

# Increased compensation – what is it good for?

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**CENTER ON EDUCATION  
AND LIFELONG LEARNING**

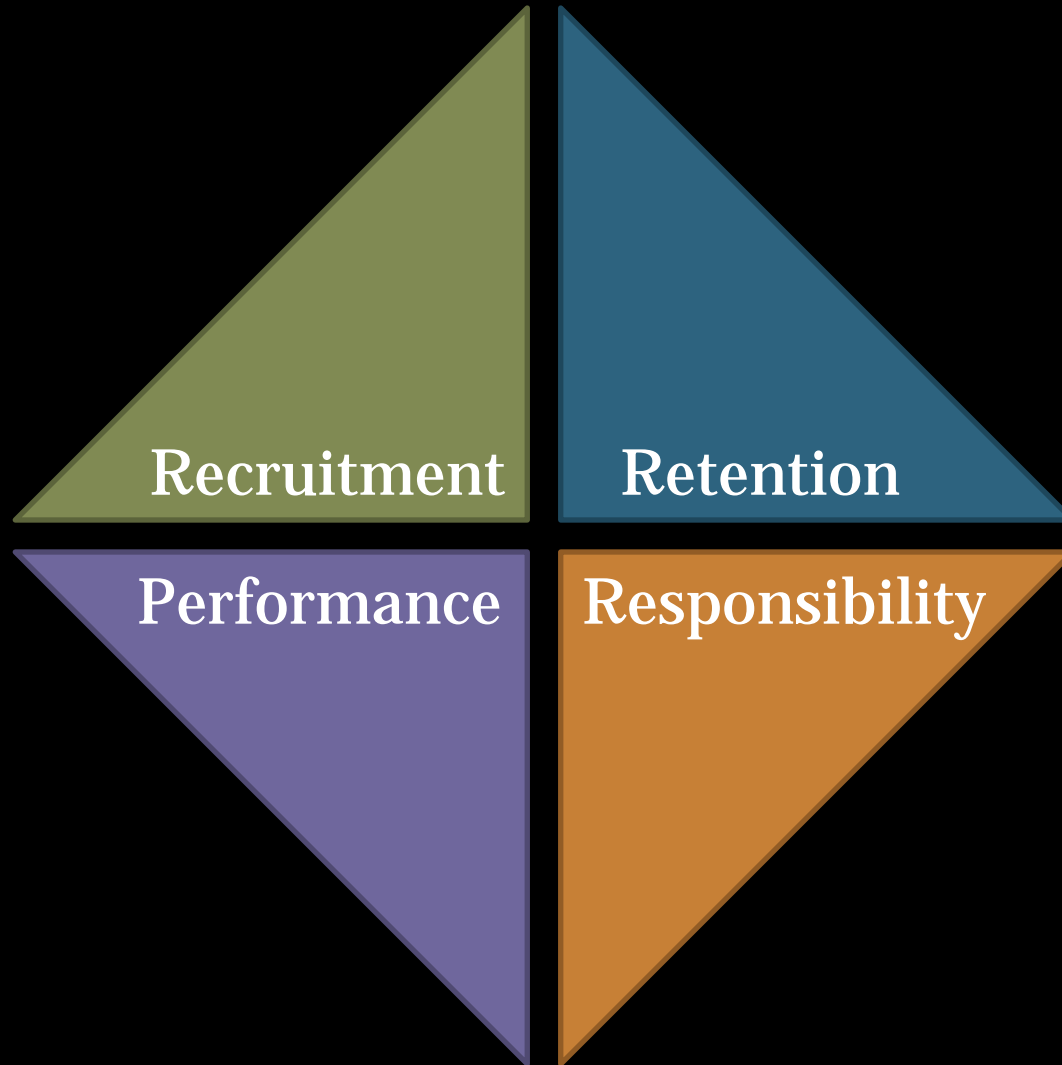
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# Four main propositions:



Only 23% of teachers come from the top third of graduates; just 14% in high poverty schools.

High performing school systems  
implement deliberate strategies to  
recruit candidates from the top  
third of college graduates

**10-18% of top-third students say teaching offers a competitive starting salary, pays appropriately for the skills and effort they would bring, or offers a salary that would increase substantially over the next seven to 10 years.**

One in three think teaching pays enough to support a family, and more than half believe they could earn more as a garbage collector.

