

C. Questions specific to performance pay

Does evidence suggest that teachers behave differently in schools that reward individual teachers rather than the entire school for gains in student achievement? Are they more competitive and less collaborative, as is commonly believed?

As states and districts across the country continue to develop performance-based compensation programs to recruit and retain teachers and improve student achievement, researchers continue to examine the pros and cons of such programs. Opponents of performance-based compensation fear that disadvantages outweigh benefits, especially in poorly designed programs. One major concern is that performance-based compensation programs create a competitive work environment and lead to decreased teacher collaboration.

According to research, most American workers prefer variable pay contingent on individual performance rather than on team performance (Kuhn & Yockey, 2003; Le Blanc & Mulvey, 1998). With respect to teacher preferences, research has shown that teachers and future teachers often prefer rewards distributed on the basis of their students' performance rather than schoolwide performance because they have more influence over the results (Bretz & Judge, 1994; Kuhn & Yockey, 2003; Milanowski, 2007). Through a series of surveys and focus groups, Milanowski (2007) found that candidates from teacher preparation programs worried about the "free rider" problem. They were concerned

that their salaries might be in the hands of their colleagues and indicated that it would be more equitable to reward effective teachers based on their individual work (Milanowski, 2007).

Kuhn and Yockey (2003) point out that, "the tension between rewarding employees as individuals and encouraging teamwork and organizational citizenship behavior has long been recognized" (p. 338). For this reason, many organizational researchers are deeply opposed to individual incentive plans (Pfeffer, 1998). The alternative to individual rewards is often group incentives, which some research shows is preferential for workers (Cable & Judge, 1994; Gomez-Mejia & Balkin, 1989; Kirkman & Shapiro, 2000). Although a common objection is that individualized incentive plans for teachers could have a negative impact on a school's culture by encouraging teachers to withhold information and assistance and engage in other counterproductive behaviors (Azordegan, Greenman, & Coulter, 2005), the research base supporting this theory is not fully developed. As Dee and Keys (2005) note, "merit pay systems may discourage cooperation among teachers or otherwise foster a demoralizing and unproductive work environment" (p. 62). Murnane and

Cohen (1986) did find that older merit pay plans often interfered with leadership team-building efforts.

More recent evidence from a survey of teachers found that individual incentive programs did not lead to decreased collaboration (Barnett, Ritter, Winters, & Greene, 2007). Further, in a recent evaluation of the Texas Educator Excellence Grant program (TEEG), more than 80 percent of teachers reported that they felt a duty to cooperate and support their fellow teachers in the program, and only a small percentage of teachers felt an increase in competition between teachers (Springer et al., 2009). In another evaluation report on the POINT program in Tennessee, 80 percent of survey respondents indicated that they did not believe the POINT program discouraged the staff from working collaboratively (Springer et al., 2010).

Jackson and Bruegmann (2009) posit that the potential reduction in collaboration between teachers under an individual compensation system depends on school culture and type of incentive. In this case, the effect of a program on collaboration depends heavily on the extent to which teachers have a history of collaboration. Further, individual incentives may affect teacher collaboration in a different way from group incentives.

Further research may help determine how differences in the designs of various incentive programs affect teacher collaboration and competition. Pay plans that arbitrarily cap the number of teachers who can receive an award are probably more likely to increase competitive behaviors than open-ended plans that allow all teachers to earn awards if they meet the qualification criteria. Teachers generally prefer open-ended plans, but it is more difficult for program administrators to estimate and control costs if all teachers could potentially earn incentive pay. Additional research on any adverse effects of individual teacher pay plans on school climate and collaboration could help education leaders more accurately assess the relative advantages and disadvantages of these options.

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