

Recognising Highly Accomplished Teachers

or Performance Pay?



As we know from its history,
merit pay options disrupt a
school's democratic community-
building efforts, which ultimately
destroys cooperation and
discourages the kind of internal
reflection that is most likely
to lead to authentic classroom
and school improvement.
Nevertheless, merit pay is one
of the enduring follies, unlikely to
disappear from public education.

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Recognising Highly Accomplished Teachers or Performance/Merit Pay

The Context

Recent statements in the Australian media have again focused attention on the question of 'performance or merit pay' for teachers. These have included statements by the Federal Education Minister Julie Bishop proposing a federal government funded "incentive fund" to reward high-achieving teachers.

Unfortunately but perhaps predictably, some of the accompanying commentary and tone in the media has been disparaging and critical. The Australian (July 15 2006) referred to a "complacency in accepting low standards" and education commentator Jennifer Buckingham from the Centre for Independent Studies, noted that "teacher unions will not consider any policy that would differentiate between teachers" and that "union representatives should get out of the way" (The Courier Mail July 19, 2006).

In a further elaboration of the federal government's position, the Sydney Daily Telegraph (9 August 2006) reported that Minister Bishop would be "pushing ahead" with a scheme to pay cash bonuses to teachers of high-performing students and that "the scheme would form part of the next round of funding negotiations with the states and territories next year".

In a report to Teaching Australia, Lawrence Ingvarson has again recommended to "extend the teacher pay scale to reward long-serving teachers who excel in their field...recognize professional development and performance in the classroom. Taking results into account would, however, be problematic" (as reported in The Courier Mail July 19, 2006).

In a commentary on the renewed debate Cheryl O'Connor, CEO of the Australian College of Educators, said that: "Whatever the obstacles in Australia, the idea of providing greater rewards for great teachers is worthy and well overdue" (Adelaide Advertiser and Canberra Times). Yet the few obstacles that she identifies are substantial.

It is important to note that O'Connor goes on to say in her article that "great teachers rarely say their successful teaching is the result of their individual effort. Whatever the skills of particular teachers, they say, much of what occurs in classrooms depends to a considerable extent on the talents and professionalism of a team of people who teach students".

The August 2005 DEST report "Performance-based Rewards for Teachers" provides an overview of teacher reward systems internationally and in particular OECD countries. The report focuses on 15 countries and their performance pay models, including USA, UK, Israel, Singapore, Denmark, Mexico, Korea, Germany, France and New Zealand.

The report concludes simply that "...it is clear that performance-based reward systems can work". (DEST report August 2005, page 30)

The Australian newspaper article (July 15) states that “The Association of Independent Schools of NSW is looking at introducing merit-based pay to replace the current system of incremental rises”.

Against this backdrop, it would be easy to believe that this is a new debate in this country and that historically there has been no consideration, engagement with, or implementation of any systemic approach to recognising highly accomplished teachers in Australia. One might mistakenly conclude that such an ‘initiative’ is the domain of employers, including government and indeed that there is little question about the appropriateness or ‘workability’ of such a scheme.

Experience in both Australia and overseas paints quite a different picture.

What becomes apparent is that the current public debate on merit pay is being driven by too greater a reliance on narrow accountability measures – with the media appealing to populist anecdote as it too often does – but dressed up in the guise of improving teacher quality and remuneration.

Much of the performance pay agenda fails to acknowledge the breadth and depth of teachers’ work, and the complexity of the teaching and learning process. What also needs to be considered is that education in Australia is a very complex and multi-layered public policy endeavour.

Education is an enterprise on a massive scale, the largest industry in Australia in terms of both budget and workforce. It involves a very large number of key stakeholders, ranges across the public and private sectors, and involves policy making at both the federal and state government levels. Implementing any school based reform across Australia’s 11,000 schools and engaging its 300,000 teachers and support staff in such an endeavour is a very complex and difficult task. This includes a reform intended to rethink the recognition and remuneration of Australia’s teachers.

This public policy debate is an important one for the community and particularly for the teaching profession. Transparency in relation to the purpose and the objectives of the proposal is fundamental in order to ensure that stakeholders understand the basis of the various arguments which might be advanced. Certainly if a well-designed, fair and educationally sound model of recognizing highly accomplished teacher is to be negotiated, all the partners in this debate – the profession itself and their industrial and professional representatives, governments, employers, parents, the community and others - need to genuinely commit to supporting and resourcing an integrated career package for the teaching profession.

