F. Building Teacher and Community Support for New Compensation Systems

What effect does teacher involvement in the design and implementation of new forms of compensation have on program effectiveness?

Teacher involvement is widely cited as a crucial component of successful compensation program design. However, research about the effect of teacher involvement in the design and implementation of these programs is sparse because performance-based teacher compensation systems are relatively new. The research that is available suggests that teacher involvement in program design maximizes program effectiveness by increasing the likelihood of teacher and/or union approval, perception of fairness, and acceptance (Hatry, Greiner, & Ashford, 1994; Milanowski, 2003; Odden, Kelley, Heneman, & Milanowski, 2001). Teachers are more likely to support the system and thus contribute to its effectiveness when they view the system as fair and its goals as attainable (Odden et al., 2001). Milanowski (2003) notes:

> The motivation model suggests that teachers' views of the fairness of various aspects of the program and their acceptance of the model of good teaching implied by the knowledge and skills rewarded will influence their motivation to acquire the knowledge and skills. One way to promote the perceived fairness and acceptability of the system is to have teachers participate in its design.

Many lessons in the design and development of compensation plans come from the private sector. Research about personnel involvement in the management and work of private sector organizations supports claims that employee involvement will produce greater organizational effectiveness as measured by "higher quality products and services, less absenteeism, less turnover, better decisionmaking, better problemsolving, and less management overhead" (Denison, 1984). A number of studies show that companies that use an employee-involvement model demonstrate better economic performance than companies that do not; other studies show improvement in the quality of products and services and in productivity (Denison, 1990; Kravetz, 1988; Levine & Tyson, 1990; Mitchell, Lewin, & Lawler, 1990; Mohrman, Lawler, & Mohrman, 1992).

Experts in the education field have heeded these lessons and frequently recommend teacher involvement as a key component of teacher compensation system design (Milanowski, 2003; Odden & Kelley, 1997; Odden et al., 2001). Recent studies of teacher pay-for-performance schemes in New York (Springer & Winters, 2009), Tennessee (Springer et al., 2010), and Texas (Meyers, 2010; Taylor, Springer, & Ehlert, 2009) indicate that states and districts are increasingly including teachers in the design stages. Evidence suggests that districts do not uniformly involve teachers, however. A study of six U.S. school districts and one charter school that had implemented a form of knowledge- and skills-based pay found that although all had involved teachers in the design process, larger districts did so on a broader scale with formal committee structures in place. Smaller districts, in contrast, designed their programs with less teacher involvement (Milanowski, 2003). Involving a select number of teachers to participate in program planning and design does not automatically ensure effective communication with other teachers who are not directly involved in the process (Meyers, 2010). Outreach and communication to all teachers is equally important to the success of a new compensation system (Kellor, 2005).

The inclusion of some teachers in the design of compensation reforms could weaken compensation reform policy. Increased teacher voice in compensation reform could lead to the school being the unit of accountability, potentially limiting teacher influence and impact in the process (Springer & Winters, 2009). For example, in Texas, compensation committees consisting of teachers tended to adopt more egalitarian award-distribution plans than was suggested by the state (Springer et al., 2008; Taylor et al., 2009). The state suggested minimum individual teacher bonuses of $3,000 with an intention of awarding only a few teachers at each school, but nearly every participating school set its maximum teacher bonuses at less than $3,000 in an attempt to reward every teacher (Meyers, 2010).

As states and districts implement more teacher compensation systems, more data will emerge regarding the extent to which teacher involvement in design and implementation contributes to the effectiveness of such programs.

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