

The Buck Stops Here

Tying What Students Learn to What Educators Earn

Performance-based compensation presents enormous potential as a catalyst for districtwide change. But that will happen only if we manage to avoid repeating the mistakes of the past.

By William J. Slotnik

Performance pay is being thrust center stage in federal efforts to reform education. But one over-arching challenge threatens the potential impact of this reform: Will performance pay be implemented in ways that are helpful to students and teachers, or will it continue to repeat the mistakes of the past, including the failed merit pay efforts of the early 1980s?

WILLIAM J. SLOTNIK is founder and executive director of the Community Training and Assistance Center (CTAC), Boston, Mass.

Too many approaches to compensation reform offer piecemeal solutions to improving the schools. They're the latest iteration of a recurring problem in education reform: the quick fix that doesn't fix.

Numerous efforts to link compensation and student learning have fallen short of their intended goals in the United States and the United Kingdom over a period of nearly 200 years. While the initiatives have varied, their potential has generally been undercut by their underlying assumptions.

Some approaches were predicated on the view



Join a
**Kappan
Conversation
with William
Slotnik**

at 4 p.m. ET,
Thursday, May 20.
For details and
registration, visit
www.pdkintl.org.

Comment on
the article at
PDKConnect.org.



This article is
available in mp3
or podcast
format.



Thinkstock/iStockphoto

that compensation is the leading incentive for teachers to perform at high levels. Yet, more is involved in providing incentives to teachers than compensation alone. Other approaches were punitive, punishing teachers who were considered underperformers. This is a major reason why teachers and unions have opposed efforts to link learning and compensation. Virtually all of the initiatives have assumed that performance pay could be implemented independently, without making major changes in how the rest of the district functions. These assumptions have proven to be faulty (Gratz 2009).

If we are to finally introduce meaningful compensation reform into the teaching profession, we must understand that the lesson of performance-based compensation is one of institutional change. As demonstrated in Denver and a few emerging practices elsewhere, sharpening the focus on student learning, and a teacher's contribution to it, can be a major trigger for change — *if the initiative also addresses the district factors that shape the schools*. Several key understandings flow from this finding.

Performance-based compensation involves a fundamental shift in school reform, moving away from the trend of adopting models and replicating programs, focusing instead on changing the conditions that make a difference for students and teachers. Because learning conditions and district capabilities differ significantly, each district has to customize this reform. A key for both the design and implementation of performance pay is to understand and address what's involved in customizing and supporting reform.

The Community Training & Assistance Center (CTAC) has assisted a range of districts and states, the U.S. Congress, and the U.S. Department of Education to develop new methods of compensation that support students, educators, and organizational goals, including the landmark compensation reform in Denver. Based on this national experience, CTAC has identified six cornerstones that are the essence of compensation reform (Slotnik 2009).

CORNERSTONE #1. Performance-based compensation is a systemic reform.

Linking compensation and learning is neither a financial silver bullet nor a human capital magic wand. Performance-based compensation is more than an ingredient of reform; it drives systemic reform. This isn't because money alone motivates teachers, but because money catches and holds a district's attention.

The key is to use that attention as a lever for broader system changes. Isolating compensation reform from other school and classroom supports — and focusing on rewards tied to achievement as

measured solely with standardized tests — has a long history of controversy and failure rather than improved schools and greater teacher effectiveness. Simply put, a district can't change how a workforce will be compensated without making major changes in the rest of the organization.

A systemic approach to this reform involves making far-reaching changes in district systems — from revitalizing instruction to rethinking assessment practices, from providing professional development that actually responds to school-identified needs to making human resources relevant to a changing teaching force — so that the systems are more demonstrably effective in strengthening the classrooms.

Such an approach requires extensive performance improvements in the district administration, open communication with all constituencies, and a willingness to experiment — to take the time to learn from initial efforts, make highly visible mid-course corrections, and institutionalize changes as the system develops and matures. It requires changing how a system thinks and behaves. This is the substance, rather than the rhetoric, of real accountability.

CORNERSTONE #2. Compensation reform must be done with teachers, not to teachers.

This principle is the simplest to state yet is consistently undervalued. More than a slogan, it involves realigning relationships and addressing new challenges facing district and teacher leaders.