Contextual elements of this debate have been around for a significant period of time – certainly in the last ten years. For instance, the IEU made a submission to the 1997 Senate Inquiry into The Status of Teachers , the purpose of which was to examine theand the comments are as relevant today as they were then. The submission included the following points:

..... the union believes that at the core of the profession's malaise and loss of heart, the following issues are relevant:

(i) the ambivalence on the part of policy makers and school authorities in acknowledging and supporting the hallmark of the teaching profession which is teacher professional judgement. Teachers perceive their role and their efforts are no longer valued or respected by the community. Their professional judgements are often ignored, their input not valued at policy levels and they continue to work in the context of relative isolation. This is particularly evident in a number of key areas such as curriculum design, assessment and reporting of student achievement. Around the country, state and territory curriculum and assessment bodies are restricting the participation of teachers, and there is a growing emphasis on the use of standardised, pen and paper style national or state testing of students, quite unrelated to teachers' professional judgement, and often contrary to the wisdom of their experience.

(ii) The subjection of schooling by policy makers and commentators to the ideology and rhetoric of the market place and economic rationalism. It is rhetoric which emphasises an individualistic, competitive and user-pays model, from which as well as winners, there must be losers. This jars with the collaborative and co-operative approach which most teachers believe underpins quality teaching and learning and their deep commitment to the education and welfare of every student, and that all students should be winners from their experience of school. It is not that teachers aren't familiar with and successfully working within policy regimes of reform and restructuring in education. Teachers value support, order and flexibility in school organisation and many want to be included in organisational decisions.

(see IEU submission to the 1997 Senate Inquiry into The Status of Teachers at www.ieu.org.au)

These substantive issues stand in strong contrast to the superficial and somewhat frightening idea of a popularity contest to recognize 'talented' teachers which was promoted by Minister Bishop when she launched the 2006 National Science Week (AAP 9 August) by stating: "People say to me, how can you possibly judge who is a good teacher or a bad teacher. You go into any school and you say, who are the good teachers and the bad teachers, and they'll tell you. Students can tell you, parents can tell you"

There is a gulf between the rhetoric and historic implementation of performance or merit pay and a genuine engagement by employers and governments with teacher unions in recognizing highly accomplished teachers.

Union Leadership – A Background Look

In 1989, the IEU ran a Special Case before the NSW Industrial Relations Commission, with similar Special Cases then heard in the other states and territories from 1990 onwards. In accord with the provisions of the National Wage Case decision at the time, the requirement under the provisions to argue a Special Case was to demonstrate that the nature of the work of teachers had fundamentally changed since and that therefore, the Commission should recognise this with salary increases beyond those normally available under such provisions. One of the key elements proposed by the union in its application for the Special Case was the introduction of the Advanced Skills Teacher concept.

This arose from the work of unions nationally and was detailed in the ACTU Award Restructuring 'Blueprint' of 1988. That 'blueprint' argued generally for the review of awards to be underpinned by a consideration of "establishing skill-related career paths which provide an incentive for workers to continue to participate in skill formation" and a general award review "to establish career paths for all workers within the award".

In Section viii of the blueprint, dealing specifically with education awards, the unions outlined 'Principles and Structures' for the restructuring of awards that ***"provides a choice to either seek promotion positions or continue as a classroom teacher with a recognized level of skill and experience, with adequate remuneration to retain such teachers in the service"*** and ***"provides incentives and resources in the form of inservice and professional development for teachers to upgrade skill and knowledge in particular fields and training modules for education workers"***.

The blueprint went on to state that ***"the Restructuring of Awards should include...a new Band of "Advanced Skills" classifications which recognize the skills, experience and responsibility of teachers in the classroom, with rates equivalent to promotions positions"***.

With this background, the IEU (then known as the Independent Teachers' Federation) outlined the strategy for the implementation of the award restructuring principles in a national bulletin titled ***"Quality Education for Australia"***. The introduction stated that

"Your association (state/territory unions) proposes a package which will meet the two broad objectives of award restructuring by:

- i) providing teachers with opportunities for more varied, fulfilling and better paid jobs and***
- ii) improving the efficiency of schools. The package involves a well supported program of teacher skill development – viewed as a professional right – which is integrated into a democratically managed program of whole school development"***.

The union conceptualised an integrated career package, the structure of which included induction, the development and articulation of teaching standards, professional development and was premised on an overall perspective of the teaching profession from entry to exit.

