13	36,160	37,815	39,410	41,005	42,660	44,255	45,910
14	37,105	38,825	40,480	42,135	43,855	45,510	47,230
15*	38,005	39,750	41,430	43,110	44,855	46,535	48,280
16*	38,905	40,675	42,380	44,085	45,855	47,560	49,330
17*	39,805	41,600	43,330	45,060	46,855	48,585	50,380
18*	40,705	42,525	44,280	46,035	47,855	49,610	51,430

NOTE: Steps 15, 16, 17, and 18 are steps payable on completion of 4 years of service in steps 14, 15, 16, and 17 respectively.

Salary schedules differ widely because they are independently structured in thousands of school districts, often through the collective bargaining process. In addition, salary schedules do not have a standard number of "classes," nor are there uniform criteria for movement from one class to another. A few examples of the class criteria found in different school districts are: baccalaureate, masters, and doctoral degrees; baccalaureate degrees plus additional credits of 15 and 30; and masters degrees and additional credits of 15 and 30. The differences also extend to the years of teaching experience, or "steps," within a class.

What are the benefits of a salary schedule?

In the late nineteenth and early twentieth centuries, teacher salaries were subjectively determined on an individual basis. Although additional pay was given for training, experience and extra duties, high school teachers and males often earned more than elementary school teachers and females.

As a reaction to the inequities of this process, salary schedules were implemented in several big-city districts in the late 1920s and early 1930s and addressed two important teacher needs: equity and objectivity. Teachers finally received "equal pay for equal work." In addition, the salary schedule removed the essentially arbitrary and often capricious administrator assessments of teacher "merit," a notion that was very seldom defined explicitly. Further, the salary schedule made teacher pay predictable; it described a teacher's salary over his or her career, and delineated the actions necessary to earn salary increases.

Moreover, paying the same salary to similar teachers (similar experience and education) eliminated competition among teachers for more pay; a desired characteristic for a system that depends on cooperation and collegiality for best results. Also, the salary schedule, by guaranteeing a return on investment in additional college credits or degrees, encouraged teachers to pursue higher levels of education . Finally, the salary schedule established a neutral, objective and understandable basis for determining an individual's pay, and therefore was easy to administer.

What are the concerns with a salary schedule?

Over the course of its existence, some critics of the salary schedule have expressed concern regarding its fairness. They assert that salary schedules provide equal rewards to teachers with the same education and experience regardless of effort, skills, professional competencies and student results. Essentially, it treats teachers with the same education level and experience as equals, despite potentially unequal performance and skills.

Other critics point out that the salary schedule provides pay increases for indirect indicators of knowledge and skills (years of experience, education credits and university degrees). On the one hand, some evidence suggests years of experience is related to teaching effectiveness; however, there is no guarantee that the more experienced teachers are also the most effective ones. In addition, only modest evidence suggests that graduate course work is a reliable indicator of teacher quality or classroom performance.

Finally, several critics, given the changing education system, believe the salary schedule needs to be rethought. From their perspective, salary schedules helped address the issues of predictability and internal equity. However, they are inadequate for an evolving education system. More specifically, they are insufficient for requiring high levels of teacher performance and involving teachers in school management. For educators to successfully implement school reforms and significantly improve student performance, teacher compensation policies must recognize and reward the expertise and role changes required of teachers.

Which states have implemented statewide salary schedules?

Approximately 23 states have implemented statewide salary schedules. In most cases, these schedules set the minimum salaries for teachers throughout the state. However, local districts are allowed to pay teachers more than these minimum amounts.

Washington has implemented a unique version of the statewide salary schedule. In this case, the state possesses significant control over teacher compensation, mostly through the collective bargaining and budgeting processes. In addition to setting the minimum salary for teachers, the Washington State

Legislature sets a maximum average salary a district must pay its teaching staff (the average salary paid by the district cannot exceed the average salary under the state salary schedule). Like other states' salary schedules, Washington's includes built-in adjustments for increasing experience and education. Districts still have the ability, though, to negotiate one-year supplemental contacts for responsibilities beyond basic education. However, any other additional salary increases, such as cost-of-living raises, must be made by legislative appropriation.

STATEE	STATEWIDE SALARY SCHEDULECHEDULE	CODE CITATION CODE CITATION
Alabama	YES	Ala. Code § 16-13-231
Alaska	NO	
Arizona	NO	
Arkansas	YES	Ark. Stat. Ann. § 6-17-1001 to 6-17-1003
California	NO	
Colorado	NO	
Connecticut	NO	
Delaware	YES	14 Del. Code Ann. § 1305
District of Columbia	YES	Not Available
Florida	NO	
Georgia	YES	Ga. Code Ann. § 20-2-212
Hawaii	YES	Haw. Rev. Stat. § 302A-624
Idaho	YES	Idaho Code § 33-1004A
Illinois	YES	105 Ill. Comp. Stat. Ann. 5/24-8
Indiana	YES	Ind. Code Ann. § 20-6.1-5-1
Iowa	NO	
Kansas	NO	
Kentucky	YES	Ky. Rev. Stat. Ann. § 157.390
Louisiana	YES	La. Rev. Stat. Ann. § 17:421.3
Maine	NO	
Maryland	YES	Md. Code Ann., Educ. § 6-302
Massachusetts	NO	
Michigan	NO	
Minnesota	NO	
Mississippi	YES	Miss. Code Ann. § 37-19-7
Missouri	NO	
Montana	NO	
STATE	STATEWIDE SALARY SCHEDULE	CODE CITATION
Nebraska	NO	
Nevada	NO	
New Hampshire	NO	

