Performance Pay and Its Use of Technology for Secondary Education

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ABSTRACT

Performance pay for secondary education continues to be a debated topic. One of the reasons for the controversy is the challenge in creating the benchmarks to reflect the wide array of characteristics that make up a successful teacher, and many of these qualities are difficult to measure. In addition, there is a key role that technology plays in performance systems. This paper examines a proposed performance pay plan for Sarasota County, Florida along with an examination of the technology behind performance pay plans. The lessons learned from this study can readily be applied to similar secondary education schools in Kentucky.

PERFORMANCE PAY IN SECONDARY EDUCATION

Performance pay (also known as merit pay and pay for performance or P4P) in education has been one of the most divisive issues between schools, teacher unions, and state and local legislators in recent memory. Because of the long tradition in education to pay teachers according to their seniority and degree as opposed to the quality of instruction, this policy has often produced a wide range of teacher abilities in school systems across the country. As such, the sheer logic of a performance pay systems seems like a logical step in supporting high-performing teachers and giving incentives to all teachers to work towards improving student achievement and performance. During the 1980’s there was a significant push for performance pay among teachers, but they were all eventually voted away by strong unions because they were seen as being capricious in nature (Toch, 2009).

The problem with creating a credible performance pay system has always been developing a list of benchmarks that could reflect the infinite number of characteristics that make
up a successful teacher. As such, most performance pay systems have not been successful due to the weakness of the evaluation system. Toch notes that the absence of credible systems of evaluating teachers' performance remains a major barrier to performance pay today, and is no less of a barrier than continued union resistance of tying pay to performance (2009). Therefore, to create a performance pay system, it must be bereft of capriciousness, tied to equal assessments, evaluations and other legitimate forms of assessment, and must receive the full support of a teacher’s union.

SETTING

The Sarasota County, Florida public school system is designated as an “A” district by the Florida Department of Education, with 98 percent of its schools earning a grade of “A” or “B”. The district is among 16 percent of U.S. school districts to receive the “What Parents Want” award. There are 2,626 instructional staff members, with two-thirds holding at least a master’s degree (compared to the Florida state average of 41 percent). Currently there are 197 administrators in the system. The total enrollment of students for 2011-2012 is 41,201, of which 45 percent (18,403) are enrolled in elementary schools, 23 percent in middle schools (9,491), and 32 percent (13,307) in high schools. Total appropriations for 2011-2012 are $373 million.

Students in the Sarasota County system rank near the top of the state on the Florida Comprehensive Assessment Test (FCAT) and Florida Writing Assessment. Compared to statewide results, 2011 FCAT district reading proficiency rates were 7 to 12 points higher through all grade levels tested. Students also scored 32 points higher than the state average on the 2011 SAT test in reading, 30 points higher in mathematics and 29 points higher in writing. Sarasota students also scored higher than the national average on the 2011 SAT test by 22 points in
reading, 5 points in math and 11 points in writing. In addition, they scored higher than the national average on the 2009 SAT test by 19 points in reading, 9 points in math and 8 points in writing (Florida Department of Education, 2011).

PROPOSED PERFORMANCE PAY PLAN

The four requirements that this proposed performance pay plan for the Sarasota County School system are that financial incentives are linked to behavior, the incentive program seems fair to all employees, productivity/quality standards are challenging but achievable and payout formulas are simple and understandable (Bohlander & Snell, 2007, p. 438). With these requirements in mind, the plan will approach performance pay in secondary education from a perspective of honoring the past precedents of base salary scheduling and implementing innovative ways for teachers to receive bonuses for practices and results that are in alignment with organizational goals.

The proposal for a Sarasota County School System performance pay program will be based on two distinct elements of what has traditionally comprised teacher pay. The first part of this plan will be used to determine a teacher’s base salary using many of the traditional elements used in determining teacher pay, and the second part will be the incentive program which will be comprised of numerous elements and will be a voluntary program. As such, teachers who want to simply maintain their base salary do not have to participate in the programs that could help augment their salary.

Developing a protocol for determining a base salary for teachers will be based on historically used criteria for determining teacher salary. Using a formula that factors longevity, degree(s) attained, and professional development courses accomplished are all components that
will be used to calculate a teacher’s base salary. However, one essential difference between this proposal and traditional salary schedules is that teachers will need to receive a satisfactory or proficient rating in their annual evaluations to move ahead one step on the salary schedule. For example, a teacher with 13 years of experience may only be on salary step 10 if he/she has received three unsatisfactory evaluations. In addition to having a frozen salary, a teacher with an unsatisfactory rating will not be given the option to work towards bonus monies in the incentive program. The notion of having frozen or lower wages for an unsatisfactory rating is supported by Lavy when he states, “Equalization between productivity and wages will result, with poorly performing teachers receiving reduced wages and lower probabilities of promotion, and more capable teachers commanding better options” (Lavy, 2007, p. 34).