As a result of the 1989 IEU Special Case (involving submissions and evidence from ?? teachers, academics, employers, unions and the ACTU) a Full Bench of the NSW Industrial Commission handed down its decision giving recognition and remuneration for the establishment of a class of 'highly accomplished teachers' which commenced in 1991 with AST1. Advanced Skills Teacher positions also emerged across the country in both non-government and government schools.

Subsequently, employers made a partial commitment to the union's proposal to further expand the recognition of highly accomplished classroom teachers through AST 2 and AST3 positions. Unfortunately, employer commitment to resource these higher bands has been sporadic at best and in the case of AST3, entirely unfulfilled.



What is Performance Pay?

Performance or Merit pay is simply paying a higher salary or allowance to 'high performing teachers'. Thomas Ellis (ERIC Clearinghouse 1984) proposed that:

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.

Ellen Delisio writing for Education World (2006) outlined four alternative teacher compensation systems that are in use or being discussed in the USA at the current time. Specifically she noted:

- Merit pay: Individual teachers receive bonuses based on improvements in their performance.
- Knowledge and skills-based pay: Teachers earn permanent increases for acquiring new skills and applying those skills.
- Performance pay: Teachers earn increases tied to improvements in students' performance measured by standardized tests or other criteria.
- School-based performance pay: All professional staff in a school earn a bonus if students meet particular goals.

An Economist's perspective on what might constitute performance pay is outlined in an online blog titled "Constrained Vision" ([//aconstrainedvision.blogspot.com](http://aconstrainedvision.blogspot.com)) reflecting on the current performance pay agenda in the USA generally and California specifically. It provides the following answer to her rhetorical question:

...how do you define merit? One current method is to give bonuses to teachers whose work receives certification from the National Board for Professional Teaching Standards. Recent research, however, shows that certified teachers produce student achievement gains only slightly better than non-certified teachers. Two education psychology professors find that the best gains produced by non-certified teachers are far greater than the gains from certified teachers. They conclude, as many analysts do, that paying teachers based on their student achievement gains is the best way to structure merit pay.

A method called value-added assessment, which compares the actual progress of individual students to their predicted progress based on past performance and other characteristics, could eliminate these problems of assessment based on gains, but it is data-intensive and computationally complex. any evaluation based on test scores, even value-added assessment, will require a lot more testing. In many grades, social studies and science are not tested, not to mention foreign languages, P.E., music, and art. In addition, as economist Steven Levitt can tell you, raising the stakes of standardized testing will increase the



amount of teacher cheating.

An alternative to objective, test-score-based assessment is a more subjective approach, such as principal evaluations. Let principals, like managers in the corporate world, use their discretion to evaluate and reward talent. Of course, subjectivity has its own problems. While principals *should* know how their teachers are doing, they may not.

It is worth reflecting at this point on the notion of performance pay in other industries given the oft cited existence and success of these endeavours. In the online forum of the US Republican 'think-tank' called the US Freedom Foundation, their Senior Education Fellow David Kirkpatrick makes the following observation:

Surprisingly, free-market economist Milton Friedman is not a supporter of merit pay for public school teachers. He suggests that it only works in a competitive setting, not in a socialist enterprise such as the public school system.

Nor is merit pay that common in the economy. It's ironic that many state legislators who argue for merit pay for teachers are themselves paid according to fixed salaries.

Richard Rothstein, writing in the American School Board Journal, School Spending 2000, observed that:

But despite the oft-repeated notion that "merit pay" contributes to corporate success, it is hard to find private sector examples for such proposals.

A survey of business compensation experts reveals that, when quality of work is important, corporations do not generally evaluate professional employees by quantifiable goals, such as test scores. And private sector pay-for-performance plans more frequently use team incentives, not individual ones.

Brian Hall, an associate professor at the Harvard Business School, notes that for most professional jobs, it is hard to isolate the contribution of any single employee. Quantitative criteria alone are rare, even for group goals.

Similarly Richard Rothstein in his article 'Merit Pay Wont Work' makes the point that:

Opponents of merit pay rightly argue that teacher compensation cannot rest significantly on students' test scores, because teachers have only partial influence over how well students perform on standardized tests, and because individual merit pay plans defeat the teacher collaboration that education reform aims to encourage. But few critics of merit pay realize that the private sector long ago discovered similar lessons. Some private firms use group rewards, but here, too, they are rarely based primarily on quantifiable measures. In the private sector, merit pay for professional employees typically requires qualitative evaluations

supported by a supervisory structure far more intense than public schools can afford.