New Jersey	NO	
New Mexico	NO	
New York	NO	
North Carolina	YES	N.C. Gen. Stat. § 115C-12, 115C-302
North Dakota	NO	
Ohio	YES	Ohio Rev. Code Ann. § 3317.13
Oklahoma	YES	70 Okla. Stat. Ann. § 18-114
Oregon	NO	
Pennsylvania	YES	Pa. Stat. Ann. § 11-1142
Puerto Rico	YES	L.P.R.A. § 309
Rhode Island	NO	
South Carolina	YES	S.C. Code Ann. § 59-20-50
South Dakota	NO	
Tennessee	YES	Tenn. Code Ann. § 49-3-306
Texas	YES	Tex. Educ. Code Ann. § 21.402
Utah	NO	
Vermont	YES	Vt. Stat. Ann. § 1792
Virginia	NO	
Washington	YES	Wash. Rev. Code § 28A.400.200
West Virginia	YES	W. Va. Code § 18A-4-2, 18A-4-4, 18A-4-5
Wisconsin	NO	
Wyoming	NO	

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COMMENTS SEARCH

Education Commission of the States ▪ 707 17th St., #2700 Denver, CO 80202-3427
303-299-3600 ▪ FAX: 303-296-8332 ▪ E-mail: **ecs@ecs.org** ▪ Internet: **www.ecs.org**

October 13, 1999

Pay-Performance Link in Salaries Gains Momentum

By Lynn Olson

Related stories:

"Denver Teachers To Pilot Pay-for -Performance Plan," Sept. 22, 1999.

"Clinton Links K-12 Dollars, Performance," Jan. 27, 1999.

"Cincinnati Teachers Rebuff Bonus-Pay Design," May 27, 1998.

"Business Group Offers Cash Bonuses to N.Y.C. Educators," Feb. 4, 1998.

For background, previous stories, and Web links, see our Issues Page on Teaching as a Profession.

After decades of resistance, the barriers holding back the idea of paying teachers based on how well they do their jobs may finally be weakening.

The third National Education Summit's endorsement this month of salary structures that would recognize differences in skill and performance gave the latest signal that the tide is turning.

Last month, Denver teachers approved a pay-for-performance experiment that will give bonuses to some teachers if they meet goals for their students' achievement. And Republican Gov. Tom Ridge of Pennsylvania has set aside $1 million for districts to establish programs that reward teachers for superior individual performance.

Such actions reflect a growing willingness on the part of teachers' unions and school officials to rethink salary structures. Some of the impetus comes from new research that underscores the importance of teacher quality to student achievement. It also reflects a desire to change the compensation system so that good people have an incentive to remain in the classroom, and the logic that if students are to be held accountable for results, so should adults.

"Our members are more and more willing to take a look at some of these issues," said Don Cameron, the executive director of the National Education Association.

At the same time, many union leaders remain adamantly opposed to the notion of a direct link between the pay of individual teachers and the test scores of their students.

While sentiment for broader changes in the compensation structure of teachers has been growing for some time, the pace has quickened:

- Last week, the St. Paul, Minn., school board approved a union contract that no longer grants automatic step increases to all teachers. Instead, teachers in need of improvement must show evidence that they are making progress to earn the incremental raises.

• In September, teachers in Coventry, R.I., ratified a contract that will allow individual teachers to earn $1,000 on top of their base pay if they can demonstrate excellent performance by completing portfolios of their work. "I believe that it's very important to recognize the best teaching," said John E. Deasy, the superintendent of the 5,600-student system, "and that recognition becomes substantial when you attach money and salary to it."

• In June, the Seattle Education Association approved an agreement with the district to devise an evaluation system that would be based, in part, on student achievement. Classroom evidence, not test scores, will be the primary source for showing student progress. Eventually, said Roger A. Erskine, the NEA affiliate's executive director, those evaluations will be used for compensation decisions.

• This fall, the Cincinnati Federation of Teachers, an affiliate of the American Federation of Teachers, is working on a proposal that would tie salary advancement to teachers' ability to show performance against standards of professional practice. The system is being tested in 10 schools. Teachers could also earn extra pay for acquiring specific sets of skills, such as expertise in technology.

Allan Odden

Several states also have broached the idea of paying more to teachers in subject areas with shortages, those willing to teach in hard-to-staff schools, and those who have particular knowledge and skills or who have shown superior performance.

