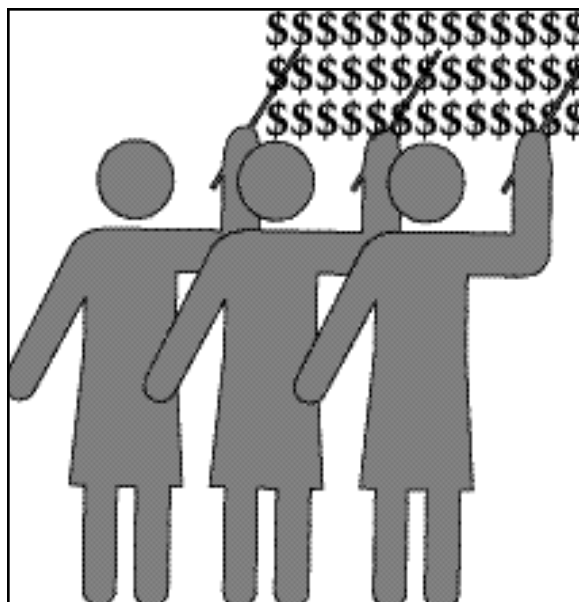


QUALITY CONTROL:

Merit Pay and Why the Teachers' Unions Stand in the Way

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Imagine working in a profession where it is decreed that one's level of financial compensation will never be improved by how well a person does his or her job. The exhibition of superior ability will in no manner translate into improved recognition in the form of increased pay. In addition, imagine that this inability to be rewarded occurs even if one's colleagues and supervisors know he or she is deserving of distinction. To top it all off, imagine that it is this person's trade union, which ostensibly represents his or her employment interests, that is the prime reason for this state of affairs. For public school teachers in Wisconsin, such a situation is not one of imagination, but of reality.



In Governor Thompson's State of the State address this year, the Governor proposed an experimental program, dubbed "Awards for Achievement," that would tie teacher compensation to the actual performance of teachers. Thompson recommended establishing a set of school-based accountability standards in which schools would have to show yearly gains in student achievement tests, attendance, and dropout rates, and have these standards apply to all students, including disadvantaged

ones. Schools that meet these criteria in a school year will then have all teachers in that school receive awards of up to \$3000, with non-instructional staff receiving smaller awards. Overall, the proposal is reasonable, workable, and a significant move in the right direction.

Unfortunately, those in Wisconsin supportive of improving the teacher compensation system face a wall of inertia, otherwise known as the teachers' union. The Wisconsin Education Association Council and other leaders within the state's public education bureaucracy adamantly oppose any reform of teacher compensation based on teacher performance. Yet most of the articulated fears and objections from these groups are misguided, and of those that have merit, none are fatal flaws to the establishment of *some kind* of compensation system based on the manifested ability of teachers.

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The Status Quo: A Teacher Is A Teacher Is A Teacher

The current system for determining a public school teacher's salary is commonly called the "single salary schedule," and consists of only two considerations: (1) the amount of educational units or degrees a teacher has amassed; and (2) the numbers of years of teaching experience, with time at one's current school usually weighted more heavily than overall teaching experience.¹ To be sure, there are some benefits to the current system. Namely, it is predictable, very easy to administer, and puts a premium on equality and eliminating both overt discrimination between teachers, and also more clandestine instances of subjective evaluation and favoritism on the part of whoever goes about determining salaries.

Yet the single salary pay system is commonly recognized as being overly bureaucratic, along with being terribly minimal and weak in its requirements of skills and performance.² It uses the two measures of education credits and years of experience as proxies for quality teaching, but these are not very reliable indicators of who really are the quality teachers in the classroom. For example, many teachers go on to earn graduate credits to raise their position on the salary schedule, but often the classes taken are less than rigorous or are not even tied to the subjects they teach. Overall, common sense suggests that a teacher's ability to educate well is not determined solely by these factors, or even primarily by these factors.

