

## Performance Pay – Position Paper – November 2011

Author – Dianne Hennessey

### Background:

On May 2 2011 the Australian Government announced the 'Reward Payments for Great Teachers' initiative providing \$425 million over the next four years to fund "a new nationally consistent, rigorous and objective performance management system for all teachers and recognise and reward Australia's top performing teachers with a bonus based on their performance".<sup>1</sup> The teacher bonus system is planned to begin in 2014, offering a bonus of up to 10% of current salary for the top 10% of teachers (approximately 25,000).<sup>2</sup>

The 'top' teachers will be identified through the Australian Teacher Performance Management Principles and Procedures from which every teacher will "benefit from participating in an equitable, transparent and rigorous performance management process...built around and influenced by the content of the national teaching standards".<sup>3</sup> This document is not currently available.

The method for assessing a teacher's performance is expected to include a range of evidence such as: lesson observations, student performance data (including NAPLAN and school based information that can show the value added by particular teachers), parental feedback, teacher qualifications and professional development undertaken.<sup>4</sup>

At the July 2011 MCEEDYA meeting, the NSW Minister for Education, Adrian Piccoli, tabled a document titled 'Principles for Rewarding Quality Teachers' which states "Any reward system must be part of a broader career structure for teachers."<sup>5</sup> This supports the Minister's earlier comment "Surely we can do a much better job than what looks like a very one dimensional approach to teachers."<sup>6</sup> MCEEDYA agreed that further work would need to be done on performance pay.

### Comment:

- There is no substantial body of research to support the notion that 'performance pay' or 'teacher bonus systems' improve student achievement.
  - In 2007 a DEST sponsored research paper claimed an argument in support of performance pay was "student outcomes would improve"<sup>7</sup> In the same paper the 'research on performance pay plans for teachers' listed 8 'positive findings' but provided no longitudinal data indicating gains for students.
  - Trevor Cobbald<sup>8</sup> lists recent examples from educational districts and regions<sup>9</sup> in the USA (and some non-comparable countries) where a form of performance pay has been introduced with no impact on student achievement.

<sup>1</sup> Reward Payments for Great Teachers fact sheet

<sup>2</sup> It should be noted that the Liberal party also has a policy on bonus payments for teachers supported by less money and to be introduced earlier.

<sup>3</sup> Making Every School A Great School – Commonwealth Government Pamphlet

<sup>4</sup> Rewards for great teachers – joint press release issued by the Prime Minister, Treasurer and Minister for School Education

<sup>5</sup> Principles for Rewarding Quality Teaching – Document supplied by the NSW Minister for Education

<sup>6</sup> Sydney Morning Herald May 3, 2011 (Teacher bonus pay won't help students, educators warn)

<sup>7</sup> DEST Research Paper Performance-based rewards for teachers (Surveys and Workforce Analysis Section; Skills Analysis and Quality Systems Branch) march 2007 page 9

<sup>8</sup> Cobbald, Trevor: Teacher Bonuses and Student Achievement, August 2010

<sup>9</sup> Iowa, Texas, Chicago and Denver

- Linda Darling Hammond<sup>10</sup> in recent media coverage questioned the federal government's pursuit of bonus payments for teachers, saying recent research in the US showed it lowered student performance in schools where teachers were paid a one-off bonus.
- Michael Fullan<sup>11</sup> sees merit pay as being extremely divisive and not a motivator of teacher performance. "We want schools and teams of teachers to succeed, not individuals."
- If the purpose of the performance pay initiative is the promotion of quality teaching for all students Governments need to introduce a range of measures for teachers such as:
  - appropriate salaries
  - exemplary professional learning
  - reduced teaching load to allow for collegial engagement
  - productive feedback
  - effective induction for all teachers
  - expansion of the teacher mentor program
- The concept of performance pay has been based on a business model which links increased productivity to reward payments. Daniel Pink<sup>12</sup> challenges the model as misrepresentative of human drivers. His studies indicate there is a mismatch between what science knows and what business does. Increased productivity (or performance or meeting KPIs) is connected to motivation which is related to ongoing training and development and a connectedness to the workplace. People are motivated by a personal sense of "autonomy, mastery and purpose". He puts forward the case based in scientific research that "The secret to high performance isn't rewards and punishment but that unseen intrinsic drive to do things because they matter."

## Recommendations:

### That NSWSPC:

- Does not support any move towards one-off bonus or "performance" pay for teachers.
- Does not support any payment system which is based on quotas.
- Supports standards based pay which is directly related to teacher accreditation at each of the levels under the National Teaching Standards and is supported by a rigorous and consistent quality assessment process.
- Supports the introduction of remuneration for those teachers choosing to follow a promotional career path through classroom teaching based on the career stages outlined in the National Teaching Standards – Proficient, Highly Accomplished and Lead.

<sup>10</sup> Quoted in The Australian May 3, 2011

<sup>11</sup> Quoted from NASSP blog, 'The Principal Difference'

<sup>12</sup> Daniel Pink, Drive The Surprising Truth About What Motivates Us