"We're expecting teachers to know more and do more, and in order to be successful at that they need a whole lot of new knowledge and skills," said Allan Odden, a professor of education at the University of Wisconsin-Madison, "and you could reinforce that in your pay structure."

In Kentucky, for example, a state task force is likely to recommend extra compensation for teachers who meet some of those criteria.

And in Florida, Commissioner of Education Tom Gallagher has proposed paying some of the state's best teachers up to $80,000 a year if they agree to mentor others. In addition, all employees would be eligible for financial incentives tied to student performance.

Small, Steady Steps

Though none of these developments is dramatic, in and of itself, and they affect only a small fraction of the nation's teachers, they indicate that the days of the traditional salary schedule may be numbered.

Much of the recent activity has been spearheaded by members of the Teacher Union Reform Network, or TURN, a group of 21 NEA and AFT locals.

"The question is no longer whether the traditional, lock-step salary schedule will survive," said Adam Urbanski, the president of the Rochester (N.Y.) Teachers Association and the director of TURN. "It will not."

Adam Urbanski

But he and other union leaders caution that the new ideas on compensation are unproven. And most districts are striving for measured, steady progress rather than big headlines.

"We should proceed very carefully in departing from what we have now, because if we rush into something that has not been demonstrated as effective, we could actually make the situation worse," said Mr. Urbanski.

One approach definitely not on the table is the traditional concept of merit pay.

In the past, such programs were often based on supervisors' evaluations, which teachers viewed as subjective.

"They don't work," Mr. Cameron of the NEA said. "But the idea of incentives based on student performance and teacher performance is something that I think we have to take an objective look at."

"We remain opposed to individual pay tied to student results," said Tom Mooney, the president of the Cincinnati Federation of Teachers and a vice president of the AFT. "I think that's unsound, unprofessional, unethical, and no one has shown me a system that's even halfway credible."

He argued that too many factors are beyond the control of teachers, including students' own efforts.

Tying Skills to Pay

Instead, many of the newer plans reward teachers for specific knowledge and skills. The most prominent examples center around the National Board for Professional Teaching Standards, a privately organized group that recognizes outstanding teachers through a rigorous application and review process leading to national certification.

Today, 23 states and about 85 districts offer financial supplements to teachers who are board-certified.

In some cases, the extra heft in a teacher's paycheck can be substantial. North Carolina, for example, gives board-certified teachers a 12 percent raise. Florida's raise amounts to 10 percent of the average teacher salary in the state, with double that amount for those who mentor others.

Many teachers can now earn salary credits for taking almost any education courses. But the discussions at the recent education gathering of governors, business leaders, and educators in Palisades, N.Y., centered around limiting those pay incentives to professional development that is linked to standards, district priorities, and schoolwide improvement plans.

Mr. Odden noted that, in the past, unions were reluctant to move away from the traditional, single salary schedule because of a lack of reasonable alternatives. "Now," he said, "there are viable, professional alternatives to the old merit pay."

Rewards for Results

Incentives tied to gains in student achievement at the group or school level are also sparking increased enthusiasm. At least 18 states now have laws that include financial rewards for high-performing or improving schools.

Gov. Gray Davis of California, a Democrat, recently approved $50 million for one-time bonuses of up to $25,000 each for teachers in underachieving schools where students show substantial gains.

Many districts have similar incentives. In some places, the money can be used only for school improvement. In other sites, teachers can pocket the cash.

The plan that emerged from the education summit for a 10-state experiment to add incentives into salary structures is based on lessons learned from the private sector. ("Teaching Tops Agenda at Summit," Oct. 6, 1999.)

But the language is purposely vague about whether those incentives will be group-based or tied to the performance of individual teachers.

on the Web

An analysis of teacher salary and reward strategies is available from the North Central Regional Educational Laboratory.

Read a brief history of TURN.

The Consortium for Policy Research in Education at the University of Wisconsin-Madison maintains information on teacher salaries as well as current and alternative teacher compensation systems.

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Univ. of TN —
William Sanders — Value-Add Model

Teacher Merit-Pay Programs

Most Teachers oppose merit pay because it often has nothing to do with merit and everything to do with how well you get along with the principal. Merit pay encourages teachers to compete rather than collaborate. Teaching improves when teachers work together to share ideas and problems. With merit pay schemes, the incentive is to keep ideas to yourself. (AFT 1999)

If the pay-for-performance program proves to be successful during the two-year experiment, seniority will no longer determine a teacher's pay. Criteria for moving up the salary ladder would be the teacher's level of education and student achievement (the class must show a pre-determined level of improvement). (Council for Basic Education 1999).