Quieting The Qualms Over Performance-Based Pay

Despite the well-recognized flaws of the current single salary schedule, there remains an incredible degree of resistance among those atop the public education hierarchy to altering it in ways that emphasize actual performance.

There appear to be two, general strains of opposition to performance-based or merit pay for teachers. The first type of opposition comes from those who believe that such a system simply will not work, and may even be detrimental to education. It is a claim that can be empirical-

ly tested and, importantly, it is not a normative argument against the concept. It is based solely on the perceived inability of such compensation reforms to actually have a positive impact, whether on individual teachers, the profession as a whole, or on student learning.

The second form of opposition is solely an ideological argument against the perspective of teaching that any merit-based pay system would engender. It would involve the insertion of an element of free-market economics into public education, which according to some would taint the profession and public education. This opposition is much less valid than the first, yet it is the form of opposition that most of the teachers' union criticisms take. While there is overlap between these two types of contentions, it is only adherence to the second type that currently stands in the way of attempting *any* type of merit-based pay.

Before turning to the political and philosophical qualms with merit pay, it is wise to address some of the legitimate technical concerns and implementation issues that arise with attempting a performance-based pay system.

Obviously, the primary issue in any pay-for-performance system in education is how to determine what constitutes quality teaching? Furthermore, who will make this determination and what criteria will be used? In general, there are two very different methods for going about assessing teacher performance: student testing and principal review.

Student Testing

The first method involves the creation of objective measures of valued educational outcomes, and establishing a connection between these outcomes and what teachers did to cause them. The use of student performance on standardized tests to determine the quality of teaching best characterizes this style.

Perhaps no other element of the merit pay debate gains more attention than that of using student performance on standardized tests as a means of assessing teacher performance. One of the most common criticisms with tying teacher pay to student test scores is that it will

encourage "teaching to the test." But this criticism is too dismissive. If the content and style of a test are sound, then what is improper with teaching students to learn the material that will enable them to do well on that test, and eventually apply that knowledge in the real world? After all, few people complain about the incessant amount of teaching to the test that occurs with advance placement testing, precisely because it is known that these tests *do* measure distinctive and useful knowledge.

In any event, most of the criticisms over the substance of student tests only apply to norm-referenced tests, and not criterion-referenced tests. The latter test more than just what students know, but also how they can apply that knowledge. Indeed, states such as Kentucky, North Carolina, and Maryland have dealt with these testing issues within the context of performance-based pay schemes and were eventually able to develop and use reliable testing systems.

Likewise, the notion that using student tests to gauge teacher performance takes all the enjoyment out of teaching is not axiomatic. Take for example Jaime Escalante, a former teacher in East Los Angeles who gained notoriety for preparing low-income students to perform exceptionally well on the Advanced Placement Calculus test. Despite admitting to the need to teach to the test in some respects, Escalante was able to instill remarkable amounts of fun and creativity into the teaching process, and never once claimed that teaching his students to score well on the AP test inhibited this style.³ Furthermore, because teachers are to be assessed based solely on student test performance, they can (and should) be given the freedom to teach as they see fit to reach the goals of the student assessments. In other words, there would be more justification for

freedom in the classroom, not less, since the result, not the process, is the emphasis. The criticism of teaching to the test seems more like just a self-fulfilling prophecy for those unwilling or incapable of getting their students to do well on these tests.

Some critics see the use of student testing as flawed because it does not take into account the socio-economic status of students from which the performance of the teacher is assessed. To be sure, the quality of teaching is determined as much by context as by outcome. A teacher who brings traditionally disadvantaged students up to an accelerated level of academic performance has manifested a greater degree of performance

than another teacher (even that same teacher) who brought students from a more education-friendly environment to that same level of achievement. But that is why *value-added* gains are the appropriate measure from which to distribute performance-based awards. Value-added measures look precisely at how far students have come from where they began.

