TEACHERS’ ATTITUDES AND PERCEPTIONS ABOUT PAY-FOR-PERFORMANCE

A thesis presented

by

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To

The College of Professional Studies

In partial fulfillment of the requirements for the degree of

Doctor of Education

In the Field of Education

Northeastern University
Boston, Massachusetts
June 2012
Abstract

Research has consistently demonstrated that teacher quality is a dominant factor in student achievement (Goldhaber, 2009; Sommerfeld, 2011; Darling-Hammond, 1999). There has also been an increase in the call for accountability of the nation’s teaching force by the general public (Firestone, 1991; Koppich, 2010). Compensation reform known as pay-for-performance has been suggested as one way to motivate teachers to improve their performance and in turn increase student achievement. The research examines the perceptions and attitudes towards pay-for-performance that exists with teachers of the East Providence Public School District. It explores the various pay-for-performance programs used throughout the United States, and it offers an opinion as to the conditions under which pay-for-performance programs might flourish as well as the types of programs East Providence teachers may find favorable. An internet based survey with closed-ended questions is used to assess the attitudes and beliefs of East Providence teachers regarding pay-for-performance. Findings are analyzed to determine which components employees believe are important in a compensation system. The research also examines the relationship between employee demographics (e.g., position title, years of employment, and grade taught) and their attitudes and beliefs about pay-for-performance. The information obtained on teachers’ attitudes and beliefs will contribute to the growing body of research on alternate compensation systems and may assist East Providence school district representatives if they explore alternate compensation programs.

Key Words

Pay-for-performance, merit pay, alternate compensation, student achievement, incentives
Acknowledgements

This has been such a long and difficult endeavor. *There is no telling how many miles you will have to run while chasing a dream.* ~Author Unknown. I would never have been able to complete my thesis without the guidance of my committee members, help from my friends, and support from my family throughout the process.

I would like to express my deepest gratitude to my advisors, Dr. Chris Unger and Dr. Ray McCarthy, for your guidance, patience, and your unwavering effort to help me finish my thesis. I would also like to thank Dr. Nena Stracuzzi and Dr. Susan Schenck for serving as members of my defense committee and providing quality feedback.

First and foremost I would like to thank my family. For the past three and a half years they have constantly been at my side providing support. My husband, Roger, for helping me persist, proofreading for me, helping with statistics, and understanding when I needed to go away to write. To my children, Derek and Allison, for your support and understanding throughout this process and for telling me I could do it when I didn’t think I could anymore. To my parents, Vin and Peg Spremulli, for teaching me never to give up and to always reach for my dreams.

I would be remiss if I did not thank my good friends, Rebekah Gendron, Laurie Tubman Marchand, Amy Watson, Beth Salzillo and Barry Alves who spent time reading my paper, taking my survey and providing feedback, listening to me talk about my research, and providing the support I needed to push me through the process when I was ready to give up. I would also like to thank the teachers and administrators in the East Providence School Department for your participation in my survey. Without all of you this would never have been possible.
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Chapter I: Introduction

Problem of Practice

Education research consistently demonstrates that a high quality teacher is the single most important factor in student achievement (Darling-Hammond, 1999; Goldhaber, 2009; Sommerfeld, 2011). Indeed, it has been said that, “A very good teacher as opposed to a very bad one can make as much as a full year’s difference in learning growth for students” (Goldhaber, 2009, p. 1). School reform efforts need to focus on the area that can make the most difference in improving achievement, teacher quality (Goldhaber, 2009; Odden & Wallace, 2004). Businesses have long used bonuses to increase productivity, and though it can be difficult to measure productivity in education, a financial incentive may provide the motivation to improve classroom instruction (Goldhaber, 2009).

According to Goldhaber (2009), research on experimentation with different compensation methods such as merit pay, knowledge and skills-based pay, and pay for teaching in high-needs schools, by and large suggests that pay reform can be an effective way to achieve policy objectives. Interest in teacher compensation reform has been on the rise (Cannon, 2007; Goldhaber, 2009) due to the public’s belief that if an employee does a better job or a more difficult job they should be paid more (Baratz-Snowden, 2007). The single-salary schedule is becoming obsolete (Kelley & Odden, 1995) and alternative forms of teacher compensation must be explored in order to recruit and retain effective teachers and improve student achievement (Jacobson, 1995).

Teaching has become more complex and requires a new skill set in order to help students acquire the knowledge and skills required to compete in a global economy (Kelley & Odden, 1995). With this increase in demand for more skilled educators there should be a compensation
system that rewards them (Kelley & Odden, 1995). Many companies have switched to alternative forms of compensation for their workers such as knowledge and skills-based pay, pay for professional expertise, and collective rewards for adding value to performance (Kelley & Odden, 1995). These alternative systems of compensation in the U.S. private sector are driven by the demand for highly skilled workers who can compete globally. In turn, this demand for highly skilled workers has increased demand for an improvement in the education system. Alternate compensation systems are currently being explored as a way to improve the quality of teachers in classrooms (Kelley & Odden, 1995).