The idea of linking pay to student performance has been vigorously opposed in the past by most teachers unions, which argue that teachers can't control the may variables, such as class-size and teaching resources that affect the classroom. In the recent teachers' strike in Detroit, teachers refused to even consider a merit-pay program. Nevertheless, linking pay to performance is catching on in Cincinnati, Dallas, Houston, Columbus Douglas County Colorado, Minneapolis and Rochester, NY are experimenting with performance based programs. (Christian Science Monitor 9/16/99)

The program to be piloted in Denver will have approximately 450 teachers in 12 Denver elementary and three middle schools volunteering. Each teacher will immediately receive a $500 stipend and later, up to $1,000 if a majority of students met achievement goals during the first year of the program. In the second Year, teachers from 2 district high schools will be invited to participate, and all participants will receive up to $1,500, if goals are met. Teachers' pay would not be cut if student performance did not improve. Participant teachers use the following to measure achievement: scores on the Iowa Test of Basic Skills, scores on teacher-designed skills tests, or scores comparing students' knowledge before and after teachers had undergone additional training. (Facts on File World News Digest 1999)

The Ohio Education Association generally encourages local teachers unions to resist merit-pay type concepts, which they feel are unproven and unfair.

Pay performance plans have the inherent potential of teachers looking at students as to whether they're going to get them a pay raise. (Neil Quirk, Akron Education Association)

At the National Education Summit a group of New York teachers say that what they do is a collegial, collaborative effort, and pitting one teacher against another in the same school for higher salaries would compromise that cooperation. (Gannett News Service 10/4/99)

Anything in the literature, empirical research

1 Topic — Summary
2 What's the rationale for ______ / Who?
3 What's the argument against / Who?
4 Where is happening / what are they doing

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ED259453 84 Merit Pay for Teachers. ERIC Clearinghouse on Educational Management: ERIC Digest, Number Ten.
Author: Ellis, Thomas I.

ERIC Clearinghouse on Educational Management, Eugene, Oreg.

The success of a merit pay program depends primarily on careful, cooperative planning involving all constituencies who will be affected, so that the resulting plan is affordable, acceptable to teachers, and adapted to district needs. Criteria for awards should reflect the goals of the program and should be applied fairly and consistently by trained evaluators.

Failure of merit pay normally results from ambiguous or inconsistent standards, remote or authoritarian planning, or arbitrary award determinations (all of which engender teacher opposition) or from unforeseen administrative complexities and budget limitations.

WHAT IS MERIT PAY?

Merit pay in the broadest sense is a generic term for any device that adjusts salaries or provides compensation to reward higher levels of performance. It comes in many different forms, including merit-based salary schedules, bonuses, incentive pay, and differential staffing or "master teacher" plans. Merit pay can be linked to a district's regular single-salary schedule (teachers with high ratings advance up the scale more quickly), or it can be administered as a separate "merit pay schedule" (supplementing the regular salary). Participation by teachers can be either mandatory or voluntary.

HOW IS MERIT ASSESSED?

Higher pay for teaching effectiveness can be awarded on the basis of input criteria (teacher performance) or output criteria (student performance). Input criteria may include classroom management skills; preparation of lessons; knowledge of subject matter; instructional techniques; management of student, staff, and public relations; professional ethics; or professional growth.

While past systems were largely based on input, current systems tend to be based on output, whereby the degree of progress in achieving specified goals determines the amount of benefits that the teacher receives. These goals may be measured by criterion-referenced tests to ascertain students' mastery of prescribed course content or their ability to perform certain skills. In some programs, teachers are responsible for proposing objectives for themselves or for their students, the fulfillment of which entitles the teacher to merit pay.

In addition to superior teaching performance, extra pay also may be awarded for such factors as professional development, additional responsibilities, teaching at a high-priority location, contributions to the total school program, teaching subjects for which there is a teacher shortage, and even for outstanding teacher attendance. "Incentive pay" denotes such programs which reward teachers for helping the school district achieve certain goals or solve specific problems.

WHAT IS DIFFERENTIAL STAFFING?

Differential staffing or "master teacher" plans depend on an organizational hierarchy or career ladder to compensate teachers on the basis of experience and qualifications. In contrast to regular merit pay programs, these plans assign additional professional responsibilities at each level of advancement, as well as increasing salaries.

Typically, these responsibilities include supervising beginning teachers, assisting peers, evaluation, and curriculum development. Once selected for a position on the hierarchy, teachers are retained there only as long as they perform at a satisfactory level.

Most of the "master teacher" proposals under consideration in the various states also call for modifying teacher certification programs. The proposed "Better Schools Program" in Tennessee, for example, involves four levels of certification: "apprentice teacher," "professional teacher," "senior teacher," and "master teacher."

The advantage of differential staffing over other forms of merit pay is that the prestige and responsibility that comes with higher rank are an intrinsic motivation, above and beyond financial reward, for excellent teachers to remain in the profession. Also, teachers who are promoted to more responsible positions are less apt to incur resentment from their colleagues than teachers who are paid more for the same work. Furthermore, when experienced teachers are involved in assisting and evaluating their peers, there is less likelihood of contention between staff and administrators throughout the evaluation process.

HOW SHOULD A SUCCESSFUL MERIT PAY PROGRAM BE DESIGNED?

There are three primary considerations to keep in mind while planning a merit pay program:

--What are its objectives?

--What evaluation criteria and methods will be used?

--How will the program be perceived?

