



Collective Bargaining in Education and Pay for Performance

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In “Collective Bargaining in Education and Pay for Performance”—a paper presented at the National Center on Performance Incentives research to policy conference in February — Jane Hannaway and Andrew J. Rotherham examine the interplay between the emerging policy focus on teacher pay for performance and the response of teacher unions. Noting that teachers are the most important in-school factor affecting student achievement and that research shows a wide variance in teacher quality within schools and districts, they purport that pay reform policies must increase the quantity and equitable distribution of highly effective teachers within the nation’s K-12 public schools. Education reformers and teacher union officials are increasingly debating alternatives to the traditional single salary schedule. Hannaway and Rotherham assert that such collaboration is vital as more districts experiment with pay-for-performance policies.

The Viability of Pay for Performance

In the current climate of high-stakes school accountability, debate about the policies and practices affecting where and how teachers perform has become increasingly prominent. Pay for performance, a widely used policy strategy in many labor settings but one that is very controversial in education, rewards teachers for output-based results (e.g., student achievement outcomes). Teacher unions

have significant power to determine pay structures through collective bargaining contracts with school districts. Unions have historically resisted attempts to differentiate pay among teachers, arguing that evaluative measures to determine such pay are unfair and ineffective. However, growing demands for improved performance in education combined with improvements in the capacity of data systems to track student performance are making this argument more tenuous.

Traditional Mechanisms of Control

Education has typically employed relatively weak controls over teachers’ classroom practice due to the challenge of measuring the complex and variable tasks that teachers perform. Thus, teachers have retained considerable discretion over their day-to-day work, and their expectation of that discretion has become formalized in institutional structures. Class observations by principals are the most commonly used form of teacher evaluation, but few states have stringent requirements regarding the frequency or accountability tied to such practices. Most teachers, if observed at all, are observed for less than one percent of their yearly instructional time. Additionally, negative evaluation results are rare, so few teachers—even the ineffective ones—are ever dismissed. Therefore, most teachers earn tenure without providing significant evidence of effectiveness.

Challenges of Pay for Performance

While pay for performance was considered as a teacher pay alternative in past decades, its viability in the current K-12 public education system is strengthened due to greater access to data sources linking students' performance to individual teachers. Despite these information advancements, teacher unions maintain legitimate concerns about the use of student test scores as a high-stakes measure of teacher performance.

First, many teachers cannot easily be included in a pay-for-performance system because they teach non-tested subjects or are assigned to non-tested grade levels. Secondly, many fear that pay for performance could lead to unintended and unwanted instructional distortions, such as increasing emphasis on certain "tested" subjects rather than a comprehensive curriculum. Opponents also suggest that rewards for individual performance might reduce cooperation and coordination among teachers. Finally, the ability of test measures to account for variable student and school characteristics, as well as testing conditions, is still in question.

Current Performance Pay Plans

In many districts that have recently implemented pay for performance, teacher unions—especially local affiliates—have been involved in the process. The National Education Association (NEA) has been stridently opposed to these plans, while the American Federation of Teachers (AFT) has communicated conditional support for certain pay alternatives with stipulations such as the inclusion of adequate base salaries, collaboration among teachers and districts in plan design, and transparent criteria to determine award eligibility. Not surprisingly, most of the pay-for-performance plans are truly "bonus" programs that share four common elements:

- Local teacher unions play a role in the design and implementation of each plan.
- Plans have provisions that make participation voluntary for teachers, schools, or districts.

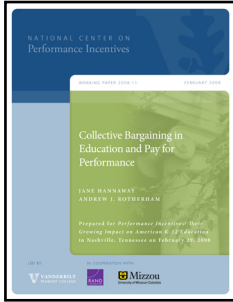
- Multiple measures for evaluating teacher performance are used.
- Substantial "off the books" or soft funding has been used, at least for starting up the plans.

The development and implementation of such pay-for-performance plans is not without challenges. In order to avoid negative budgetary implications, financing for the bonuses must be over and above existing resources. Many districts implement pilot programs with private funds or federal grants, such as the Teacher Incentive Fund (TIF), to cover initial costs until permanent revenue streams can be established. Districts are obliged to secure long-term financing for pay-for-performance plans, as teacher unions insist on stable revenues for increasing teachers' base salary to ensure that there are no losers among their members.

Conclusion

Policymakers continue to explore alternatives for measuring teacher performance and ensuring an equitable distribution of effective teachers within public schools. Advances in data systems and test measures have opened up more avenues for doing this than in past decades. Accordingly, teacher unions have broadened their thinking and recognized that diversity of perspectives on pay-for-performance policies exists within their ranks. To represent their members well and deal with the reality of challenges facing public schools, these groups must find a way to balance the pressure for change and the legitimate concerns pertaining to the validity and fairness of many proposed pay-for-performance systems.

Hannaway and Rotherham recommend innovation and collaboration between policymakers and teacher union officials be a priority. While no one party has figured out exactly what to do, there is a clear and emergent consensus that something must be done to improve teacher effectiveness within the nation's K-12 public education system.



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