**Significance of the Problem**

According to John Wells (2011), “Policymakers at the federal, state and district levels are increasingly adopting pay-for-performance policies as a means to reform the traditional teacher pay structure, to increase teacher effectiveness and productivity, and, ultimately, to improve student achievement” (p.2). Improving the quality of America’s classroom teachers will have a positive impact on the overall improvement of the education system in the United States. Recently, teacher compensation reform has gained the support of President Barack Obama, as well as bipartisan support (O’Leary, 2010; Sommerfeld, 2011). Compensation reform has become a major component of the administration’s education reform policies. In a 2009 speech, President Obama stated: “We know that from the moment our kids enter school, the most important factor in their success – other than their parents – is the person standing in front of the classroom: the teacher” (Sommerfeld, 2011, p. 1). With this increased focus on compensation reform has come more financial support in the form of grants such as the Teacher Incentive Fund.
In September of 2010, the Education Department awarded $442 million in Teacher Incentive Fund Grants. The fund is administered by the United States Department of Education and is aimed at encouraging performance-based teacher and principal compensation systems as well as other efforts to build teacher capacity, especially in high-need and hard-to-staff areas (Sommerfeld, 2011). Another national effort to improve education is the Race to the Top (RTTT) Initiative, a 4.35 billion competitive grant program for states (US Department of Education, 2009). Improving effectiveness based on performance is one part of a four-part initiative in the Race to the Top grant competition, along with raising academic standards, using data-based decision making, and turning around consistently low-performing schools (Sommerfeld, 2011). According to Sommerfeld (2011), the Obama administration hypothesizes that providing effective teachers the opportunity to earn additional pay to take on additional responsibilities will, in turn, increase student achievement.

With the increased funding available from both the federal government and private organizations like the Gates Foundation, the Eli and Edythe Broad Foundation, and the Milken Family Foundation, school systems and teachers’ unions are working to find ways to improve the quality of their work force, including looking at alternate forms of compensation (Sommerfeld, 2011). While increased compensation is one way to encourage teachers to improve their craft, it needs to be part of a comprehensive reform plan including professional development, teacher evaluation, and teacher working conditions. In addition there must be a significant role for teacher leadership – one that enables them to provide input into school-wide reform efforts among other things (Sommerfeld, 2011).

Implementing a pay-for-performance system is not easy. The following section explores many of the challenges involved.
One of the major challenges of a pay-for-performance system is defining a fair and equitable measure of teacher effectiveness. According to Goldhaber (2009), the complexity of teaching makes it less amenable to salary differentiation than other private sector occupations. Teachers’ jobs are complex and multidimensional. It is difficult to objectively and accurately quantify an educator’s productivity. A growing number of school systems and teachers unions such as the public schools of Denver, New York City, Nashville and Austin, Texas, have begun working together to define a fair and equitable measure of teacher effectiveness (Koppich, 2010).

In a recent study, Meg Sommerfeld (2011) researched four school districts using Teacher Incentive Fund grants to develop new systems for rewarding excellent teachers. Sommerfeld’s study concludes that compensation reform can be implemented successfully with support from union and district officials with the right mix of ingredients (Sommerfeld, 2011). She cites six elements common to implementing compensation reform:

1. a trusting relationship between district and union leaders
2. a joint focus on problem solving and learning together
3. teacher input into program design and implementation
4. voluntary participation by teachers
5. flexibility in program design
6. an overall comprehensive approach to the entire effort.

The Center for American Progress reports encouraging findings on the successful implementation of performance pay, the new collaboration between unions and district, and the financial support of the federal government and private sector (Sommerfeld, 2011). However, it remains to be seen whether the implementation of alternate compensation systems will play a significant part in improving student achievement. One thing is certain however: the willingness
of teachers to participate in and trust the process are essential to the success of any alternate compensation system (Sommerfeld, 2011). Defining teachers’ concerns and soliciting and obtaining their support will help avoid potential pitfalls (Weber, 1988). Therefore, in an effort to shed light on the many questions surrounding the pay-for-performance debate, this project explored teachers’ perceptions and attitudes about alternative compensation systems.

**Research Questions**

Wide scale change can be extremely difficult for an organization to implement successfully. It takes a structured effort with a clear vision and mission and strong leadership to facilitate the change (Mendez-Morse, 1992). Assessing teachers’ attitudes and willingness to participate in a performance-based system is the first step to creating a system that might be successful. The research questions that were explored in this project:

**Primary research question**

1. What are the overall perceptions about, and attitude towards, pay-for-performance among educators in East Providence?

**Secondary research questions**

2. Are there differences in perceptions of pay-for-performance among educators whose years of experience vary?

3. Are there differences in perceptions of pay-for-performance among elementary, middle and secondary educators?

4. Are there differences in perceptions of pay-for-performance among educators in different positions?
Document Organization

This paper will begin by examining the theoretical framework for the project. It will explore the theories that frame the problem of practice for the study and its overall design. Next will be a comprehensive literature review on the topic of performance pay in education. Following the literature review will be the design of the research study including the research question in detail, the methodology, site and participants, data collection procedures and analysis. Next will be a discussion of the procedure for the protection of human subjects, including the ethical challenges that will be faced in the study. Finally, the conclusion will pull together all sections of the project for the reader to review.

Theoretical Framework

The research explored for this project will focus on three specific areas. The first defines effective teaching and explores fair and consistent evaluation systems that measure effectiveness; the second explores a variety of components of compensation systems; and the final part explores teachers’ attitudes and beliefs about pay-for-performance. These three areas will be examined through the lens of expectancy theory (Vroom, 1964), which is the theoretical framework for this research (Scholl, 2002). Expectancy theory, a process theory, explains how people make decisions to achieve the end they value (Scholl, 2002). Carolyn Kelley, Herbert Heneman, and Anthony Milanowski (2007) used expectancy theory to frame their research in their study, Teacher Motivation and School-Based Performance Awards.

Expectancy theory, developed by Victor Vroom is based on three perceptions: expectancy, instrumentality, and valence, which, by themselves, can influence an individual’s motivation, but together can have a more powerful affect (Center for Progress Education, 2007). Expectancy is the belief that one’s effort will result in attaining the desired goal, instrumentality
is the belief that if the performance expectation is met, the reward will be received, and valence refers to the value the individual places on the reward (Scholl, 2002). Each of the three perceptions – expectancy, instrumentality and valence – and their relationship to pay-for-performance will be examined in detail.