More than most adminstrative innovations, merit pay depends, for its success, on the support of all who will participate or be affected--board, administrators, teachers, and community. All these groups should therefore be included in the planning process. As Cramer suggests, putting a merit pay plan into effect involves long sessions of persuasion and compromise, drawing upon all the human relations and management skills a school board can muster.

Before deciding whether to institute a merit pay program, board and administrators should establish a committee including a board member, administrative team members, and classroom teachers to research the topic and make recommendations for design. Research should be directed at finding out what has and has not worked in similar school districts, and surveys should be conducted to determine what teachers will support. (At this stage, opinions should be solicited from the local teacher's union as well.)

The next step is to decide what you want (and do not want) by drawing up a list of objectives. These can be either general or specific in scope, depending on district needs. The general objectives of most merit pay programs include improvement of instruction, incentive for professional growth, rewarding good performance, and attracting good teachers. Keep in mind that if your program is to be successful, the amount paid must provide a real incentive to improve performance, all teachers must be evaluated on the basis of agreed-upon criteria, and evaluations must be conducted fairly and impartially by trained personnel. Avoid arbitrary quotas on the number of teachers who can be recognized, for such quotas can only lead to resentment of those selected by those who are passed over.

HOW DIFFICULT ARE MERIT PAY PLANS TO ADMINISTER?

Because of the need for well-documented evaluation procedures and the variable salary schedule, the administration of a merit pay program can be cumbersome. A proposed budget must take into account not only the salary increments, but also the cost of evaluation (including that of training evaluators) and the possibility that a greater number of teachers will qualify for merit increases than originally predicted. Due to these complexities, additional adminstrative staff may well be needed, adding yet another item to the proposed budget.

Other factors to consider in determining the administrative feasibility of a merit pay program include compliance with state law, the level of trust between management and teachers, and public relations. A merit pay schedule must conform to state tenure, employment, and collective bargaining laws.

The best way to build the requisite trust between the administration and staff is to involve teachers in all phases of program development, especially in drafting evaluation criteria. Some schools have developed "quality circles," consisting of four to eight teachers and the school principal, to provide a continuing liaison between the teaching staff and the merit pay development committee. These groups review committee proposals, obtain feedback from staff members, and submit recommendations to the committee at each step of the planning process.

There is a continuing debate about whether the names of merit pay recipients should be publicized. The dangers of publicizing the names include embarrassment for those who do not make the list, enmity between staff members, and lopsided class enrollments or possible legal action by parents demanding equal access to "superior" teachers for their children. Strict confidentiality, on the other hand, can lead to rumors of favoritism.

Depending on district politics, it may be necessary to publicize the success of the program in some way to promote taxpayer support. But such publicity need not mention names; for example, published statistics indicating a rising percentage of teachers eligible for merit pay would also convey a program's success to the community.

WHAT SHOULD BE INCLUDED IN A MERIT PAY POLICY?

A board policy should thus include the following components:

--Objectives of the merit pay program --Criteria to meet in order to be eligible for merit pay --Procedures for application --Evaluation criteria --Evaluation and documentation methods --Merit pay schedule --An appeals procedure

The plan should also be subject to periodic review to ascertain whether it is meeting the objective for which it was originally designed.

One thing that will not work, as Cramer observes, is a small pilot program, later to be expanded, since this would almost inevitably incur resentment toward those few teachers selected to participate or to be given awards. Cramer concludes with the following timely caveat: "Unless you plan carefully and include your entire teaching corps in an evaluation plan that it helps develop, your merit pay plan is doomed to failure."

FOR MORE INFORMATION

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States to tie teacher pay to results

By Tamara Henry
USA TODAY

A1

At least 10 states will test a program that ties teacher salaries to student achievement in a plan expected to be approved by educators, CEOs and governors at the 1999 National Education Summit, which is starting today.

The "pay for performance" incentive proposal is one of several school improvements being discussed at the meeting in Palisades, N.Y. Which states will take part in the salary program has yet to be determined.

"Virtually every state now has academic standards in place," but they vary, IBM's Louis Gerstner says. "This is meaningful progress, which must be followed by immediate actions."

President Clinton, who played key roles in the two previous summits, will start off the sessions with a speech today focusing on standards.

But the teacher performance issue, which has been viewed skeptically by teachers' unions in the past, is expected to draw much attention.

▶ Denver schools already are involved in a two-year experiment involving 10% of the district's teachers. It is the first U.S. school district to tie students' performance to teachers' pay.

▶ Columbus, Ohio, allows teachers to make up to an additional $500 a year if their schools meet certain goals.

▶ And Minneapolis teachers agreed to a contract that ties pay to performance.

"I'm pleased with what I've seen happening so far. There are 10 to 12 different places around the country where some form of this is going on," says Bob Chase, president of the National Education Association. But he advises moving ahead with caution.

"We don't know yet if these things will enhance student achievement."

Michael Podgusky of the University of Missouri-Columbia, a long-time opponent of traditional teacher pay systems, welcomes the discussion.

"It's really laudable to begin to confront the problems," he says, although details of the latest proposal remain scarce.