Against this backdrop the fervent advocacy of performance pay nevertheless continues. Underpinning much of the debate appears to be certain 'givens' about the manner in which teachers approach their work and then commit themselves. In particular that teachers can only be motivated and sustained through a merit pay arrangement. As Wade Nelson describes it:

Some educational managers and their "superiors" (school boards, state and national departments of education, and legislatures) cling to the notion that teachers must be coerced or manipulated into doing what is best for their students. They argue that an administrator's role is to control those they supervise (i.e., teachers) much as the proper role of the teacher is to control the behaviour of students.

Yet Nelson strongly argues that research indicates that:

Professionalism involves valuing judgment, discretion, and a large measure of autonomy. The best professionals find their motivation within, and often respond to outside controls with measured compliance, defensiveness, or passive resistance.

The current 'performance pay landscape' in the USA would seem to indicate a strong preference on the part of administrators and employers for payment based on student results with less attention given to teacher standards and certification processes. This is in stark contrast to the picture painted in the 2005 DEST Report.

For example, a media report compiled by Hacker and Stutz in June 2006 for Texas KLBJ News Radio reveals the following arrangements:

TEXAS

Plan to pay teacher bonuses based on improved student test scores. Bonuses will range from \$3,000 to \$10,000 per teacher

MINNESOTA

The plan ties teacher pay to student test scores, additional duties and evaluations, not just academic credentials and years of experience. So far, only about 20 districts and schools have signed on.

FLORIDA

Plan to give bonuses to the top quarter of the state's teachers, based largely on student test score gains. Those teachers will be eligible for a bonus of at least 5 percent of their salary.

HOUSTON

Plan to pay teachers more for raising their students' scores on state and national exams. Teachers can earn up to \$3,000 each, and possibly up to \$10,000, in a few years. Previously, Houston gave \$1,000 bonuses to all teachers in high-achieving schools, regardless of their own students' performance.



DENVER

Denver Public Schools' plan rewards teachers based on student achievement and other factors, including training and working in high-needs schools and positions.

In relation to the Texas plan the report noted that:

Texas teachers are embarking on a massive, quarter-billion-dollar experiment to find out whether big bonuses can produce big gains in student achievement, despite criticism that such plans are largely unproven.

...

But critics are just as adamant that merit pay plans have long been used around the country, with uneven results at best. They say the Texas plan will put even more emphasis on testing – and pressure on students – when many teachers and parents are saying enough is enough.

Research on such plans is limited, they say, adding that the \$260 million allocated for the plan would be better spent on programs known to promote learning....

With teacher salaries averaging just under \$42,000, the maximum bonus of \$10,000 would represent a compensation jump of nearly 25 percent...

(Source KLBJ Radio 12 June 2006 online)

Does it Work?

The 2005 DEST Report strongly advocates the introduction of a performance/merit pay system and points to a number of apparent success stories or “encouraging findings”(see page 9 of the report) and points to the reports of The Teaching Commission.

Interestingly, the first example provided refers to the study of a merit pay plan in Tennessee and cites a study by Dee and Keys (2004). The report states that:

A study of a merit pay program implemented in the 1980s and 90s in Tennessee demonstrated that students in primary school with teachers on career-ladder pay scales scored nearly three points higher in mathematics than students taught by other teachers, and nearly two points higher in reading.

However a reading of the Dee and Keys study reveals the following statements about their findings:

The results indicate that Tennessee's career ladder had mixed success in rewarding teachers who increased student achievement. Assignment to career-ladder teachers increased mathematics scores by roughly 3 percentile points *but generally had smaller and statistically insignificant effects on reading scores.*

The implications of these results for the desirability of other merit pay programs are decidedly mixed. The qualified successes of Tennessee's program clearly suggest the possibility that teacher quality can be reliably rewarded when there is a well-designed evaluation system. However, the evidence that teachers on higher rungs of the career ladder were not uniformly better also underscores the considerable challenge of designing a system of teacher compensation that rewards quality in a fair and equitable manner.

In 2006 teachers in Waseca Minnesota voted to abandon the Teacher Advancement Program, “partly because of resentment over pay differences”, as reported by WCCO-TV. The TAP program awarded bonuses for good teaching and created “master” and “mentor” teachers to evaluate fellow teachers and lead the way in developing the best classroom techniques.

The report noted that “the evaluations and additional workload took a toll on teachers”. Individual teacher comments included “our schools have never been ripped apart as much as they have been by this program” (Kent Harris) and “we as teachers like to look at ourselves as a team. This eroded that kind of feeling” (Larry Jacobson)

In their online publication “Performance Pay Resources – Performance Pay Primer” (2006) the Oregon School Boards Association observed that:

The mid-1970s to the mid-1980s was the merit pay decade. It was during these years that a variety of plans developed in school districts across the nation.