Whereas this system may appear to be more than a standard salary schedule, it is important to emphasize the necessity of teacher’s receiving a satisfactory evaluation to move ahead on the salary schedule. Determining the base salary system is simply a matter of tweaking the current system and honoring not throwing away the practices of the past, however, to create an incentive system that is equitable is the next step in providing incentives for teachers to become more productive, efficient and ultimately provide a more equitable system that rewards the teachers who are working hardest and thus attract this type of talent to the profession.

INCENTIVE Bonuses

The second part of the proposed performance pay system for Sarasota County is comprised of a plethora of avenues in which teachers can receive incentive bonuses. Each part of this system has been specifically designed to reward teachers who collaborate, who are
considered outstanding in their field, who fulfill additional professional development and who take on additional responsibilities at the school level.

The first program that teachers can receive a bonus for is a Professional Learning Community (PLC) incentive program. This program encourages groups of teachers who share a common concern or group of students to identify a goal or series of goals that will directly impact student performance, implement a plan, execute the plan and then share the results which are then independently audited with a governing board who will determine whether or not the group should receive the bonus. For example, 10th grade English teachers may choose to develop a plan to raise reading levels by 10 percent over the previous years. If the administration and governing board approves this project, the teachers will design a plan and implement the plan. When the students are reevaluated, the governing board will be able to determine whether or not the plan had been a success. One important clarification and necessity in the PLC incentive plan is that all proposals are in alignment with the organization’s goals or in the case of education that they are aligned with the school’s improvement plan.

The second program for which teachers can receive performance pay is a program that recognizes teachers who are outstanding in the field. These teachers are often referred to as Master teachers, and they consistently display best practices and professionalism while helping their students make larger than usual learning gains. In this plan, there will be four distinct options for receiving this incentive money.

The first option for receiving the Master Teacher is the development of a portfolio that displays through anecdote, evidence and evaluation that the teacher can be considered a master teacher by the building administrators. The teacher must notify the administration that he/she plans on doing this project at the beginning of year. Throughout the year, the teacher must
collect artifacts of their outstanding performance and submit the portfolio along with a general statement as to the philosophical underpinnings in the classroom for a governing board to review. If the portfolio is approved, the teacher will receive the bonus monies.

The second option for the Master Teacher designation is a portfolio that clearly shows how a teacher has improved in the professional domains as determined by the Professional Rubrics Investing in Developing Educator Excellence form (PRIDE). These domains include creating a culture for learning, planning for success, instructing and assessing for student achievement, and communicating professional commitment (Pride Rubric, 2008). If the portfolio shows significant growth in these domains as evidenced by the portfolio and administrative evaluations and governing board reviews and approves the portfolio, the teacher will receive the incentive monies offered in this category.

The third option to receive this designation is to receive or show significant progress towards receiving a National Board Certification. This designation is based on national standards for teaching excellence and is evidenced by mentorship, a portfolio, and an interview conducted by a panel of National Board advisors. If the teacher meets these criteria, the bonus monies will be paid to them.

The final option is generic but nevertheless is a valuable exercise in encouraging teacher improvement, hard-work and best practices. To receive the Master Teacher designation from this category, the teacher must demonstrate how and why students are making significant learning gains in their classroom. For example, if the average student was reading two grades below level at the beginning of the year and three grades above level at the end of the year, the teacher must show via formative assessments the evidence as well as how this was accomplished via a portfolio.
The third way this proposal recommends teachers be provided optional incentive pay is through the creation of professional development units that teachers are compensated for completing. However, teachers must be able to display mastery of the concepts that were learned within the context of the professional development and prove that mastery during administrative evaluations. For example, the school might offer a Professional Development Unit (PDU) on *Creating Collaborative Learning Environments.* If the teacher completes the curriculum and then can demonstrate mastery of the content in the classroom, they can receive the bonus monies set aside for that PDU. It would make sense that the bonus per PDU is developed on a sliding scale, in that some of the PDUs will be more intensive than others. The completion of the PDU is not sufficient for the incentive monies, but it is the integration and displayed mastery of the new concepts that will earn the merit pay for the teacher.

The last recommendation of this performance pay proposal is to develop a compensation and incentive system for teachers to take on additional responsibilities. Historically, teachers who sponsor clubs, sit on advisory boards or are active in student life receive little compensation monies. However, the new incentive program offers school’s the opportunity to divide a certain portion of money as the administrators see fit to give teachers and incentive for taking on these extra responsibilities. Teachers could elect an oversight committee to determine which jobs or responsibilities were worth compensating and how much each job should garner in incentive wages. The part of the incentive program should be totally school-based and should only be handled by district personnel in terms of the money allotment given to each school.

**ADMINISTRATIVE INCENTIVE PLAN**
While there has been a great deal of focus recently about creating viable performance pay plans for teachers, little attention has been paid to the process of creating an incentive plan for school administrators and leaders. As such, this incentive plan does include a process whereby school and district administrators can be rewarded for their excellence but ultimately rewarded for improving the quality of education throughout the district.