The teacher pay plan is part of a larger group of "action steps" intended to improve schools, says Michael Casserly, executive director of the Council of the Great City Schools, which represents urban school districts. But, he warns, "most of the language is so general and nonbinding in nature that you can interpret almost anything in a variety of ways."

Chinese crackdown greets 50th anniversary

By Antoaneta Bezlova
Special for USA TODAY

A1

BEIJING — A security crackdown assures that ordinary citizens will not be allowed to observe the celebrations Friday in Tiananmen Square, where a half-million Chinese gathered on Oct. 1, 1949, to hear Mao Tse-tung declare the birth of the communist nation.

Chinese leaders imposed a curfew today to keep the curious away from the square where the People's Liberation Army is preparing to display its might in a giant parade.

"Absolute safety" was needed for Oct. 1, Communist Party chief Jiang Zemin reportedly told the police last month.

As a result, 300,000 migrant workers have been driven from Beijing, and homeless people and beggars have been locked up. Residents have been asked to register with the police and obtain a certificate of "no previous crime."

On Wednesday, police dragged away five suspected members of the outlawed Falun Gong cult as they protested by meditating in the square.

China's capital is expected to come to a standstill Friday for the festivities, in which half a million people are to take part. But most citizens won't be allowed to watch, except on TV.

Authorities have even banned foreign billboards on the city's main boulevards because they send a wrong message to the public on a communist anniversary.

Special editions of *Time*, *Asiaweek* and *Newsweek* looking back at 50 years of communist rule in China were banned.

To ensure that the capital's usually dirty air is clear for the fly-over of military fighters, the government has ordered 25 factories to slow production ahead of the National Day. It has banned heavy trucks and commercial vehicles and forbidden residents from burning leaves and garbage.

The government has poured $36 million into improvements and unveiled 67 prestige projects for the anniversary.

One final touch: Tiananmen Square has been repaved with "tank proof" stones.

USA TODAY · THURSDAY, SEPTEMBER 30, 1999

THOMAS B. FORDHAM FOUNDATION

OUTSIDE THE BOX

Board Games; Failure of National Board for Professional Teaching Standards to Accomplish Objective of Improving Quality of Teaching in the US Business Backs a Losing Education Strategy

By Chester E. FINN JR. & Danielle Duane WILCOX

National Review, August 9, 1999

The idea seemed so promising. A privately organized National Board for Professional Teaching Standards would identify "highly accomplished" teachers in elementary and secondary schools to be rewarded for their excellence and emulated by other teachers. Everyone knows this field needs such a standard. In fact, the country is obsessed with the question of how to get and keep better teachers. Congress is weighing a $ 10 billion teacher-quality bill, and almost every state is agonizing over teacher certification, testing, and pay.

But twelve years have passed, and the board has turned out to be another union-dominated, establishment outfit, steeped in "progressive" ideology, visiting new woes on our schools. That's no surprise: Two thirds of the board's 63 members are teachers, and almost all of them are leaders or hand-picked members of the two big national teacher unions, which have no serious interest in reform. What's harder to explain is why so many business leaders are going along.

The board has built up a great deal of political momentum-if President Clinton has his way, Congress will soon fork over another $ 18.5 million for it. North Carolina governor Jim Hunt, a Democrat who has long been a major booster of the board (and whose state is one of 13 that offer extra pay to board-certified teachers), has invited his fellow governors to an August conclave to sing its praises-and, one assumes, to press for additional federal dollars to sustain it. Otherwise tough- minded Republicans-including Wisconsin governor Tommy Thompson, Florida governor Jeb Bush, and Ohio senator George Voinovich-are also enamored.

Yet after a dozen years of R&D and the investment of $ 120 million, the board cannot demonstrate that its blue-ribbon winners actually produce higher-achieving students. Worse, the board actually rewards teachers for being good at the opposite of what most parents think teachers should excel at. Its idea of a great teacher is one who embraces "constructivist" pedagogy, "discovery" learning, and cultural relativism-not one who imparts to students fundamental knowledge or even has it himself.

Consider this standard for middle schools: "Accomplished teachers establish caring, inclusive, stimulating and safe school communities where students can take intellectual risks, practice democracy and work both collaboratively and independently." Nothing about mastering a subject here-or in the board's evaluations, which look at lesson plans, videotapes of classes, samples of student work, and written commentaries about teaching practice.

In its evaluations, the board pointedly ignores writing errors in essays submitted by English teachers. Why fuss, so long as those teachers are able to establish "inclusive school communities"? The board doesn't fuss about students' errors either. It praises instructors who don't correct their students' work because they're worried about the young ones' self-esteem.

Reading expert Sandra Stotsky recently reviewed the board's standards and found there a disdain for factual knowledge and "even the teaching of the curriculum that a school district has mandated." In this way, the board's approach undermines real reforms in the states. Even as several states and localities prescribe specific skills and knowledge for their students and schools, the board puts its stamp of approval on teachers who excel in the opposite. Its math standards downplay the importance of "mastering routine procedural skills."