**Component one - expectancy theory.** The first perception is expectancy. According to the Consortium for Policy Research in Education (2007), if teachers do not believe they will be rewarded for success, they will be less likely to make the necessary effort. Providing clear descriptions of the knowledge and skills that will be rewarded, providing opportunities to acquire and apply the knowledge and skills, and the presence of support and technical assistance, are all things that can positively influence the expectancy perception (Center for Progress Education 2007).

**Component two - instrumentality.** Following expectancy is instrumentality, which refers to how strongly a person perceives a connection to be between achieving a goal and to experiencing a positive outcome. If teachers achieve the desired results, will they receive the promised bonus? If teachers do not believe the results are obtainable, or that they will truly be compensated for achieving them, they are not likely to be motivated to achieve the goals. This is one of the reasons why the system to measure performance must be both valid and reliable and take into account all of the factors that influence student achievement. Also, teachers must have input into the design of the assessment system.

Instrumentality also has a direct effect on valence, the final perception. According to Kelley, Heneman, and Milanowski (2002):

There is a separate instrumentality belief for each outcome; there are multiple outcomes that must occur as a consequence of meeting or not meeting the school’s student
achievement goals, and the outcome has valence (degree of desirability or undesirability) to the teacher. (p. 379)

**Component three - valence.** Valence in this context refers to value. This refers to whether teachers value the rewards associated with obtaining the desired goals. In the case of pay-for-performance, will the extra monetary rewards that can be earned motivate teachers enough to obtain the specific goals set forth for them? In order to be motivated by a reward, a person needs to perceive it as highly desirable (Iyer, 2011) Kelley, Heneman, and Milanowski (2002) further explain:

This theory is silent on what outcomes exist, as well as their valence, for any individual. These are to be determined by thorough research. A teacher’s motivation to reach the student achievement goal is a combination (either additive or multiplicative) of these three variables. That is, to be motivated to exert effort to achieve the awarded goals, teachers must believe that their effort will lead to goal achievement, that goal achievement will lead to certain outcomes, and that the outcomes on balance have positive valence. (p. 379)

Using expectancy theory as a base, this study will explore teachers’ attitudes and perceptions of pay-for-performance systems. This study will also identify key attributes of effective pay-for-performance systems as perceived by the study’s participants. It is this researcher’s premise that teacher attributes, such as subject taught, grade level and years of experience will not have a significant impact on their attitudes about pay-for-performance. Also, key attributes of a pay-for-performance system as defined by teachers and administrators will include a system that is clearly defined, fair and consistent. A further supposition is that there will be little support for a system that includes incentives based on test scores of students.
This study will not only assess teachers’ attitudes about pay-for-performance but also assess the key attributes of pay-for-performance systems that teachers’ might support. East Providence, Rhode Island is the site of this study. At this point there is not a performance compensation system in the East Providence Public School District. The results of this study will define teachers’ attitudes and perceptions of alternate compensation and which types of systems they would support.

**Chapter II: Literature Review**

Over the last few years there has been an increased focus on teacher quality in America’s classrooms. Reports and data from two initiatives in Tennessee (Center for Public Education, 2005) and one in Texas (Center for Public Education, 2005) suggest how much of an effect teachers have on student outcomes. According to the report, the effect of teaching on student learning is greater than student ethnicity, family income, school attended or class size (Center for Public Education, 2005). Also, the effect is stronger for poor and minority students and the effects accumulate over the years (Center for Public Education, 2005). This research suggests an effective teacher is the key to improving student achievement.

This literature review will focus on research related to effective teaching and alternate compensation systems. Teacher quality, types of merit pay systems, the impact of merit pay systems on student achievement, effective methods for creating teacher incentive plans and teachers’ attitudes about pay-for-performance are all areas that will be explored. Having an effective teacher in every classroom is the key element to improving student outcomes (Darling-Hammond, 1999; Goldhaber, 2009; Sommerfield, 2011), and alternate compensation systems are being explored as a way to achieve this goal.
Teacher Quality

Improving the quality of instruction for all students needs to take into account classroom practices, educational background and professional development (Darling-Hammond, 1999). Teacher quality is the single most important school based factor in student achievement (Haskins & Loeb, 2007). In order to elevate student performance instruction must be the focal point (Darling-Hammond, 1999).

Effective instruction by top-performing teachers elicits the ability to achieve greater results from their students (Goldhaber, 2002). There is significant variation in teacher effectiveness from classroom to classroom (Haskins & Loeb, 2007) while the basic salary scale structure of teachers does not vary. Effective teachers are able to elicit greater results from their students (Goldhaber, 2002). The single salary scale in education does not provide incentives for teachers to improve their skills because the best teachers are compensated the same as the less effective teachers (Hess, 2010/11). All teachers are compensated in the same manner regardless of their effectiveness. According to Podgursky and Springer (2007), rewarding more effective teachers on the basis of performance would have two important consequences. First, it would motivate teachers to work harder to meet the performance targets. Second, it would have a selection effect by drawing effective teachers into the workforce and retaining them (Springer & Winters, 2009). It is essential that high quality teachers are attracted and retained (Berry, Hoke & Hirsch, 2004).

Education research consistently highlights that a high quality teacher is the single most important factor in student achievement (Darling-Hammond 1999; Goldhaber, 2009; Sommerfeld 2011), and pay based on performance can be a way to increase the effectiveness of teachers. Businesses have long used bonuses as a way to increase productivity, and although it
can be difficult to measure productivity in education, a financial incentive may provide the needed motivation to improve their teaching practice. According to Goldhaber (2009), Research on the various types of performance incentives suggests pay reform can be an effective way to achieve district and statewide policy objectives. Alternate forms of teacher compensation are not widely accepted as a way to improve teacher performance, especially by teachers’ unions (Goldhaber, DeArmond, M., Player, D., & Choi, H. 2005), but they are gaining public support. According to Baratz-Snowden (2007), two key factors driving changes to teacher compensation are the public’s beliefs that teachers are underpaid and that if you do a better job or a more difficult job you should be paid more.