Two essential areas to consider in providing financial incentives for administrators are developing both a quantitative and qualitative approach for assessing administrative excellence. To develop a successful quantitative approach to assessing administrators, it is important for a collaborative effort be made to create a formula that converts school success and improvement into a monetary value. For example, administrators may be rewarded for a certain percentage increase of students passing standardized exams, the graduation rate or increased SAT/ACT scores. The number of quantitative assessments available for this type of formula is many, and they are all indicative of a school’s impact and success. As for the qualitative approach to assessing administrative excellence, there will be a process whereby the characteristics and activities of high-achieving administrators are recognized and the administrators will be scored according to this rubric through the district leadership office and professional leadership personnel. Using both methods, administrators who prove to be effective both in terms of school success and according to a rubric that determines leadership excellence will have the opportunity to receive merit pay.

THE USE OF TECHNOLOGY

When contrasted to other typical performance pay proposals, this current proposal for teachers lacks one significant element: it is not constructed as a contest against predetermined
performance standards, in which educators receive rewards if their measured performance exceeds a specified target. These types of performance systems rely heavily upon technology: students are assessed through standardized assessments that are either given on computer systems or scored electronically. Then, the results of the assessments are evaluated through comparisons of large sets of other data for teachers in the same school, for schools across the same district, for districts across the same state, and nationwide. Technology becomes a key component in measuring student performance against standards.

Yet despite the widespread use of technology for these types of performance pay systems, significant shortcomings exist. Neal notes several issues: choosing the psychometric performance standards and maintaining the integrity of these standards over time are difficult; systems that do not correctly control for student characteristics in the creation of performance targets for educators create incentives for educators to avoid certain types of students or schools; no existing schemes contain procedures that adjust performance standards over time to reflect secular progress in available teaching methods; and there is evidence that performance standards can be compromised by testing agencies that make changes to assessment content or the scaling of assessments over time of the psychometric scales (Neal, 2011).

Another problem with performance pay systems employing test scores from assessment systems based on technology is that they often are used for two purposes. First, the data is used to determine educator performance rewards (or in some cases punishments). Second, the same data set is used to inform the public about secular progress in student learning. Neal notes that as long as education authorities keep trying to accomplish both of these tasks with one set of assessments, “they will continue to fail at both tasks” (2011, p. 34). This is because educators
face incentives to take numerous hidden actions that simultaneously inflate their own measured performance and contaminate information about levels of student achievement.

The evidence suggests that instead of performance pay systems that focus on fixed performance standards through a comparison of data generated through technology, the relative performance schemes listed in this proposal may elicit more useful information. This is for two reasons. First, the evolution of the distribution of measured performance among educators over time can provide information about how the education is evolving. Second, systems that involve competition among educators for a pool of reward money cannot easily be manipulated into a means of raising base pay for an entire population of teachers who make no changes in their efforts (Neal, 2011).

CONCLUSION

Hyde notes, “It is very difficult to convince employees that their pay is fairly arrived at when they have before them on a daily basis other more highly paid employees, who serve not as role models that one should strive to emulate, but rather as glaring examples of the inequities of the pay program” (2005, p. 135). Given the inequities that are a standard in jobs that rely on longevity only to determine pay scale, it is fundamentally necessary to reexamine the way that teachers and administrators are paid for their work in secondary education. However, an effective performance pay plan must be a multi-faceted plan that is derived through collaboration between all stakeholders and focuses on equity and achievability. Another advantage of these types of performance systems is that they can produce data that is more meaningful than simply comparing student achievement against a predetermined norm. It also eliminates the problem of
employing test scores from assessment systems based on technology is that is used for multiple purposes.

This proposed plan for Sarasota County includes multiple ways in which teachers can earn merit pay through a Professional Learning Community plan, Master Teacher designation, professional development credits and taking on additional school responsibilities. Many of these incentive programs include presentations and portfolios in which peers and administrators determine the eligibility of the teacher to receive the incentive funds. Additionally, the addition of an administrative incentive plan gives the administrative team a reason to encourage their teachers to push students towards higher achievement and supports administrative best-practices and high-achieving methodologies of school leadership.

Although any proposed performance pay plan will take time to implement, the role of collaboration and strong leadership vision and articulation will help in making these proposals a reality. With the new plan, teachers and administrators will be given more than an intrinsic reason for working harder and towards continuous improvement so that students are given more opportunity and additional tools for higher achievement.

However, the key ultimately rests with the educators. If underperforming teachers are simply teachers who cannot teach well and are unable themselves to learn how to teach well, then improved performance pay schemes will yield negligible improvements in the distribution of teacher performance. Yet if they are teachers who are not motivated to take the steps required to teach well, then improvements in the design of incentives may generate significant improvements.
References


Pride Rubric (2008). Sarasota County Schools: Pride Rubric