American Express and IBM wouldn't dream of judging their own employees' performance via portfolios and videotapes. But they and other corporate sponsors have funneled a steady stream of dollars to the board. A senior executive at Procter & Gamble serves as its co-chairman. Edward B. Rust Jr. of State Farm Insurance (a million-dollar donor) recently lauded it in congressional testimony on behalf of the Business Roundtable.

Businesses are also promoting the conventional wisdom, largely formed by the education establishment, in favor of tighter regulation. According to this view, states should make all their new teachers pass through ever-longer training programs; a single nationwide standard should force teachers to study pedagogy, self-esteem, and multiculturalism still more; new teachers should be tested on their "professional knowledge," not their subject matter; and once they're on the job, they should be evaluated only by other educators-and never on how much their students are actually learning. Unfortunately, this approach is a failure. The burgeoning rules and tests that govern teacher certification in most places have little to do with true classroom performance.

Such eminent businessmen as David Rockefeller Jr. have backed this strategy of piling up requirements. Almost all the major business groups (the National Alliance of Business, the U.S. Chamber of Commerce, the National Association of Manufacturers) recently endorsed a paper on "improving the quality of teaching" that toes the establishment line. While paying lip service to teachers who are "knowledgeable in content," the strategies urged in this document mirror those being pressed by the teacher unions and ed schools.

Why have otherwise-sensible business leaders and elected officials been taken in? Maybe they're wired to favor "comprehensive solutions" and "master plans." Perhaps they've been lulled by frequent repetition of the word "standards." Relying on advisors who frequently hail from the ranks of the school establishment, these busy people may not have peered beneath the appealing rhetoric or challenged the soothing assurances. Or possibly they cannot imagine what else to do.

Finally, though, some resistance to the board is developing. More than 50 education leaders have signed a manifesto called "The Teachers We Need and How to Get More of Them." The manifesto's commonsense approach? States should insist on subject knowledge but otherwise open up entry into teaching.

Let the market generate both quality and quantity. Decentralize personnel decisions to individual schools and empower them to pay teachers what they're worth. Then hold schools accountable for their results, with teacher performance judged by what students learn.

That's the approach Pennsylvania governor Tom Ridge and his secretary of education, Eugene Hickok, are taking. Ridge and Hickok want both to raise academic standards for teacher-preparation programs and to open an "alternative route" into the public-school classroom for well- educated individuals who don't want to tarry in ed school. Ridge and Hickok have developed the nation's most promising strategy for redefining what it means and what it takes to become a teacher. But the Pennsylvania branch of the National Education Association and the state association of teacher colleges recently sought an injunction to prevent the reforms from taking effect, arguing that by licensing teachers without "training as professional educators" the reforms "have demeaned and devalued the public school teaching profession."

The public schools could learn from private and charter schools in how they regard teacher quality. Those schools live in a marketplace, not a bureaucracy. They hire the best people they can find. They're not wowed by ed-school diplomas. They pay what the market signals they must, to get the people they want. They judge a teacher's effectiveness primarily by pupil achievement. That's what happens when schools are held accountable for their results.

And that's what business leaders would do if they were actually running a school. Will they ever learn?

Ms. Wilcox is a doctoral candidate at Teachers College, Columbia University, and Mr. Finn is director of the Thomas B. Fordham Foundation, which recently published Better Teachers, Better Schools.

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Where We Stand

Beyond Merit Pay

by AFT President Albert Shanker
January 15, 1995

How can excellent teaching be recognized and rewarded? We've been waiting a long time for a good answer to this question, and last week we finally got one. The National Board for Professional Teaching Standards awarded its first certificates of advanced competency. The recipients were 81 middle and junior high school teachers from across the country who had demonstrated that they knew their stuff in a grueling, year-long series of assessments.

Some heroic souls will do their best no matter how little recognition they get. Most people, though, respond to external incentives, and teachers are no different from the rest of us. But if you don't get the incentives right, you are likely to make things worse instead of better.

Merit pay has been the usual strategy for recognizing and rewarding excellence in teaching, and there's nothing wrong, in principle, with giving people pay for performance. However, most teachers oppose merit pay because it often has nothing to do with merit and everything to do with how well you get along with the principal. Good teaching is not the same thing as being willing to take extra bus duty or prompt in getting paperwork back to the central office. And the one or two hasty classroom visits that most principals pay in the course of a year may not be enough to show who is doing good teaching.

Another problem with merit pay is that it encourages teachers to compete rather than collaborate. Research and common sense tell us that teaching improves when teachers work together to share ideas and problems. With merit pay schemes, where a limited pot of money is shared by a limited number of people, the incentive is to keep good ideas to yourself: Why reveal a successful strategy for teaching a math topic to a "competitor"? It's easy to see who loses in this kind of arrangement--the kids.