With all their potential problems, a categorical objection against tying standardized testing to teacher pay is largely unwarranted. Very intelligent people currently spend considerable amounts of time, effort, and resources on developing testing processes that are fair and psychometrically valid and reliable. While not perfect, these tests do provide an objective measure that is tied directly to the most important job of a teacher — getting their students to learn more and to demonstrate that useful knowledge.

Principal and Peer Review

In any event, student testing does not necessarily have to be the sole or even primary method of gauging teacher performance. If someone is completely opposed to utilizing

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student test scores in the assessment of teachers, then they can turn to a second method for assessing teacher quality: principal and peer review.

Former U.S. Supreme Court Justice Potter Stewart once astutely said, while admitting that there is a subjective nature to any definition of pornography, that "I know it when I see it." While pornography and quality teaching are vastly different things, much the same can be said about the ability to identify each: people know it when they see it. Although it may be difficult to precisely quantify how well a particular teacher performs his or her job, most people, particularly those within the education profession, can readily identify the exceptional teachers versus the average or even inferior ones.

The key is to ensure that the person or persons making these judgements are able to be discerning and that they have a stake in the process. School principals fit this description nicely. One idea would be to allocate to principals the pool of money that would be used for teacher salaries, in an amount equal to what all the teachers in the school would have gotten for the year under the current system. The principal would then, within certain parameters, decide how to distribute this total among his or her staff. School-based management policies would facilitate such discretionary pay styles, as they give principals greater control. Such a system would mimic many other professions, where the chain of command dictates who is responsible for personnel decisions, including salaries.

The most common criticisms levied against performance-based pay systems in which the principal, or maybe even other teachers, are assigned the responsibility of determining who are quality teachers, is that it will be too subjective, involve favoritism, and will result in arbitrary decisions. But subjective criteria are not necessarily arbitrary ones. Furthermore, these problems will only occur if there already exists poor administration within schools. Are opponents of such a system saying that public schools have incompetent principals, who are

incapable of making assessments of their own teachers with whom they work everyday? I doubt this is what merit pay opponents are suggesting. Therefore, why not have these professionals, who have a stake in having quality personal around them being appropriately rewarded, make the judgement?

Evidently it is much better to have an objective system that rewards mediocre teachers the same as exceptional ones, than to strive toward a system that, with the proper built-in incentives, will give freedom to administrators to reward those who do better. Ironically, often the people who oppose letting school staff judge a teacher's ability because it is too "subjective" also accuse the use of objective tests for the same purpose as being too rigid.

As for other concerns over merit pay systems, they too can be addressed easily. For example, if one has reservations about giving merit pay raises to *individuals* within a school, because that may foster a competitive and less collegial environment, then the performance-based pay raises can be awarded at the *school level*. Of the existing performance-based pay systems in the country, most have awards earned at the school-level, where if students in the school as a whole meet some school-wide performance criteria, all staff in the school receive an equal pay bonus. Quite the opposite of causing strife among staff, these programs help encourage an esprit de corps among teachers in the schools who succeed. As for those schools that struggle or even fail, a system that draws out deficiencies and generates conflict within those schools may not be the worst thing to happen.

A program can also be voluntary. Either individual teachers could opt into the program, or more likely, schools could volunteer to participate. This is how a performance-based pay system started in Denver a few years back, and is also an element of the Governor's proposal.

The main point is that for each and every technical concern that opponents of merit-based pay articulate, there are a variety of workable and reasonable solutions to those

concerns. It is clear that what is standing in the way of altering the teacher compensation system is not the lack of workable policy alternatives, but instead is solely political and ideological animosity toward the general notion of performance-based pay.

Empowering Individual Teachers, Not Collective Unions

The principle impediment to developing any system of teacher compensation that is based partially on performance is that the teachers' unions are adamantly opposed to all forms of merit-based pay. According to the National Education Association and WEAC, performance-based pay seemingly strips public education of all that is noble about the profession. A resolution from this year's NEA conference exemplifies this point, and reads, "The [NEA] believes that performance pay, such as merit pay, or any other system of compensation based on an evaluation of an education employee's performance, are inappropriate."