Low pay was most frequently mentioned by focus groups of undergraduate mathematics, science, and technology majors as the reason they were not interested in pursuing a teaching career.

**Individuals with mathematics and science backgrounds average around \$11,000/year more outside of the teacher labor market.**



**The amount of additional compensation needed to attract excellent teachers to hard-to-staff schools and subject areas ranges between 15% and 50% of standard base salary.**

Some research suggests that offering higher salaries increases the size of the teacher applicant pool but does not necessarily result in more highly skilled teachers entering the classroom.

The annual attrition rate for teachers in the 2008-09 school year was 15.6 percent. Half migrated to another district; half left profession entirely.

**Migration attrition: Research indicates that salaries may affect a teacher's decision to migrate to another school.**

**Exit attrition: Several studies have estimated that between 40% and 50% of new teachers leave within the first five years of entry into teaching.**

**Exit attrition: Teachers in the top quartile of performance distribution on teacher entrance exams are twice as likely to leave the profession as those in the lowest quartile.**

Researchers found little evidence that high ability teachers, as measured by teachers' own ACT scores, were leaving the profession for higher pay.

**Exit attrition: Math and science teachers who leave the profession are almost twice as likely as other teachers to rate better salary or benefits as very important or extremely important reasons for leaving.**



A number of states and districts have started offering prospective mathematics and science teachers much larger cash bonuses, tuition incentives, or housing incentives in the neighborhood of \$10,000-\$15,000

One study estimated that an annual bonus of \$1,800 was sufficient to reduce mathematics, science, and special education teacher turnover by 12 percent.

Massachusetts offered teachers a \$20,000 signing bonus spread over four years plus accelerated certification, while North Carolina offered an annual bonus of \$1,800 to math, science, and special education teachers in low-income or low-performing schools.

In both cases, incentives offered were not enough to retain teachers. Researchers found that perceptions of poor working conditions and a lack of support, neither of which were meaningfully addressed under the incentive initiatives, ultimately resulted in teachers' decisions to leave.

**In contrast, the T3 Initiative successfully attracts and retains high-performing teachers in low-income, low-performing schools by providing mentorship, specialized training, timely access to student data, and access to strong school leadership.**

Teachers' perceptions of their school administrators is the most important factor affecting whether or not they decide to stay at a school, trumping concerns about base salary.

Some researchers contend that the nominal reductions in exit attrition associated with higher salaries may not be worth the additional expense.

States and districts may be better served if they direct additional resources into programs that provide support for novice teachers, increase student motivation, and bolster the teachers' role in establishing and implementing school-wide initiatives.



Each of these three factors was just as important as salary considerations in a teacher's decision to exit the profession.

# Two arguments: Motivational effects and selection effects

**Selection effects: Attracting a new pool of applicants and retaining high-performing teachers who fare well. Teachers who do not like the new system or who do not perform well under it would tend to self-select out.**

**Motivational effects: Encouraging teachers to change their practice in ways that lead to higher levels of student learning**

Several large-scale national and international surveys indicate that only 16% to 30% of employees reported receiving some type of performance pay, and only 6% of employees are in ongoing performance pay systems.

Merit pay for excellence in teaching had statistically significant and positive effects on the district-level graduation rate, but no significant effect on dropout rates.

**The SPBP had little to no impact on student proficiency or school environment in its first year.**

**The POINT intervention did not lead overall to large, lasting change in student achievement.**



**Two recent sets of experimental studies in the US have found no impact of teacher incentive programs on student achievement.**

There is a large literature showing strategic behavior on the part of teachers in response to features of incentive programs, which may have led to unintended (and sometimes negative) consequences.

Examples include 'teaching to the test' and neglecting higher-order skills, manipulating performance by short-term strategies like boosting the caloric content of meals on the day of the test, re-classifying more students as special needs to alter the test-taking population, or even outright cheating.