The National Board for Professional Teaching Standards proposes a totally different model for assessing and promoting excellence in teaching. Over the past eight years, the board, a majority of whose members are K-12 teachers, has been developing standards for what teachers should know and be able to do. And it plans eventually to offer board certification in more than 30 teaching specialties at every level and in every field. As the assessments taken by the middle and junior high school generalists who were certified last week demonstrate, board certification will not be a rubber stamp.

The first stage involved submitting a portfolio of work that included videotapes of classroom lessons along with extensive written material describing and analyzing how these teachers help their students learn. Applicants reported spending an average of 100-plus hours getting their portfolios ready. Next, they traveled to an assessment center where they faced two days of oral and written assessments. They evaluated videos of other teachers and discussed their own practice, they created elaborate lesson plans and they demonstrated their knowledge of the subject matter they teach. The assessments were not the machine-scored, minimum -competency tests we often associate with evaluating teachers: They required the kind of mastery achieved by people at the top of their profession.

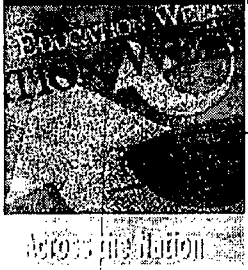
The National Board does not represent a reform imposed on teaching from outside. Rather, we have a profession defining its own high standards for excellence and creating a national credential to recognize practitioners who meet the standards--the way physicians and lawyers and architects have already done.

The existence of this new credential could have an enormous impact on classroom teaching. There are currently few ways of rewarding and encouraging excellent teaching. As a result, the best teachers often accept promotions into administration, and an important resource is lost to the classroom and the profession. Board certification can provide an incentive for these teachers to stay in the classroom where they can go on giving kids the benefit of their knowledge and skill--and where they can help other teachers improve the way they teach.

But board certification is only half the story. The other half depends on what school districts do. Will they recognize the achievement of teachers who gain the certification by offering them higher salaries? Will they seek them out when they are looking for new teachers? Will they see certification as an important professional achievement and offer these teachers responsibilities commensurate with their expertise?

Hiring new teachers is, to a large extent, a question of supply and demand. It is dependent on things over which a district may have little control--the number of students who will be showing up next year and the availability of teachers. But retaining excellent teachers depends on recognizing who they are and giving them adequate financial and professional incentives. The National Board gives us a way of identifying outstanding teachers. This could be a turning point for the profession. But it depends on what happens next.

FEBRUARY 4, 1998 EDUCATION WEEK on the WEB



Business Group Offers Cash Bonuses To N.Y.C. Educators

By Beth Reinhard

A New York City business group is offering $30 million to teachers and administrators whose students achieve higher test scores, banking on the theory that what works in the boardroom will work in the classroom.

~~The~~ New York City Partnership and Chamber of Commerce said last week that ~~it will dole~~ out the money over five years, starting with one Brooklyn district in the fall and ~~adding two more next year.~~

Read a related story, "Seattle Chief Rejects $500,000 Bonus Offer," in This Week's News.

The bonuses could reach $30,000 each for superintendents, $15,000 for principals, and $2,000 for teachers.

"By creating a system with financial incentives, we hope to encourage behavior that will affect student performance," said Richard D. Parson, the chairman of the business group and the president of Time-Warner Inc.

Though offering bonuses to executives who improve the bottom line is common in the corporate world, such incentives are rare in K-12 education and generally come from public coffers.

Kentucky, which has the largest pay-for-performance program in the country, gave out $27 million last year to educators at successful schools. Critics say the program has encouraged cheating and created hostility among teachers over what to do with the money. A recent study of Kentucky's program by researchers at the University of Wisconsin-Madison concluded that fear of negative publicity about their school, not money, was a greater motivation for teachers to work harder on preparing students for tests. ("Bonuses Weren't Prime Reason Schools Worked To Improve, Study in Ky. Says," April 2, 1997.)

Mixed Support

The New York business group's proposal has generated mostly positive reactions from local school leaders, with the notable exception of the Council of Supervisors and Administrators, which represents 1,100 principals and other administrators.

Donald Singer, the council's president, said making base salaries competitive with those of other districts in the region should come before any discussion of bonuses. New York City teachers earn between $29,000 and $70,000 a year, principals earn $70,000 to $80,000, and the superintendents of the system's 32 community districts are paid $128,0000, he said.

Mr. Singer said he was also opposed to relying on test scores as the single measure of a school's performance. "You might have a very effective school, but your test scores are flat because you have an influx of immigrants," he said. "You can't measure a school the way you can measure a private business."

Schools Chancellor Rudy F. Crew and state Commissioner of Education Richard P. Mills, however, have strongly endorsed the bonus idea. In 1996, the legislature gave Mr. Crew additional powers over the hiring of principals and superintendents and more authority to prod low-achieving schools and community districts to improve.

"When you reward teachers and principals who show promise, that's a good way to sustain positive growth," J.D. LaRock, a spokesman for Mr. Crew, said.

Commissioner Mills agreed. "We've put a tremendous amount of pressure on school systems between issuing report cards on school districts, sanctions for low-performing schools, and academic standards," he said. "All of these forces are driving change, but we need to remember that rewards drive change as well."