Inappropriate to what? Or perhaps the better question is inappropriate to whom? The answer is the unions. The threat that teachers' unions see from a performance-based pay system is clear: it would make them less relevant. The importance of teachers' unions is reliant upon their superior ability to get for teachers better working conditions and compensation. If individual teachers, or groups of teachers within schools, are able to garner control over the effectuation of own their compensation levels, then the unions are faced with the potential of these teachers saying that the unions' services are no longer needed, at least when it comes to bargaining for salaries.

To witness precisely how the connection between merit pay and the union's self-aggrandizing success at collective bargaining occurs, take a comment made by Lou Battagelieri, President of the Michigan Education Association and author of the anti-merit-pay resolution finally adopted by the NEA this year. Battagelieri stated emphatically that any performance-based pay system will not help teachers since, "We believe we have bargained for every penny that is able to be bargained for." Of course he would say this, otherwise his members would bring him to task. That aside, such a statement only shifts the emphasis to how large the aggregate pool of funds for

teacher's salaries is, instead how that pool is distributed. Even if the teachers' unions have done their job well, and acquired for their members all the funds that governments are willing to allocate for teacher salaries, that does not mean these funds should not be distributed more fairly according to teacher ability and performance.

The current system of teacher compensation does not empower individual teachers to control

their professional and financial situation, but rather makes them dependent on the good graces and ability of union leaders. Unfortunately, for the best teachers, the strength of unions is largely predicated on the equalization, whether real or merely perceptual, of all its members. Such a philosophy has no room for the recognition of superior ability and performance among individuals within its ranks.

WEAC has also articulated its opposition to performance-based pay by claiming that such performance-based awards are based on false premises. Two of these so-called false

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premises are that: "Teachers are not currently doing everything they can to positively impact student achievement," and "Bonuses will make an ineffective teacher effective." Whether or not these premises are false, (which they probably are not) is not the end of the matter anyway. WEAC is assuming that the *only* purpose of merit pay systems is to encourage teachers to do better. While such motivational factors are evident under merit pay, the system is also validated on recognizing accomplishment, not merely effort.

Perhaps there is some value in compensating people based solely upon their level of effort. That certainly seems to be the direction many public schools are taking on student assessments. And perhaps the incentive of a pay increase will not make a poor teacher better. But at least it provides them an incentive to try to improve. And for teachers who do improve, or who are already high quality, they will be rewarded for their accomplishments.

But none of this placates the teachers' unions. Even if pay-for-performance would only be *in addition to* current pay levels — in other words, no teacher would receive less in pay than they currently earn — the teachers union would still likely oppose such a system. This would be despite the fact that some of its members would benefit by receiving larger salaries, while none would receive smaller salaries. So why the opposition? It is largely because the teachers' unions simply do not like to admit to individual differences among their members. Doing so would bring them dangerously close to admitting that some of their members are poor teachers, and should probably not even be teaching.

For all the talk about wanting teachers to be treated like professionals, the teachers' unions will not let their members be paid differently by the recognized levels of accomplishment individual teachers put forth, which is what most other professions inexorably strive to achieve. The degree to which the teachers' unions will not even consider the creation of any performance-based pay systems illuminates how tied the institution of public

education is to a bureaucratic mentality. Freeing teachers and their profession from the confines of this system of egalitarian inefficiency will help the move toward a more respectable system of teacher compensation.