Merit pay was based on the assumption that rewarding teachers for excellent performance would provide incentives for improved student achievement scores. In Oregon, a number of school districts implemented merit pay programs. In the 1972-73 school year, 11 districts tried alternative pay plans. They were Amity, Bethel, Colton, Coos Bay, Forest Grove, Gresham Elementary, Josephine Co., Medford, Parkrose, Redmond, and Warrenton-Hammond. There were another 10 districts - Elkton, Gresham High, Hillsboro Elementary, Klamath Falls, Lake Oswego, Lincoln Co., North Clackamas, Oregon City, Reynolds, and Springfield - who planned alternative pay plans.

Actual experience with merit pay plans indicated they were generally unsuccessful, both in Oregon and across the nation. Most merit pay plans were based on *individual* teacher performance which created competition among teachers.

Everyone wanted the best students and the limited number of dollars available for bonuses. This practice actually undermined - and almost destroyed - the staff teamwork needed in schools.

Teacher unions also complained that evaluations were subjective and not based on objective data. Most plans provided bonuses in addition to the current compensation program, creating financial difficulties when budgets were cut. Because programs were poorly designed and implemented, teachers, administrators and board members were frustrated and were less willing to continue.

In a previous merit pay engagement by California, teachers were paid up to \$25,000 each for higher student test scores. However, the state discontinued the plan when it ran out of money and amid concerns about educator-led cheating. In commenting on this and other examples, William Slotnik, executive director of Community Training and Assistance Center, a Boston nonprofit organisation that studies teacher compensation, said that: "There's a reason why so many efforts over the past have fallen short. To be successful you've got to be very thoughtful in how you plan this."

Other employer authorities have made assessments of the appropriateness of merit pay models and on the basis of their own experience and the broader landscape have determined to not implement individual merit payments.

Richard Rothstein makes the following observation about the Edison group of schools in the USA.

The most prominent for-profit company to enter the school market has been the Edison Project. Its president, John Chubb, also has contempt for merit pay plans that try to reward individual teachers for test score gains. Non union Edison schools, where the company has the greatest flexibility to design compensation plans, give annual bonuses. But, says Chubb, "we never look at individual teachers when we think about rewarding effective performance," because everyone in a school contributes to academic gains. And in addition to test scores in several subjects, Edison also considers "customer satisfaction" (the feelings of

parents), and qualitative evaluations of the school's program (in areas like music, for example) in deciding whether to award a school-wide bonus.

Further, Rothstein makes these observations about the non-government school sector:

If professional employees are not paid for quantifiably measured performance in for-profit corporations, what about private schools? Surely, if such pay systems make sense in education, it would be reasonable to expect private schools, not constrained by teacher unions or salary schedules, to try them.

Yet merit pay based on student achievement in private schools is also virtually non-existent. Private school compensation systems do not resemble the pay-for-test-scores ideas advocated by governors and business leaders for public education. Certainly, elite academies do not use test data to calculate teacher pay. Nor, typically, do private schools for the less privileged.

Catholic schools don't typically use merit pay. For example, parishes in New York's Brooklyn-Queens archdiocese operate 158 schools.

Teachers are not unionized, so each pastor could legally vary teacher pay based on merit. Nonetheless, schools superintendent Guy Puglisi issues a single salary schedule for all schools to follow. "I don't think merit pay is that great an idea,"

Puglisi says, because "what motivates teachers is the opportunity to do challenging work, and then being told how much they are appreciated."

Under no circumstances, he says, would a teacher's contribution be assessed simply by test scores. "We have many schools where test scores are low. But if the teachers are working hard, the scores are not that much of an indication of anything," Puglisi says. "The teachers might be working doubly hard, but the scores are low because of the social conditions they face."

Against the backdrop of many failed experiments in many US school districts, Professor Wade Nelson makes his opposition to merit pay in the strongest possible terms, and particularly points to the impact on school culture based on his research and involvement in school leadership and community issues over a considerable period. Nelson (2004) states:

There are many reasons school leaders should oppose merit pay. The most compelling reasons for me are the long history of failure of such programs, the deleterious effect merit pay has on building a school community, and the inevitable injustice that results from this initiative.

In more than 30 years of practicing and teaching school leadership, I've found that building shared covenants and promoting democratic school communities have been dominant leadership theories in education. Yet few things are more damaging to creating such cultures than administrators singling out "superior teachers" and establishing special rewards for these individuals.