Compensation reform won't work just because a district or state mandates it and provides additional monies for awards. Partners must be willing to redefine traditional relationships and create the new forms of collaboration necessary for developing and implementing the plans. Such partnership requires building the trust and open communication characteristically missing in school districts. Trust is as central as the financial package or the organizational supports to gaining teacher buy-in.

There is a direct, linear relationship between an organization's quality of leadership and its accomplishments. The leadership required to design and implement pay for performance is characterized by a commitment to partnerships that support highly transparent experimentation and innovation. Such leadership must come from multiple sources and take different forms.

Teachers have a rightful role as equal partners in compensation reform. This role, particularly for unions, includes preparing to be the protectors of high-quality implementation, as well as teacher rights. In particular, they'll need to pinpoint how they can use compensation reform to achieve the goals of supportive school working conditions, high-

A district can't change how a workforce will be compensated without making major changes in the rest of the organization.

Compared to virtually any major education reform of the past 25 years, performance-based compensation exhibits the most potential for serving as a catalyst for districtwide change.

quality teaching, and enhanced student achievement. In Denver, teacher leadership was key to the initiation and development of compensation reform.

District executive leaders must make explicit through their actions that they're wholeheartedly committed to the successful implementation of performance-based compensation. In the Charlotte-Mecklenburg Schools, the superintendent has focused the district's strategic plan on effective teaching and leadership.

The role of school board members also has to change. Unlike many reforms that require only a single board policy action, supporting performance-based compensation involves numerous policy considerations — affecting finances, human resources, instruction, assessments, etc. — over an extended period of time. Board leadership has been integral to the progress of performance-based compensation in Denver and Charlotte-Mecklenburg and to emerging planning efforts in Prince William County, Va.

Districts and states also need to understand that the teachers' contract, rather than being seen as an impediment, is essentially the policy document for the development and implementation of performance-based compensation. Contracts typically outlast a range of appointed and elected officials: superintendents, school board members, and teacher union or association presidents. Moreover, all parties agree to them.

CORNERSTONE #3. Compensation reform must be organizationally sustainable.

From the boardroom to the classroom, the entire district must be aligned and upgraded to support this initiative. This level of change means recognizing that teacher quality is a function of management quality. Management must also demonstrate high-quality performance because it significantly affects the effectiveness of teachers. For teachers to be accountable to students, the district must be accountable to teachers.

Consider the core requirements of alignment and quality. They include improving the quality of *and* strengthening the relationship between the following: teacher and school objectives, how instruction is planned and delivered based on the objectives, the instructional help provided to teachers, the quality and timeliness of data on student learning, the availability and appropriateness of multiple assessment measures that can track individual student gains, the substance and relevance of teacher professional development, the quality of classroom supervision, the content of teacher evaluation and its appropriateness to the evaluation's purpose, and the connection between student achievement, human resources, and financial systems (Slotnik 2005). The goal isn't

just to improve the coordination of services, but to strengthen their quality, as well.

In a district that's well aligned to support students and teachers, these pieces fit together like tongue-and-groove woodwork. Far more frequently, however, they fit together like the disconnected actions of marbles tossed into a bathtub. The power of linking learning to compensation is that it provides a vehicle for getting at the issues of organizational alignment. By doing so, districts can focus on the twin pillars of reform: support and accountability.

Where the reform is based affects the results and the prospects for organizational sustainability. Performance-based compensation is at root an instructional reform. Yet districts persist in placing these initiatives in human resources departments, professional development units, or even outside agencies rather than in their rightful home: the division of curriculum and instruction. This pattern characteristically results in a lack of priority support from the department most pivotal to instructional improvement. It's a recurring and classic case of snatching defeat from the jaws of victory.

Without high-quality instructional support, teacher effectiveness and commitment to change won't improve regardless of the financial incentive. But the goal is supposed to be increasing the amount and impact of teaching excellence. A district should therefore be explicit in connecting the compensation reform conceptually and operationally to the district's curriculum and instructional priorities.

Compensation reform produces organizational strains and brings a district's weaknesses to light. If districts anticipate and have the courage to address the nuances and complexities of implementation, and if they upgrade support to classrooms, performance-based compensation works to the benefit of students and teachers. This approach differs markedly from efforts that neither increase teaching excellence nor fundamentally change management's delivery of services to the schools. Again, systemic reform is predicated on a change of practice and performance, not a change of rhetoric and nomenclature.

CORNERSTONE #4. Performance-based compensation must be financially sustainable.