**Teacher Compensation Reform**

While there is an increased interest in changing teacher compensation, very few school systems have created alternate compensation systems. On the other hand, there has been glacial change in teacher compensation methods since the 1800’s. In the latter half of the 1800’s, teachers were compensated for their service with room and board provided by the community. This method was a strong incentive for teachers to maintain positive relations with community members and to maintain a high moral character (Kelley & Odden, 1995). The early 1900’s brought a change to the payment system requiring teachers to attend higher education and for compensation to reflect that. There were still disparities in the salaries of teachers with elementary teachers being paid less than secondary teachers due to differences in higher education requirements. Women and minorities were also compensated less, reflecting societal views at the time (Kelley & Odden, 1995).

While there were changes made to the salaries of teachers in the 1900’s it was not until the early 20th century that inequities began to be addressed. The single-salary model emerged in
the early 20th century in response to the demand for greater skills and education for teachers and changes in the social context (Kelley & Odden, 1995). Differentials were provided to teachers based on years of experience, educational units and educational degrees. Teachers could also earn more money for taking on additional duties such as coaching, advising clubs or coordinating activities. According to Kelley and Odden (1995), “The bases for paying differential salary amounts were objective, measurable and not subject to administrative whim” (p. 2). This is the current system that continues to be used by most districts. Current education reform trends reflect changes in the organization of the work and therefore suggest a need to look at realigning compensation with the requirements of the profession (Kelley & Odden, 1995).

Due to increased societal demand for improvements in the education system and the role teachers play in these changes, a variety of alternative compensation systems for educators have been implemented across the country. These alternative compensation systems take several different forms. According to Sutton (2007),

Teacher advocates nationwide argue that salaries do not reflect the job qualifications and daily challenges in the classroom. Much of the pay incentive literature advocates group rewards in lieu of individual incentive plans that are viewed as contravening to the ideals of collaboration needed for effective school improvement. (p. 2)

Both individual and group incentive plans are currently being implemented around the country.

**Types of Alternate Compensation Plans**

Alternate compensation plans are one proposal to reward excellent educators and motivate others to increase their effectiveness in the classroom. Many variations of alternate compensation plans exist. Examples include paying teachers to work in difficult assignments,
knowledge, and skills-based pay, and group incentive plans. This section will explore the
different types of plans that are currently being employed in education.

While there have been many attempts at enacting different compensation systems in
garage, most have failed to gain the necessary support for a variety of reasons. One of the
main reasons for this is that many times there is not adequate funding to support the system
(Morice & Murray, 2003). These failures result in suspicion among teachers about whether
changes to teacher compensation are needed, could improve the overall system, and will be
funded (Kelley & Odden, 1995; Odden & Kelley, 2008,).

The Career Ladder System is one such form of alternate compensation. Career Ladders,
popular in the 80’s and 90’s, create different categories that reward teachers with higher salaries.
Career ladders require teachers to show some skill or competency or to assume more
responsibility in exchange for higher pay. These opportunities for teachers tend to remove them
from the classroom, having the opposite effect of what is intended. By providing opportunities
outside the classroom the top teachers are being taken away from where they are needed.

Another type of compensation system that has been implemented in education is
knowledge and skills-based pay (Odden & Wallace, 2004). This type of pay system rewards
teachers for acquiring additional knowledge and skills that are thought to improve overall
effectiveness in the classroom. Teachers are compensated for things such as advanced degrees,
professional development, National Board Certification, and years in the classroom. The
essential assumption of this type of compensation program is that the skills learned are then used
to improve instruction. In many cases, however, the acquisition of knowledge and skills does not
necessarily translate into better classroom instruction (Kelley & Odden, 1995).
A skill or competency-based pay system might assess more directly the knowledge and skills beneficial to classroom instruction. Kelley and Odden (1995) recommend teachers have in-depth knowledge in the areas of content, curriculum and instructional expertise. A second set of skills would be breadth skills – those vital to important non-teaching functions such as curriculum development, professional development, guidance counseling, and parent outreach (Kelley & Odden, 1995). A third set would be management skills, particularly for schools engaged in site-based management (Kelley & Odden, 1995). A standard would need to be set to assess the application of these skills so that teachers could be compensated based on achieving the set standard.

According to Kelley and Odden (1995) knowledge and skills-based pay could simply be added on to the current salary scale. While many merit pay systems have teachers competing for a pool of money, this type of system would reward all teachers who achieve the set criteria. In order to create an effective skills-based compensation program there must be clear, specific and measurable goals (Kelley & Odden, 1995). In addition, the system must be objective, sound and credible (Kelley & Odden, 1995). These points of emphasis relate directly back to expectancy theory. If the compensation system is to work, people must know exactly what is expected of them and must believe the results are attainable.

Market-based compensation systems are another form of compensation reform (Podgursky & Springer, 2010). Teachers are paid extra to work in hard to staff schools or subject areas. These schools tend to be economically disadvantaged, minority or low-performing schools. Teachers are recruited into these schools through extra compensation and awarded bonuses to stay. In most cases these types of school are where our most inexperienced teachers
are working. By increasing compensation the goal would be to attract more experienced teachers and retain them in even the most struggling schools.

**Implementation of Alternate Compensation Systems**

Performance incentive pay plans are another type of alternate compensation that are more controversial because they provide incentives to teachers based on their job performance (Podgursky & Springer, 2010). Several of these plans are in effect in school systems around the country, such as Dallas, Douglas County, Colorado, and Chattanooga. These types of incentive plans can be difficult to implement and results have been mixed.

