

# Performance-Pay for Teachers



*Designing a System  
that Students Deserve*

A TeacherSolutions report by 18 of the nation's best teachers  
Center for Teaching Quality

## It's Time

More than half a century ago, the teacher single-salary schedule was designed with good reasons in mind — to promote gender and racial pay equity, to protect teachers from administrators who might make capricious employment and pay decisions, and to encourage teachers to pursue advanced academic degrees.

Like the dusty blackboards still found in some school classrooms, the single-salary schedule has served its purposes and outlived its usefulness.

In a new era, with challenges and opportunities before us that were unimaginable in post-World War II America, our public schools need a far more nuanced approach to professional compensation — an approach that acknowledges teaching quality as our best guarantee of student achievement.

We have come together as a TeacherSolutions<sup>SM</sup> team because we are united in our belief that teachers need to be paid differently. We agree that a carefully crafted performance-pay system has huge potential to transform the teaching profession in ways that can help all students learn more. We do not shy away from the principle that teachers who perform at high levels and spread their expertise deserve extra compensation for their performance and accomplishments. And we do not agonize over the fact that teacher salaries may be less predictable. But we worry that many of the performance-pay blueprints now on the table will not translate into the high-achieving schools imagined by their architects.

## What Is New and Compelling about This Report?

This unique report showcases the authentic voices of educators who have been successful with every kind of student, in every kind of school. We are national, state and district teachers of the year; Presidential Award winners; Milken honorees; and National Board Certified Teachers. We are not here as representatives of any professional organization or political party. Our team members are Republicans, Democrats and Independents; members of union and nonunion teacher associations; and teachers who work in school systems with and

without collective bargaining. But we share these three things in common:

1. We know how teachers think and what will motivate them.
2. We are convinced that well-designed compensation plans can rapidly improve teaching quality and student achievement.
3. We believe that teachers must be welcomed as full partners in the process of restructuring their own compensation.

## A Performance-Pay Plan That's Fair, Strategic and Likely to Win Teacher Support

**1. Get the base-pay system right.** If you don't have a career ladder that encourages teachers to advance in their profession — and be paid accordingly as they advance — tinkering around the edges by providing \$2,000 bonuses for a handful of teachers will not secure the stable, high-quality professional workforce we need. We are encouraged by reports from blue-ribbon, business-led groups such as the Teaching Commission and the *New Commission on the Skills of the American Workforce*, which recommend increasing investments in teacher pay by \$25–30 billion. To flesh out ideas such as these, we propose a new base-pay system with at least three tiers: novice, professional and expert. Under our sample framework for Wake County, NC, for example, base salaries would range from \$30,000 for a novice to \$70,000 for an expert. But, an expert teacher with many skills and accomplishments who also leads school improvement in multiple ways could earn up to \$130,000 a year.

**2. Supplement the base-pay system with a performance-pay system that is open to all teachers.** Singling out only a small proportion of educators for special rewards will never produce the large workforce we need to staff every public school with high-quality teachers. Such plans show little understanding of how teachers become accomplished and how schools become effective. In particular:

- Don't place an artificial cap on the number or percentage of teachers who are eligible for performance incentives or rewards. In Florida's disputed Special Teachers Are Rewarded (STAR) plan, for instance, only one in four teachers is eligible for any performance bonuses.
  - Don't limit rewards only to teachers who teach tested subjects, such as reading and math. If we want excellence across the entire school, we need to create incentive systems that encourage every teacher in every subject to excel. How can we say we want every student to have a great teacher, but then say that we will reward only some predetermined smaller percentage of teachers for their greatness?
- 3. Reward teachers who help their students make significant academic gains.** Student achievement is the bottom line, and some teachers are more effective than others — and should be compensated accordingly. We favor plans that measure student gains over time (not just a single test score on a standardized test) — plans that recognize both individual and “small team” performance, and that allow credible data from classroom assessments (such as the Nebraska model) to be used.
- 4. Provide additional pay for additional degrees and professional development, but only if the training is relevant.** Make sure that the additional courses, credits or degrees are actually tied to the school's and/or district's strategic goals for boosting student achievement. A master's degree in educational administration may not deserve extra compensation if the local educational priority is for teachers to boost student achievement among its second-language learners.
- 5. Allow local flexibility.** Different schools and districts need the flexibility to distribute incentive funds in ways that advance their specific student-learning goals. For example, although

math, science and special education might be the highest-needs subjects nationally, it makes no sense for an individual community to pay more for a math teacher if it actually needs more art or history teachers.

