

C. Questions specific to performance pay

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

Research suggests that teachers' views about performance pay are influenced by multiple factors. Teachers preparing to teach, for example, are not predisposed by personality or work values to support or oppose performance pay. Their views tend to be shaped by socialization (i.e., how their colleagues view performance pay) and experience (Milanowski, 2007). A new Public Agenda survey finds that 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 et al., 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 make provision for more rapid salary advancement (Kelley et al., 2000). Coggshall 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.

A factor that threads its way through teachers' view 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 is designed to supplement, rather than supplant, base pay (Kelley et al., 2000). Moreover, among the factors that influence teachers' acceptance or rejection of particular performance pay programs are: 1) employees' trust in the school system, 2) the design and implementation of the pay system (i.e., the extent to which it is viewed as fair and transparent), and 3) teachers' expectations regarding the district's ability to sustain a performance pay plan (Kelley et al., 2000; Kelley, Heneman, & Milanowski, 2002).

There is an extensive 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 that they are used to. 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. Applied to educator compensation, these generalizations imply that:

1. New teachers are more likely than veteran teachers to accept performance pay. In addition, teachers working in environments that have traditionally been more individualistic (such as high schools) might be more comfortable with pay based on individual performance than those working in more collectively oriented environments (such as elementary schools).

An interesting question which research has not yet addressed is whether the young-old teacher pattern is due to the fact that teacher attitudes change with age, or simply that those who favor performance pay are also more likely to quit. This explanation has nothing to do with age per se, but is simply a matter of sorting.

2. How the system is administered will affect acceptance. Program procedures and rules that are understood by educators, perceived as fair, and that are administered without glitches are likely to increase acceptance.
3. Trust is likely to be a key 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 the money to fund the performance rewards will continue to be available.
4. Educators who have received performance pay are likely to be more favorable to it, all else equal. This 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.

Several of these factors are further discussed by Heneman, Milanowski, and Kimball (2007).

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