The Denver-Pro Comp Plan is a performance incentive plan that was approved in March 2004 by the Denver Public School Board and the local union. The plan provides educators an opportunity to earn additional compensation through four different paths: meeting student growth objectives, receiving a satisfactory evaluation, attending coursework or workshops, and working in more challenging schools (Brodsky, DeCesare, & Kramer-Wine, 2010). Veteran teachers were given the option to join the plan, and all teachers hired after January 2006 were automatically placed on the plan.

Chattanooga, Tennessee Public Schools have also implemented an incentive-based pay system. This incentive plan is focused on improving student achievement in chronically low-performing schools. Teachers who work in the most difficult schools and bring value-added gains to student achievement are paid up to $5000 extra (Holland, 2005). Since the implementation of the incentive plan, student achievement has increased. However, questions still remain as to whether or not the incentive plan is the reason for those increases.
Promising Compensation Plans

The Teacher Advancement Program (TAP) devised by the Milken Family Foundation is probably the most promising of all the incentive plans currently in effect because not only does it compensate teachers for success, it also provides the tools to achieve success. TAP attempts to attract the most talented people into teaching and keep them there. TAP was created in 1999, and affected 7,500 teachers and 85,000 students in the 2009-10 school year (Schoff, Shapiro, & Van Hook, 2012). The TAP model consists of four elements that work together to develop the skills of educators. They are defined below:

- *Multiple career paths* - opportunities for more responsibilities and commensurate pay
- *Ongoing applied professional growth* - continuous on-site professional development embedded within the school day
- *Instructionally focused accountability* - fair evaluations based on clearly defined, research-based standards

Student growth in the Teacher Advancement Program model is measured using a value-added model, which is a statistical model for determining how much students gain in a given year from pre- to post-testing (Holland, 2005). The Milken mission statement explains the importance of the value-added process this way:

The use of value-added analysis of student gains can be viewed as the strand connecting each of the TAP elements at the classroom level. This complex statistical process allows teachers and schools to identify what is happening ‘right’ with regard to instruction.
Further, it helps to identify what needs more examination with the intention of improvement, always focusing on maximizing student performance with quality instruction. (Holland, 2005, p.9)

**Increasing Support**

The examples above are just a few examples of alternative compensation systems that have been implemented across the country. These types of incentive programs have been gaining bipartisan support in Congress, and significant federal money is now available through the Teacher Incentive Fund (Heyburn, Lewis, & Ritter, 2010). The Teacher Incentive Fund (TIF) focuses on efforts to develop and implement performance-based compensation systems in high-need schools.

Goals of the Teacher Incentive Fund include,

- improving student achievement by increasing teacher and principal effectiveness
- reforming teacher and principal compensation systems so teachers and principals are rewarded for increases in student achievement
- increasing the number of effective teachers teaching poor, minority, and disadvantaged students in hard-to-staff subjects

For the Fiscal Year 2010, Congress appropriated $400,000,000 to the Teacher Incentive Fund for between 60 and 80 grants ranging from $500,000 to $5,000,000 (U.S. Department of Education, 2009). With an investment this significant, the support for merit pay as a means of improving teacher quality and student achievement seems to be growing rapidly.
Implementation

The implementation of a fair and consistent merit pay plan is an issue of concern for teachers and their unions. Murnane and Cohen (1986) suggest merit pay and education do not mix because the complex work that teachers do is difficult to evaluate. They go on to state that there must to be clear measures and criteria for judging success (Murnane and Cohen (1986). Decisions about rewarding performance are, at best, subjective and, at worst, unworkable (Goldhaber et al., 2005). The arguments against merit pay also are concerned with the concern that teachers ay focus only on test scores and not on educating the whole child. In addition, merit pay may reduce the collegiality between teachers and lead to unhealthy competition instead of collaboration. In their article, Murnane and Cohen (1986) state that performance monitoring, or measuring teacher output, was one major reason why pay-for-performance failed.

Teacher performance can be difficult to measure in a fair, reliable and consistent manner (Murnane and Cohen, 1986). However, many states and districts have now implemented sophisticated longitudinal data systems that are able to match students with their classroom teachers (Springer & Gardner, 2010). With these advances educators are now more capable of measuring student growth over time and are able to provide an estimation of the contribution of a teacher to a student’s learning. There are many obstacles to paying teachers for performance such as measurement problems, negative effects on motivation and collegiality, and cheating (Lavy, 2007), however systems such as those in Charlotte-Mecklenburg, Kentucky, Dallas and South Carolina are successfully using a merit pay system to compensate teachers (Lavy, 2007). Ballou (2001) argues there is nothing inherent in teaching and schooling that makes merit pay a poor fit. Rather resistance from teachers unions seems to be the biggest problem. Ballou
continues to state that political costs created by teachers unions have more to do with merit pay’s problems in public education than any inherent aspect of teaching (Goldhaber et al., 2005).

**Key Components of Implementation**

The creation and implementation of pay-for-performance plans are what will make or break them (Kelley & Odden, 1995). Kelley and Odden (1995) in their article, "Reinventing Teacher Compensation Systems," recommend ten key process principles important to the successful development, design and implementation of pay-for-performance plans. The first is the involvement of all key parties. Teacher unions, administrators, school committee members and the general public all need to work together to design and implement fair programs. Next, is a broad agreement on the most valued educational results. All parties must agree on the results that are most valued for the students. A sound, comprehensive evaluation system must also be in place. Setting clear, consistent and measurable goals is essential to motivate teachers to work towards those goals. One of the keys to an alternate compensation system is that adequate funding must be in place. Teachers need to know that if they achieve the desired results they will receive the reward promised to them.

