

C. Questions specific to performance pay

What factors affect teachers' attitudes and beliefs about performance pay?

Research suggests that multiple factors influence teachers' views about performance pay. Teacher candidates, for example, are not predisposed by personality or work values to support or oppose performance pay. Teachers' views tend to be shaped by socialization (i.e., how their colleagues view performance pay) and experience (Milanowski, 2007). According to a Public Agenda survey, younger teachers are more open to performance pay than previous generations, but they are still skeptical about using standardized student achievement test scores to measure their performance (Coggshall, Ott, Behrstock, & Lasagna, 2009).

Some research suggests that teachers actually are inclined to favor performance pay (Ballou & Podgursky, 1993). Other research suggests that teachers are likely to favor particular types of performance pay, such as added pay for additional responsibilities and pay attached to career ladders that allow for more rapid salary advancement (Kelley, Odden, Milanowski, & Heneman, 2000).

A factor that threads through teachers' views of performance pay is the culture of egalitarianism in teaching. Teachers tend to shy away from differentiation, making performance pay a "rub" against the mores of the professional culture.

In general, teachers view performance pay more favorably when it supplements, rather than supplants, base pay (Kelley et al., 2000). Moreover, the following factors influence teachers' acceptance or rejection of particular performance-pay programs (Kelley et al., 2000; Kelley, Heneman, & Milanowski, 2002):

- Employees' trust in the school system
- Design and implementation of the pay system (i.e., the extent to which it is viewed as fair and transparent)
- Teachers' expectations regarding the district's ability to sustain a performance-pay plan

There is an extensive array of literature on pay system preferences based on research on private sector workers (see Heneman & Judge, 2000, for a review). This research suggests that the following factors affect attitudes toward performance pay (Milanowski, 2007):

- Employee characteristics such as seniority, ability, personality, and values
- Specific design features, including how strongly employee effort can influence the performance measures, how consistently the systems' procedures are followed, and how adequately the program is funded

- Trust in management to administer the system fairly
- Whether employees actually receive performance pay

Generally, employees with more experience with the organization prefer pay systems to which they are accustomed. Employees with more individualistic orientations prefer performance pay based on individual performance. Employees are more likely to accept performance pay if they believe that the money will be there to make the payouts and they trust management to follow the rules. Employees who have received performance pay in the past tend to prefer it more than those who have not. When applied to educator compensation, these generalizations have the following implications:

- New teachers are more likely than veteran teachers to accept performance pay. In addition, teachers working in environments that have traditionally been more individualistic (e.g., high schools) might be more comfortable with pay based on individual performance than those working in more collectively oriented environments (e.g., elementary schools). Cogshall et al. (2009) found that younger teachers in particular were overwhelmingly in favor of financially rewarding teachers who worked harder and expended more time and effort than others. The research has yet to fully address the reasons for the dichotomy between support in younger and older generations of teachers. However, research in the corporate sector indicates that the Generation Y workforce values recognition for high-quality work (NAS

Recruitment Communications, 2006). Another possibility may be that older teachers have seen more unfairness in previous reform efforts and are more wary of certain performance-based compensation plans. During the mid- to late-1980s, reform efforts focused mainly on the use of principal evaluations as the basis for teacher performance bonuses, which was widely regarded as biased and subjective (Baratz-Snowden, 2007).

- The way in which the state and district administers the system will affect acceptance. Acceptance is likely to increase when educators understand program procedures and rules and perceive them as fair and when program implementation and administration are free of glitches.
- Trust is likely to be a primary influence on educator acceptance of performance pay. Teachers are more likely to accept a new compensation system if past experience shows that management can be trusted to provide favorable working conditions, to follow the rules of programs that affect educator well-being, and to ensure that funding for the performance rewards will continue to be available. In a recent evaluation of the Texas DATE program, approximately 70 percent of comparison districts reported concerns about the program's potential impact on school culture and professional collegiality, with nearly 50 percent indicating it was a concern of high importance (Springer, Lewis et al., 2010).

- Educators who have received performance pay are likely to be more favorable to it, all else equal. This finding implies that programs that spread the potential for receiving performance pay widely will have more initial acceptance. Acceptance will likely decrease, however, if administrators distribute awards to so many individuals that the acknowledgment becomes meaningless or the amount becomes trivial. Participants in a performance-based compensation program in

Tennessee, when surveyed, indicated that the method used to award bonuses was fair. However, many of those who believed the method was fair still did not think it was particularly effective in identifying deserving teachers. Moreover, “among treatment teachers denied a bonus, more than 80 percent disagreed with the statement: ‘The fact that I did not earn a bonus means I need to improve my effectiveness as a teacher.’” (Springer, Ballou et al., 2010, p. 38).

For a more detailed discussion of these factors, see Heneman, Milanowski, and Kimball (2007).

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This synthesis of key research studies was written by:

Amy Potemski, AIR.

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Center for
Educator Compensation
Reform

Allison Henderson, Director

Phone: 888-202-1513

E-mail: cecr@westat.com