**6. Encourage collaboration.** Highly competitive compensation plans discourage the teamwork and sharing of successful strategies that research has shown, time and again, to be a hallmark of high-performing schools. Performance-pay plans should encourage more teachers to document effective classroom practices and share them with their colleagues. Incentives should also be used to promote close collaboration among small teams at the department or grade level, where “team effects” are most likely to produce better results for students.

**7. Offer incentives to teachers who want to teach in high-needs, low-performing schools, but only if they’re qualified.** Limit these incentives to teachers who can demonstrate that they are effective with high-needs students and will be able to address the school’s specific learning needs. Sending a willing but unqualified or underprepared teacher to such a school could do more harm than good.

**8. Reward leadership, not seniority.** Qualified teachers who take on additional responsibilities — mentoring novices and peers and preparing new teachers, creating family- and community-outreach programs, serving on advisory councils and the like — should be paid for their time outside the classroom. The number of years on the job should not determine who gets tapped for these leadership opportunities; demonstrated ability should.

**9. Be brave, be bold.** We realize our ideas will not be easily implemented. For many school systems, the changes we recommend will require nothing less than a total overhaul of the compensation system now in place. These ideas represent a radical departure from the traditional ways in which our society has compensated K–12 teachers, even the best of whom rarely, if ever, make as much as the least effective principal or administrator in a school district. But we have to look no further than the local university to see that entrepreneurial faculty are able to negotiate their own salaries and that a full professor, through his or her credentials and performance, can earn more money than the college dean. In this day and age, is there any reason why districts should be prevented from paying a great teacher more than a mediocre administrator?

**10. Finally, make sure to include accomplished teachers in any efforts to overhaul your teacher compensation plans.** Seek out teachers with a track record of accomplishment in their classrooms, schools and communities to become partners in compensation redesign. They have the experience and credibility to ensure that your pay plan will win the necessary public support, starting with support from their peers.

## Next Steps

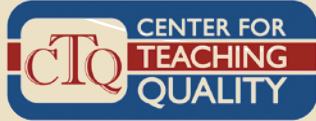
We are ready to move forward and bring more teachers into the conversation and debate over teacher pay — to build the kind of compensation and incentive system that students deserve. We recommend these steps to move our ideas into action:

- An economic analysis of how our proposed system could work in several targeted school systems — representative of America’s diverse urban, suburban and rural communities;
- The creation of district- and state-level TeacherSolutions teams to study, debate and lead performance-pay reforms in their own communities;
- The creation of structured dialogues that connect teachers with federal, state and local policymakers as well as the public (who has indicated a strong interest in paying teachers more and differently);
- The collaborative design of comprehensive performance-pay plans by teachers, system leaders, researchers and school reform experts; and
- The development of a detailed implementation strategy on which all designers agree.

We do not present the ideas in this report as the only solution or even the best solution. But they are *teacher solutions*. We hope they will inspire, and even challenge, other teachers to do as we have done: to accept ownership of the compensation issue and begin to make their voices heard in what we believe — without exaggeration — is a defining moment in the history of the teacher.

Fortunately, we have much to learn from pioneers in communities like Denver and Minneapolis and nations like Singapore. Let’s build on their leadership and develop compensation systems that our teachers — and students — deserve. It’s time.

***Please join us.***  
***Our students are counting on you.***



Since 1999, the Center for Teaching Quality has sought to improve student learning through developing teacher leadership, conducting practical research and cultivating public awareness of what must be done to ensure that every student in America has a qualified, well-supported and effective teacher. Teacher Leaders Network, a unique virtual community, was created to spread the expertise and elevate the voices of growing numbers of teacher leaders.



The Center launched the TeacherSolutions<sup>SM</sup> model in February 2006 when a select team of 18 highly accomplished teachers from throughout the nation was assembled in a first-of-its-kind approach to begin to study and unpack the research literature on professional compensation. In coming years, additional TeacherSolutions teams will address other teaching-quality issues.

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