Another key component is the investment in ongoing professional development. Kelley and Odden (1995) recommend spending 2-3 percent of the school budget on teacher development. Also, there should be no quotas implemented in a pay-for-performance system. All teachers should have the ability to earn a bonus if they successfully meet the criteria. Another major issue in implementation is that general conditions of work must be addressed. Work conditions at the school must be conducive to allowing teachers to focus on their goals. Another major factor in the success of merit pay plans is management maturity and labor maturity. Both administrators and teachers must be on good working terms, and need to work
cooperatively towards the goal of improving student achievement. Finally, there must be persistence from all parties until the plan is perfected. There will always be flaws when a new system is implemented, but there must be a commitment on the part of all parties to work through those flaws (Kelley & Odden, 1995).

While the previously stated conditions need to be in place to create a pay-for-performance system, the creation of criteria and rewards is the most important aspect of a successful system (Kelley & Odden, 1995). The theory of expectancy used to frame this issue states the criteria must be clear and measurable and the reward itself must be attainable. In *Designing Incentive Systems for Schools*, Derek Neal (2008) reinforces two components of creating a successful system. First, there must be a method for ranking schools or teachers according to performance. Second, the system must assign specific rewards and penalties to the various performance ranks.

To rank schools or teachers according to performance, the first step is to define performance. As Neal (2008) states, in order to do this there are three main principles to be followed: (a) the priorities of the school or district need to be spelled out; (b) there must be mapping between the policy priorities that define an incentive system for educators, and (c) the procedures used to create performance rankings for schools and teachers should be clear and precise. Once those priorities are accomplished, incentive systems should group schools according to the types of students and families they serve, and then rank schools that are similar to each other.

Once a method for ranking teachers and schools is established the system then requires the assignment of specific rewards to the various performance ranks of schools or teachers. There is mixed research on the most effective types of reward systems for teachers (Adams,
Heywood & Rothstein, 2009; Lavy, 2007; Springer & Winters, 2009). The argument against individual awards is that it does not foster cooperation in schools. Teaching should be a collaborative profession where educators work together and share their knowledge and skills with each other. The concern with individual incentives is this will no longer happen (Lavy, 2007).

The other alternative to individual rewards for teachers is a school based group incentive system. These types of systems can be easier to implement than individual based rewards systems. The question remains on whether or not group rewards will have the same impact. Further research is necessary in this area.

**The Effectiveness of Pay-for-Performance Plans**

When considering the effectiveness of pay-for-performance plans there are several questions. Do pay-for-performance plans improve student achievement? Does current research support the effectiveness of these types of plan? The research on the effectiveness of pay-for-performance plans is mixed (Dee & Keys, 2004; Figlio & Kenny, 2005; Springer & Winters 2009). There are several studies that document the effectiveness of these types of plans and others that show little to no increase in student achievement with incentive plans for teachers.

David Figlio and Lawrence Kenny (2005) examined the impact of teacher incentives on student achievement in their paper, "Individual Teacher Incentives and Student Performance". Figlio and Kenny (2005) used the National Education Longitudinal Survey (NELS) and supplemented the data with information on whether the schools used a pay-for-performance system with their teachers. They found test scores were higher in schools that rewarded teachers for individual performance. Figlio and Kenny findings show students learn more in schools that use teacher incentives. However, it is difficult to determine if the relationship is due to the
incentives themselves or better schools using the incentive plans. They go on to state, "there has been a positive correlation between teacher incentives and test scores even after we control for three sources of heterogeneity in the use of merit pay-teacher unionizations, school sector, and educational reform in the state" (Figlio & Kenny, 2005, page 17).

Another recent study supporting the effectiveness of pay-for-performance plans was completed by Thomas Dee and Benjamin Keys (2004). Dee and Keys (2004) explored the impact of the Tennessee’s Career Ladder Evaluation System on student outcomes using data from the Tennessee Student Achievement Ratio (STAR) Program. The study found that students who were instructed by teachers in the career ladder program made significant gains in mathematics (Dee & Keys, 2004).

Another successful program examined was the Little Rock, Arkansas Achievement Challenge Pilot Project (ACPP) (Winters, Ritter, Marsh, Greene, & Holley, 2009). Teachers in this project received awards based solely on year-to-year gains in student test scores. The study found that students whose teachers were eligible for performance awards made substantially larger test-score gains in math, reading, and language than students taught by teachers not participating in ACPP (Winters, Ritter, Marsh, Greene, & Holley, 2009). The results showed that students of teachers who were previously less effective at producing learning gains appear to have made larger-than-average improvement.

The Missouri Career Ladder program is another example of a pay-for-performance program that was explored (Booker & Glazerman, 2008). This program is one of the nation’s oldest and largest pay-for-performance programs. The study used nine years of reading and math scores to assess the effect on student achievement. The study found that participation in the Career Ladder has a small positive effect on average math achievement in the elementary
grades, but no significant effect on reading scores. The study cautions that readers should bear in mind student achievement is only one possible outcome of the Career Ladder program, and average math and reading scores only capture one aspect of students’ achievement. Another possible outcome is that participating in the Career Ladder helps districts attract and retain high-quality teachers (Booker & Glazerman, 2008).

Additionally there are several other studies by (Glewwe, Ilias, and Kremmer, 2008; Lavy, 2007; Muralidharan & Sundararaman, 2011) that have found positive correlations between pay-for-performance systems and student achievement. This includes the study known as the Andhra Pradesh Randomized Evaluation Study conducted in 2008 in Andhra Pradesh, India (Muralidharan, 2012). This study found a positive correlation between students’ test scores and teacher performance incentives. Positive correlations were also found in a study conducted by Glewwe, Ilias, and Kremmer (2008) in Kenya and by Lavy (2007) in a study conducted in sixty-two Israeli High Schools.