In the 1990s, researchers Donald Arnstine and Judith McDowell concluded in a broad-ranging study of merit pay schemes that "systems of merit pay for teachers cannot be fair."

By establishing strict accountability through frequent high stakes testing and offering incentives such as individual or group bonuses attached to student achievement, administrators are trying to define teacher excellence as they define student achievement: without critical discussion of what constitutes excellent teaching and meaningful learning.



Does it Work II ?

- dispelling recruitment, retention and motivation myths

Advocates of performance pay often say that implementing it will attract more people to the teaching profession and make those in the profession work harder, according to Douglas Harris, an economist with the Progressive Policy Institute. The following excerpt from an article in Education Week (September 17, 2003) by Alfie Kohn deals with myths that are often dressed up to support performance pay.

In 2000, Public Agenda questioned more than 900 new teachers and almost as many college graduates who *didn't* choose a career in education. The report concluded that, while "teachers do believe that they are underpaid," higher salaries would probably be of limited effectiveness in alleviating teacher shortages because considerations other than money are "significantly more important to most teachers and would-be teachers." Two years later, 44 percent of administrators reported, in another Public Agenda poll, that talented colleagues were being driven out of the field because of "unreasonable standards and accountability."

Meanwhile, a small California survey, published last year in *Phi Delta Kappan*, found that the main reason newly credentialed teachers were leaving the profession was not low salaries or difficult children. Rather, those who threw in the towel were most likely to cite what was being done to their schools in the name of "accountability." And the same lesson seems to hold cross-culturally. Mike Baker, a correspondent for BBC News, discovered that an educational "recruitment crisis" exists almost exclusively in those nations "where accountability measures have undermined teachers' autonomy."

Educational policymakers might be forgiven their short-sightedness if they were just proposing to raise teachers' salaries across the board—or, perhaps, to compensate them appropriately for more responsibilities or for additional training. Instead, though, many are turning to some version of "pay for performance." Here, myopia is complicated by amnesia: For more than a century, such plans have been implemented, then abandoned, then implemented in a different form, then abandoned again. The idea never seems to work, but proponents of merit pay never seem to learn.

In *The Public Interest*, a right-wing policy journal, two researchers concluded with apparent disappointment in 1985 that no evidence supported the idea that merit pay "had an appreciable or consistent positive effect on teachers' classroom work." Moreover, they reported that few administrators expected such an effect "even though they had the strongest reason to make such claims."

The fact that these programs usually operate at the level of school personnel means, as Maurice Holt has pointed out, that the whole enterprise "conveniently moves accountability away from politicians and

administrators, who invent and control the system, to those who actually do the work."

But pay-for-performance programs don't have to be explicitly competitive in order to undermine collegial relationships. If I end up getting a bonus and you don't, our interactions are likely to be adversely affected, particularly if you think of yourself as a pretty darned good teacher.

Most of all, merit pay fails to recognize that there are different kinds of motivation. Doing something because you enjoy it for its own sake is utterly unlike doing something to get money or recognition. In fact, researchers have demonstrated repeatedly that the use of such extrinsic inducements often *reduces* intrinsic motivation.

For example, a recent study of a merit-pay plan that covered all employees at a Northeastern college found that intrinsic motivation declined as a direct result of the plan's adoption, particularly for some of the school's "most valued employees—those who were highly motivated intrinsically before the program was implemented." The more the plan did what it was intended to do—raise people's extrinsic motivation by getting them to see how their performance would affect their salaries—the less pleasure they came to take in their work. The plan was abandoned after one year.

It's an illusion to think we can specify and quantify all the components of good teaching and learning, much less establish criteria for receiving a bonus that will eliminate the perception of arbitrariness. No less an authority than the statistician-*cum*-quality-guru W. Edwards Deming reminded us that "the most important things we need to manage can't be measured."

So how should we reward teachers? We shouldn't. They're not pets. Rather, teachers should be paid well, freed from misguided mandates, treated with respect, and provided with the support they need to help their students become increasingly proficient and enthusiastic learners.

What Issues must be Addressed?

In building a model worthy of the teaching profession, stakeholders will need to recognize the importance of building and supporting a framework to support the whole career of the professional teacher. Within this framework, recognition and support of highly accomplished teachers will require careful consideration and engagement of the teaching profession and their unions. A simplistic notion of performance or merit pay based on student achievement has been shown to have failed repeatedly in other jurisdictions. More problematic is a notion of reward based on 'popularity'.