**We have more theories of merit pay  
than we have good merit pay studies.**

**Research on motivation in the workplace indicates that jobs involving creativity and the exercise of judgment, such as teaching, require nuanced performance incentives. Such jobs are not well suited to traditional “carrot and stick” approaches to motivation.**

Research shows a positive relationship between an employee's ability to advance within a career and personal motivation to improve the quality of his or her work.

**Successful teacher teaming is directly linked to higher student achievement.**

**Effective coaches facilitate professional collaboration and regularly inform school leaders on teacher and student progress; student outcomes improve through the course of their support to other teachers.**



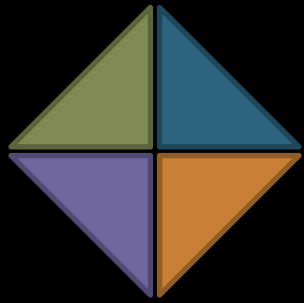
**Accountability is central to the successful implementation of school roles.**

**Missouri's Career Ladder Program, the longest standing career pathways program in the country, has taken teacher seniority and strictly observation-based evaluations into account in advancement decisions since 1987.**

**Based on 10 years of data, a district's participation in the program has not resulted in meaningful increases in student achievement.**

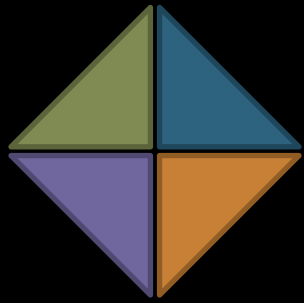
In contrast, the inclusion of student achievement data in a teacher's eligibility for Arizona's Career Ladder Program has resulted in significantly higher performance among participating schools.

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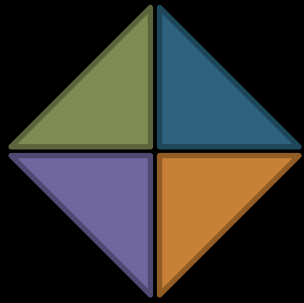
## The bottom line:

All employers, including school districts, enter into a Value Proposition with their employees—the complete set of offerings and experiences provided by the employer, compared to other similar opportunities.



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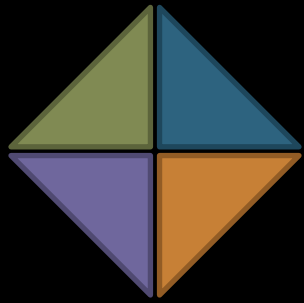
What employers offer in any Value Proposition is broader than salary and benefits, and includes professional growth and career opportunities, work-life balance structures, and recognition.



## The bottom line:

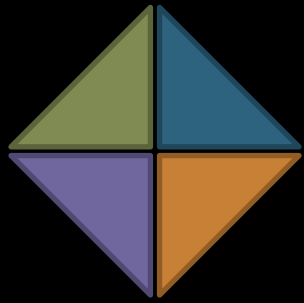
It also encompasses working conditions—things like quality of leadership, opportunity for teamwork, student motivation and discipline, and demands and structure of the job.





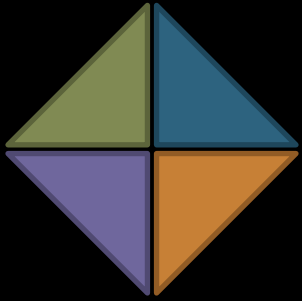
## The bottom line:

As school districts rethink their teacher Value Proposition, they must not ignore their most valuable asset: the opportunity to impact, improve, and enrich the lives of children and young adults.



## The bottom line:

That said, it is no longer sufficient for districts to rely primarily on the intrinsic nature of the profession to achieve their goals.



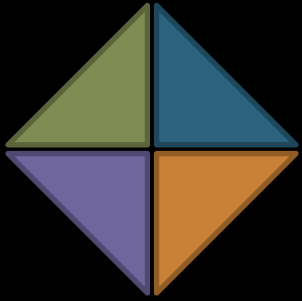
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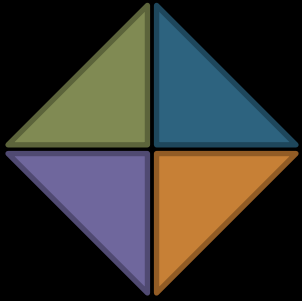
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