While many of the studies examined have shown some form of positive correlation, there are studies alluding to the contrary (Springer & Winters, 2009; Springer, Hamilton & McCaffrey, 2010). The study described in the article, "The NYC Teacher Pay-for-Performance: Early Evidence from a Randomized Trial," is one such study that found pay-for-performance had no impact on student achievement (Springer & Winters, 2009). The study was designed to answer three research questions about student performance, stakeholder perceptions and subgroup performance. This study consisted of a very large sample of elementary schools in NYC for both the experimental and control groups. Schools were randomly selected to participate and then had to vote to be a part of the program. The study concluded there was no positive effect on overall student achievement in the first year of the program’s implementation.
The study described in "Teacher Pay-for-Performance: Experimental Evidence from the Teaching Project on Incentives in Teaching (POINT)" was another study that found no improvement in an extensive three year study conducted in the Metro-Nashville Public Schools from 2006-2009 (Spring, Ballou, et al., 2011). Middle school mathematics teachers voluntarily participated in a controlled experiment to assess the effects of financial incentives for teachers whose students showed gains in mathematics achievement. The hypothesis for the study was the notion that a significant problem in American education is the absence of appropriate incentives, and that correcting the incentive structure would, in and of itself, constitute an effective intervention that improved student outcomes (Springer et al., 2010). The research did not confirm this hypothesis.

The study concluded that students who were randomly assigned to the treatment group did not outperform those who were assigned to the control group. The only positive effect of incentives that was detected was at the fifth grade level in the second and third years of the program. One of the main issues with this study could be the fact that the POINT program was not coupled with any type of professional development, curricular innovations, or other pressure towards improving performance. Many teachers did little to change what they were already doing in the classroom. While this type of incentive system did not prove effective in improving math scores it is possible that by designing the system differently or providing additional support there may have been gains in student achievement. This study speaks to the fact that any type of pay-for-performance system needs to be well designed with clear, measurable goals and the supports necessary to implement those goals (Murnane & Cohen, 1986).
Discussion

This literature review suggests the way to improve student achievement involves creating a comprehensive plan that provides support to teachers (Koppich, 2010; Ritter & Jensen, 2010; Springer & Gardner, 2010). Incentive plans for teachers could be one component of that plan. While incentive plans can be difficult to implement it is essential they are clearly defined and that all stakeholders have input into the creation of the systems (Koppich, 2010). The Teacher Advancement Program (TAP), which was discussed previously, is one of the most widely used innovations in teacher compensation. The program, started in 1999 by the Milken Family Foundation, provides bonuses to teachers who increase students’ academic growth and who demonstrate their skills through classroom evaluations, which are conducted four to six times a year by multiple evaluators trained and certified by TAP. The first broad evaluation of the program, released this year by the National Institute for Excellence in Teaching, which operates TAP, found that teachers in schools that participate in the program are more likely to significantly raise student achievement than similar teachers in other public schools (Olson, 2007). Programs such as TAP, Denver Pro Comp, and Dallas must be evaluated, expanded upon and implemented if we are to see an improvement in student achievement.

Teachers’ attitudes and perceptions of pay-for-performance plans are mixed. There has been much resistance on the part of teachers’ unions in the past to instituting alternative compensation systems, although recently support has been growing (Koppich, 2010; Ritter & Jensen, 2010; Springer & Gardner, 2010). Much of this resistance has been due to the fact that pay-for-performance incentive programs were poorly designed, lacked teacher input, were short lived and focused on student achievement only, which was difficult to measure (Goldhaber, 2009; Ritter & Jensen, 2010). As more compensation plans have been effectively put into place
around the country, support has grown (Koppich, 2010). Recent research (Koppich, 2010; Ritter & Jensen 2010; Springer & Gardner, 2010) has confirmed teachers are more supportive of pay-for-performance programs now than they were in the past. For example, in Austin, Texas 74% of teachers thought their district’s pay-for-performance plan was an improvement (Springer & Gardner, 2010). Support for performance-based awards is also growing in popularity in the political arena as well. In 2008, all three democratic candidates for President supported some form of pay-for-performance plan in education (Springer & Gardner, 2010). Further, Representative George Miller (D-Calif.) stated:

> If we want our students to succeed, we have to begin giving our teachers the respect and resources they deserve…This will require a seismic shift in the way we talk about and treat teachers, and it starts with [an] important investment in programs that reward teacher excellence. (Springer & Gardner, 2010, p.13)

Another major factor in teachers beginning to accept pay-for-performance programs is the fact that America’s two largest teachers’ unions, the American Federation of Teachers and National Education Association have begun to participate in the design of a performance compensation system. The American Federation of Teachers in particular has participated in the creation of Denver’s ProComp plan, Austin’s REACH, and Nashville’s project on Incentives in Teaching (Springer & Gardner, 2010).

American Federation of Teachers president Randi Weingarten stated,

> Rather than being pilloried as an obstacle…we created a program that may promote the collaboration and respect that are necessary for great schools…We have taken a negative-individual merit pay and come up with a positive alternative that makes it a plus for educators and kids. (Springer & Gardner, 2010, p. 13)
The National Education Association typically has taken a stance against pay-for-performance but changed the language on their position on performance pay at their July 2011 conference. (Resmovits, 2011)

National Education Association President Dennis Van Roekel stated:

The NEA supports pay systems that have a professional level starting pay, that the movement through the pay system should be based on things that you can measure and that there ought to be enhancements for things that make a difference. (Resmovits, 2011, p. 2)

He also went on to say, "...we're opposed to performance-based pay based on test scores but we are not opposed to performance-based pay methods that are bargained on the local level that are not based on subjective measures" (Resmovits, 2011, p. 2). So, while the National Education Association is not endorsing merit pay, it did shift its policy language about it.