In this context, the lessons of other experiences need to be heeded. For example, the paper by Dee and Keys, referred to in the DEST 2005 paper reflects on an influential article by Murnane and Cohen in 1986. The Murnane and Cohen article points to critical elements of any merit pay approach or recognition of highly accomplished teachers that need to be addressed - or else risk the repeated

dismantling of merit pay plans that have beleaguered the education sector elsewhere. Critical in these elements is the validity of the evaluation procedures. Dee and Keys summarise it in this way:

In an efficient merit pay plan, employers should be able to explain clearly why an employee did not receive merit pay and what he would need to do in order to get it. Murnane and Cohen (1986) argued that these conditions are not met in the teaching profession where there is no single "blueprint" for effective practice.

This "evaluation problem" is further complicated by the fact that schools have goals other than cognitive achievement (e.g. promoting citizenship, fostering individual development and reducing drug use and violence) that are difficult to measure and often only achieved jointly through teacher cooperation. In other words, according to this line of reasoning, the diverse nature of educational outputs and the "imprecise" nature of effective teaching imply that it is infeasible to reward the isolated contributions of individual teachers.

These concerns also suggest that the capricious results of most attempts to reward meritorious teachers could have perverse consequences. Merit pay systems may distort the incentives for a variety of relevant teacher behaviors (e.g. cooperation, effort and retention) as well as foster a demoralizing and unproductive work environment.

In a similar vein, the Republican US Freedom Foundation's senior education fellow David Kirkpatrick makes the point:

And this doesn't even consider the complexities of deciding teaching merit in the first place -- and not just because of the validity of administrative judgements (even if administrators don't play favorites).

There is the problem of deciding how to measure teacher performance.

The IEU asserts that the wrong focus has pervaded many of the attempts in the US and other countries. Namely, attempting to measure 'teacher performance', usually against student results on tests, rather than describing the characteristics of a highly accomplished teacher. In this regard, the work of teacher boards/registration authorities across Australia provides a useful starting point for the dialogue that needs to occur.

A similar theme was identified by the 1987 United States House of Representatives Committee on Education and Labor that concluded:

"Those who view merit pay as some fast, inexpensive, painless method of solving the nation's education problems are not realistic. Merit pay is . . .neither inexpensive. . .nor easy to achieve. In some school districts, performance-based pay will result in an improved educational product, and an ability to attract and keep high-quality teachers; in other districts, for a variety of reasons, it may not work. The question the nation must face is not simply how to implement performance-based pay for educators but how we can lift the standards of instruction in the nation."

The simplistic, divisive and failed notion of tying teacher salaries to student performance needs to be discarded once and for all. As the earlier discussion on 'does it work?' shows and the following commentaries indicate, such a model is fraught with problems.

A 2003 survey by Public Agenda, who describe themselves as a US nonpartisan, nonprofit opinion research organisation, titled 'Stand By Me' revealed that:

Two in three teachers (67%) believe that teachers "who consistently work harder, putting in more time and effort" should be paid more. 57% support financial incentives for teachers accredited by the National Board for Professional Teaching Standards.

But tying teacher pay to test scores or other achievement measures finds little favor. Only 38% of teachers favor merit pay for teachers whose students "routinely score higher than similar students on standardized tests.

Even 'Constrained Vision' performance pay advocate makes the point that:

It may, however, put those teachers (teachers in wealthy school districts whose students start out with high skills) at a disadvantage: if your students already have high test scores, it's hard for them to show large test score gains. Furthermore, assessment based on gains assumes that all students learn at the same rate. Can poor, low-achieving, special education, or non-native English-speaking students achieve similar gains as wealthy, high-achieving students even if their teachers are equally talented?

And as part of the June 2006 reporting of the Texas initiative on KLBJ radio:

"I'm very bothered about the whole premise of paying out money based on performance," said David McClure, a sixth-grader teacher at Davis Intermediate School in Wylie. "If you thought there was cheating now, you wait until money's thrown in the mix."

and

In 2003, researchers found cheating in up to 5 percent of elementary classrooms in Chicago public schools. They also found cheating increased when the district introduced incentives, although not bonus pay. The researchers noted that schools using incentives should take extra measures to prevent cheating.

And commentating on the initiative Aimee Bolender, president of Alliance/AFT, a Dallas teachers' union, said.

"the bonus plan could also create adversarial relationships among teachers based on who gets the extra money. Some teachers may not want certain students in their classroom if they believe those students will drag down test scores".