There is perhaps no part of pay for performance that is more regularly mishandled than approaches to long-term financial sustainability. The history of compensation reform is full of initiatives that have been terminated for lack of funds. These are recurring examples of misguided policy and poor practice.

A district needs to be clear on what needs to be sustained financially. Most initiatives, including those funded by the Teacher Incentive Fund, consist of small pilot efforts in which extra compensation

takes the form of annual bonuses. The nature of a pilot is experimentation. What must be sustained is what the pilot leads to. In Denver, the four-year pay for performance pilot led to the development of ProComp, the groundbreaking new compensation plan. The pilot was implemented at a select number of schools and focused on bonuses; ProComp is being implemented districtwide and includes opportunities for teachers to add to their base compensation.

Preparing for financial sustainability involves using human resource modeling and financial modeling — distinct departures from current practice in most districts. Planning should begin at the start of the initiative and continue throughout subsequent phases of implementation. It must anticipate and address three types of costs: costs of the evolving new compensation system, costs of transitioning organizationally to the new system, and costs of doing business differently. The first two areas of costs involve new funding; the third involves reallocating existing priorities and resources.

Planning for long-term financing should anticipate what the changed teaching force will look like over a period of years, what these changes will cost, and the sources of funding. It should also consider costs above and beyond those that go directly to compensation, such as the costs of building new data systems, developing or acquiring new assessments, and expanding professional development opportunities. Some of these are recurring costs; others are one-time or incremental costs. The projection of cost options also must factor in such economic variables as inflation to arrive at a picture of true costs. The repeated

failure to take these steps has damaging effects on both teachers and the chances for real reform.

Performance pay costs more than prevailing teacher compensation systems. Improved student achievement justifies the costs. If compensation is tied to student achievement and achievement increases over time, then more teachers will be compensated at higher levels for their effectiveness. Moreover, the source for long-term financial sustainability is public dollars. These baseline understandings need to guide planning for the long-term.

CORNERSTONE #5. A broad base of support is required in the district and community.

Building the constituency that supports compensation reform is a community organizing function. Although it requires extensive two-way engagement, most districts treat it as a one-way communications event. Consequently, teachers and principals at the schools often feel shut out of opportunities to shape and improve implementation. Even worse, the broader community, whose informed support will be essential for generating resources necessary for sustainability, is frequently shut out altogether — until money is needed. Then, it's too late.

A constituency-building strategy requires taking the long view, knowing that what a stakeholder believes at the beginning of the process may evolve over time. In addition, in order to produce consensus, important concerns of groups that will become involved later in the process — such as the electorate or those responsible for implementation — must be anticipated and represented in the early stages.

Imagine going through a year of school without a report card?

What if you could spend two full days each week coaching your teachers to improve performance?

Learn How to Work Less, Produce More, and Still Get the Job Done in a Sensible School Week with Malachi Pancoast, President, The Breakthrough Coach. It's one of the most practical – and liberating – programs you will ever attend.

School administrators cannot receive training like TBC offers anywhere else. By the time I was in my second principalship, I was able to spend, on average, 3 days each week in the classrooms. When a principal can focus on instruction, the impact on student achievement is overwhelmingly positive.

–Trina Rich, Past Principal, Denver Metro Area, CO

the
breakthrough
coach

Management Development for Instructional Leaders
(904) 280-3052

For more information, please visit www.the-breakthrough-coach.com.

Performance
pay costs more
than prevailing
teacher
compensation
systems.
Improved
student
achievement
justifies the
costs.

Denver's accomplishments in this regard are noteworthy given the previous history of contentious union-management relations, including a teachers' strike, the prior need for the governor to impose a systemwide collaborative decision-making reform on the district, and the precedent of unsuccessful efforts to garner community financial backing to support reform efforts. Denver's compensation and system improvements advanced during a period in which there were five superintendents or interim superintendents, changes in school board leadership and composition, and changes in teachers' union leadership. What's more, a fiscal crisis and pay freeze after union approval of the new compensation plan threatened to undo the agreement. Yet, the constituency that was supportive of compensation reform enabled efforts to continue moving forward.

Denver's experience shows the impact of building supportive constituencies through community organizing. Following the pilot, the teachers' union approved ProComp by a 59% to 41% margin. The public subsequently voted, by a 58% to 42% margin, to increase taxes to cover the costs of ProComp over a 50-year period (Gonring, Teske, and Jupp 2007). These outcomes dramatically shaped the education landscape in Denver and the national discourse on performance-based compensation.