Moreover, supporting merit pay is not a form of so-called "teacher bashing," despite what some at the top of the public education hierarchy proclaim. Quite the opposite. Establishing a merit pay system will enable the many quality teachers in education or coming into teaching to more accurately receive their just deserts. The bashing that goes on now is against quality teachers. To the teachers who believe they are very good at their craft, the inability to have their talent recognized and rewarded is incredibly disconcerting and frustrating. Yes, there will remain concerns that the assessment system used to determine which teachers perform better will not reflect their actual ability. But then again, neither does the current system. So what do the truly high quality teachers have to lose from engaging in a system of merit pay?⁴

Public Anguish With The Herd Mentality

Public school teachers and their unions should recognize the consternation that the taxpaying public feels when calls for raising teachers' salaries are made. While many people believe that teaching is a very noble and important profession, and are favorable to the idea of compensating teachers more than their current levels, many also do not want to reward the good equally with the bad. If larger salaries are given, what is there to ensure (or even merely encourage) greater accountability and performance on the part of teachers, principals, and other school administrators?

Can and should some teachers be making more money, maybe even six figures? Possibly. But only if pay differentials are permitted. If there is a case to be made it would be for teachers who have clearly demonstrated their ability. Again, take for example Jaime Escalante. Although Mr. Escalante is now retired, while he was teaching, would any principal in this country, particularly one in any urban city, have turned down a Mr. Escalante to work for

them? Doubtful. In fact, many school administrators would have been willing to pay him a premium to attract him to teach at their school. And for good reason. Not only has he superbly taught supposedly "unteachable" inner-city students how to excel at advanced mathematics, but he did so in classes of upwards of 60 students. The teachers' unions would be much happier seeing these sixty students taught in classes of 15 students by four different teachers, even though the three other teachers would not be of the caliber of a Jamie Escalante. To make matters even more nonsensical, the unions would also argue that the three other teachers be compensated the same as Mr. Escalante, if they have the same years of experience and educational background. This is inane, but instructive of the current mentality of public education governance and personnel policy.

So if we are not allocating teacher compensation funds according to some direct, meaningful measure of ability and performance, then how *are* we allocating these funds?

Inefficiently, that's how. As it stands now, teachers have no need to avoid punishment for their poor performance, and, conversely, no ability to enrich themselves for quality performance. Put another way, in the labor market for public education, we have burned the stick and eaten the carrot. Teachers face neither. While this reality gives mediocre and poor quality teachers great comfort, it can only befuddle high quality teachers. It also keeps many very qualified people from entering the profession, for how does one draw in a motivated teacher if it is overtly stated that they will not be compensated based on performance.

It is neither unreasonable nor surprising for the taxpaying public, who ultimately finance the salaries of our public school teachers, to demand some demonstration of performance before greater pay will come. The teachers' unions, instead of merely dismissing this sentiment, would be better off accept it and work with it.

Let's not make the perfect the enemy of the good. Yes, it is very difficult to assess teacher quality, both at the individual level and even the school level. There are many legitimate concerns that must be addressed in designing any pay system that is, to some degree, performance-based. But these difficulties are not fatal, and can be attempted provided that we get past the defeatist objections of the teachers' unions, who do not see it in their self-interest to change teacher compensation, even if it is in the interest of students, quality teachers, and the general public.

Notes

1. Usually the measure of experience is made in "steps," with each step roughly being equivalent to one year of teaching, although moving between later steps is often contingent on multiple years of service.
2. A *U.S. News and World Report* exposé into the negative effect of the teachers union on the teaching profession perhaps best explained the problems with the current pay system for teachers. It explained that under the single salary schedule "mediocrity gets the gold" and that the system "becomes a huge barrier to teaching excellence in public education, robbing many teachers of the motivation to excel and driving many of the best out of the profession." *U.S. News & World Report*, February 26, 1996.
3. Moreover, Escalante has been a well-known advocate for more standardized testing and even national testing, emphasizing how these types of tests better inform teachers of the actual job they are doing. See *TECHNOS Quarterly*, Vol. 2, No. 1, Spring 1993. Interview with Jamie Escalante. <http://www.technos.net/journal/volume2/1escalante.htm>
4. One could say that if a formal system of performance-based pay was constructed but failed to actually reward high performing teachers they would become even more disgruntled about their treatment. But that disgruntlement will not be due to being paid worse, but from the failure of the new system to achieve what it was advertised to do — namely pay the higher-quality teachers more.