In relation to a 'school-based' assessment process, there are also significant warnings from past experiences and professional research. As Marie Gryphon, an education policy analyst with the US Cato Institute describes it:

On the other hand, capping awards would invite administrators to hand out the bonuses to their favorites. It would be ironic, but not unlikely, if merit pay became another opportunity for political patronage.

Richard Rothstein provides a reflection on the administrative requirements that need to be considered and genuinely addressed:

The evaluations needed to support a merit pay system in education are inconceivable with schools' currently weak administrative structures. Of course, many politicians and business leaders who advocate merit pay for education also denounce what they regard as schools' excessive administrative spending. Yet the reality is that teachers are the most undersupervised professionals in the nation.

Increasingly, school systems are considering adoption of mentor teacher systems to supplement the supervisory support teachers get from principals.Could mentors recommend raises for classroom teachers, based on the kind of "360 degree" evaluation common in the private sector? Such a system would be far more expensive than merit pay advocates recognize.

Each mentor, if functioning full-time, might simultaneously supervise five teachers, demonstrating model lessons, observing teachers at work, jointly diagnosing student needs, recommending and discussing professional literature. Mentor teachers could then make recommendations about pay increases, based on teachers' progress in improving their performance. This 1:5 ratio is comparable to ratios in private management and other professions, but would quadruple the out-of-classroom administrative costs in schools.

The administrative cost issue is a point echoed by Thomas Ellis:

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 administrative staff may well be needed, adding yet another item to the proposed budget.

And similarly American Federation of Teachers deputy director Robert Weil:

There are more costs associated with performance pay; you have to identify performances, measure those, and it is more complicated. You have to ensure teachers it will be fair and objective; you are trying to make it objective with the many different roles teachers play.

It is also important to recognise that teacher perceptions are important, including the perception of their likely success in any alternative pay structure.

For example a BBC news report in July 2000 on a survey conducted by the Association of Teachers and Lecturers (ATL) showed that a majority of teachers believed that a merit pay system could cause divisions among teachers. The survey apparently found that there was also doubt over the fairness of the system, with only 40% of those surveyed believing that the assessment system could identify the best teachers. But even more significantly there was widespread optimism among

teachers that they would pass the threshold and qualify for the pay increases, with 67% expecting to be awarded performance pay rises.

Such cause for optimism about personal success may not be born out in reality and indeed experience in other industries has shown where similar high expectations existed, but which were then unmet following the assessment and rewarding process, productivity and motivation of those workers fell dramatically.

Assuming then that a positive commitment can be forthcoming from all stakeholders that focuses on the development of an integrated career structure for teachers, that is reflective of the work currently underway in Australia around highly accomplished teacher standards and that understands the need for a substantial commitment of resources by employers and governments, what issues need to be considered?

Considerable direction has been provided in this regard, again based on the experiences in other education settings. Thomas Ellis in his advocacy for merit pay nevertheless points to the simple inescapable fact that teachers must be involved in the process.

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 administrative 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.

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.

Equally AFT deputy director Robert Weil states the following pre-conditions:

The union is not opposed to alternative pay structures, but certain conditions have to be in place:

- First thing; talk about commitment and make a commitment to a plan.
- Take small enough steps to ensure the plan can move forward.
- Develop a long-term goal.
- Ensure there is ongoing funding for the plan.
- Establish clear standards and objectives for teachers.
- Make sure teachers are familiar with the standards and objectives.

Concluding Comments

The Independent Education Union has long supported the recognition of highly accomplished teachers in schools.

Almost twenty years ago the IEU proposed a package to employers that would

- i) provide teachers with opportunities for more varied, fulfilling and better paid jobs and
- ii) improve the efficiency of schools

Such a package should involve a well supported program of teacher skill development – which the union views as a professional right – that is integrated into a democratically managed program of whole school development.

It is opportunistic at best, and potentially disastrous for school communities, for the federal government to be talking about pushing ahead with a scheme to pay cash bonuses to teachers of high performing students and that such scheme would form part of the next round of funding negotiations with the states and territories.

There are many reasons why the federal government's concept of merit pay should be rejected, particularly the long history of failure of such programs in the US and other countries. There is evidence that the federal government's concept disrupts a school's democratic community-building efforts, which ultimately destroys cooperation. It inevitably discourages the kind of professional dialogue, exchange of ideas and internal reflection that is most likely to lead to authentic classroom and school improvement for the benefit of students and the community.

What is required in Australia is the development of an integrated career structure for teachers, that is reflective of the work currently underway in Australia around highly accomplished teacher standards and that understands the need for a substantial commitment of resources by employers and governments.