CORNERSTONE #6. Performance-based compensation must go beyond politics and finances to benefit students.

Performance-based compensation must focus on improving student learning and rewarding teachers' contributions to that learning. Many districts are starting to measure the effects of teacher performance, but measuring effects is not enough.

By understanding and addressing the causal factors that are contributing to the effects, a district can create the conditions needed to increase the levels of teacher and managerial excellence and to improve student achievement. Providing awards based on a single year's comparative test results, without paying attention to the challenge of providing more effective support to the classrooms, results in another failed reform, a misuse of public money, and lack of progress in student achievement.

Linking teacher compensation, in part, to improvements in student learning has significant implications for assessment practice and policy within a district. While all districts have a range of assessments, they consistently lack a *system* of multiple measures. The challenge in performance-based compensation is to take several valid measures of student learning and use them together to identify student progress and ascertain the contributions of classrooms, programs, and schools to that progress. The

continuing failure to reliably assess will handicap compensation reform, as well as the other instructional initiatives under way in most districts.

Multiple measures help a district meet a higher standard of fairness and accuracy when examining a teacher or a school's contribution to student achievement. They also enable a district to more deeply understand each student's achievement and to achieve a broader base of teacher and parent support.

THE CHALLENGE AHEAD

Few reforms have the capacity to go to the heart of an organization like performance-based compensation does. Compared to virtually any major education reform of the past 25 years, performance-based compensation exhibits the most potential for serving as a catalyst for districtwide change. But will the public's call for better results and unprecedented levels of new federal funding be sufficient to produce the desired impact?

The stakes are unusually high. Demographic changes are having a marked yet underappreciated effect on public education. Far fewer households now have children in the schools than during the baby boom generation. At the same time that these households have less immediate vested interest in the schools, there is correspondingly greater competition for public dollars.

What will lead the broader public to invest in the public schools? Needs alone don't drive resources. Instead, getting the results the public is interested in — linking what students learn to what educators earn — will be increasingly pivotal to school support in years ahead.

The question is whether the nation will pursue performance-based compensation systemically or repeat the pattern of failed piecemeal approaches. The six cornerstones provide the framework for successfully implementing a compensation reform that contributes to and rewards effective teaching. The buck needs to stop here. The potential for compensation reform must become its reality. **K**

REFERENCES

- Gonring, Phil, Paul Teske, and Brad Jupp. *Pay-for-Performance Teacher Compensation: An Inside View of Denver's ProComp Plan*. Cambridge: Harvard Education Press, 2007.
- Gratz, Donald B. *The Peril and Promise of Performance Pay: Making Education Compensation Work*. Lanham, Md.: Rowman & Littlefield Education, 2009.
- Slotnik, William J. "Mission Possible: Tying Earning to Learning." *Education Week*, Sept. 28, 2005: 32-33, 40.
- Slotnik, William J. *It's More Than Money*. Washington, D.C.: Center for American Progress, 2009.

File Name and Bibliographic Information

k1005slo.pdf

William J. Slotnik, The Buck Stops Here: Tying What Students Learn to What Educators Earn, Phi Delta Kappan, Vol. 91, No. 8, May 2010, pp. 44-48.

Copyright Notice

Phi Delta Kappa International, Inc., holds copyright to this article, which may be reproduced or otherwise used only in accordance with U.S. law governing fair use. **Copies of this article, in print and electronic formats, may not be made, distributed, or posted online without express permission from Phi Delta Kappa International, Inc. All rights reserved.**

Note that photographs, artwork, advertising, and other elements to which Phi Delta Kappa does not hold copyright may have been removed from these pages.

All images included with this document are used with permission and may not be separated from this editorial content or used for any other purpose without the express written permission of the copyright holder.

Please fax permission requests to the attention of KAPPAN Permissions Editor at 812/339-0018 or e-mail permission requests to kappan@pdkintl.org.

For further information, contact:

Phi Delta Kappa International, Inc.
408 N. Union St.
Bloomington, Indiana 47405-3800
812/339-1156 Phone
800/766-1156 Tollfree
812/339-0018 Fax

<http://www.pdkintl.org>

Find more articles using PDK's Publication Archives Search at <http://www.pdkintl.org/utilities/archives.htm>.