Teachers’ opinions about pay-for-performance will have a significant impact on the implementation of performance based plans. There have been several opinion surveys about teachers’ attitudes toward pay-for-performance suggesting different levels of support ranging from over 60 percent in favor to over 60 percent opposed (Goldhaber, DeArmond, & DeBurgomaster, 2010). Support for reform seems to depend on the framing of the questions. In a 2003 survey of public school teachers conducted by Public Agenda, only 50 percent of teachers supported school districts’ moving away from the single salary schedule (Goldhaber et al., 2010). In the same survey, however, teachers appeared far more supportive of a deviation in the schedule when asked about some specific compensation reforms. Around 70 percent of teachers supported providing incentives to teachers to work in tough neighborhoods with low-performing schools, and a similar percentage favored additional compensation for teachers who consistently
work harder, putting in more time and effort than other teachers (Goldhaber, DeArmond, &
DeBurgomaster, 2010). The research suggests the context of teacher pay reform is important in
shaping teacher views (Goldhaber et al., 2007).

Participants in the "Project on Incentives in Teaching," conducted in the Metro-Nashville
Public Schools reflect general support of the idea that more effective teachers should be paid
more than less effective teachers (Springer et al., 2010). Sixty-four percent of the teachers
surveyed agreed that teachers should receive additional compensation if their students show
outstanding achievement gains (Springer et al., 2010). Two years later the teachers were
surveyed again and felt the same way. Overall, it seems as if most educators would agree with
the concept of pay-for-performance if they were confident in the system used for evaluation
(Springer et. al., 2010).

Teacher attitudes about compensation are complicated and vary significantly. Research
by Ballou and Podgursky (1997) have found younger teachers, teachers working with
economically disadvantaged students and teachers who have direct experience with pay reform
tend to support a compensation program more. Goldhaber, DeArmond and DeBurgo (2007)
recently completed a working paper titled "Teacher Attitudes about Compensation Reform" that
explores opinions and attitudes. Findings of the article suggest that teachers’ attitudes about
compensation reform are not simple. Research has been contradictory partly because much of it
speaks about compensation reform in the abstract sense. Goldhaber, De Armond and DeBurgo
(2007) write that teachers’ opinions on compensation reform vary by context. They go on to
state,

If however, policymakers have a sense of how teacher opinion varies by context, they
may be able to move away from sweeping questions about which reforms are
“implementable and will work” and toward more useful questions about which reforms are implementable and will work under what conditions. (p. 2)

Although more research regarding teachers’ attitudes and perceptions of merit pay has been completed recently, there is still room to expand this topic. This project explored the attitudes and opinions of East Providence educators who may embark on the creation of a pay-for-performance system in the future. It may be important to consider the current research and the theoretical framework in mind when designing a pay-for-performance system. Expectancy theory, the theoretical framework for this project, may be helpful in guiding the design of the pay-for-performance system. Teachers need to know they can achieve the goals that are set. By involving teachers in the development of the goals, this may reinforce teacher beliefs that these goals are attainable. Also, teachers need to know that if they reach the goals set forth in a pay-for-performance plan they will receive the promised compensation. The district needs to make sure there are the financial means to make this available for all teachers. Finally, the reward has to be significant enough to get teachers to buy into the program. If they do not feel the reward merits the effort required to achieve it, they will not be committed to working towards attaining the goal.

Utilizing results from the current survey analyzed through the lens of expectancy theory and explained in light of the current literature could help The East Providence School District design a successful pay-for-performance system. The current literature is definitive in that an effective teacher has a significant impact on student achievement. It is also clear there is a considerable shift in the call for accountability of teachers. A system for measuring teacher effectiveness needs to be created and clearly defined by all stakeholders including teachers,
administrators, parents and community members. Once an effective evaluation system is put into place, teacher unions may be more willing to accept alternate forms of compensation.

**Research Questions**

The research on this project focuses on teachers’ attitudes and perceptions of the implementation of a pay-for-performance system in the East Providence School District. The research questions draw on the theoretical framework of expectancy theory. The research questions that will be explored in the study will be:

**Primary research question**

1. What are the overall perceptions about, and attitude towards, pay-for-performance among educators in East Providence?

**Secondary research questions**

2. Are there differences in perceptions of pay-for-performance among educators whose years of experience vary?

3. Are there differences in perceptions of pay-for-performance among elementary, middle and secondary educators?

4. Are there differences in perceptions of pay-for-performance among educators in different positions?

There are a multiple types of pay-for-performance systems in existence. Many school systems are considering implementing an alternate compensation system in the future. In order to get teachers to support the alternate compensation system it is essential to assess their attitudes and concerns. The study will help to gauge educators' support for alternate compensation systems and the types of incentive programs that will be most attractive to educators in East Providence.
An internet-based survey with closed-ended questions was used to help determine concerns and obstacles that teachers believe may be encountered in the creation of a new system. There are many concerns associated with pay-for-performance. By defining the concerns educators have about the implementation of a pay-for-performance system, the district may be able to use that information to clearly define the goals for achieving the desired compensation. The survey also assesses educator attitudes about whether pay-for-performance systems will have an impact on student achievement. While findings from the current literature are definitive in terms of the impact of effective teachers on student achievement (Goldhaber, 2009; Darling-Hammond, 1999; Sommerfield, 2011) they are mixed on the effect of teacher performance incentives on student achievement. This research will add to the existing literature on teachers’ attitudes and perceptions of alternate compensation systems and help to more clearly define the systems that teachers support.

Chapter 3: Methodology

The purpose of this dissertation research was to investigate the topic of pay-for-performance in public school systems. This topic has been controversial. Therefore, an objective study of the perceptions was created to contribute to the body of knowledge in a systematic and comprehensive manner.

Research Design

The research design was a descriptive study. According to Issac and Michael (1980) in the Handbook in Research and Evaluation, this methodology “describes systematically a situation or area of interest, factually and accurately.” It is used in the literal sense of describing events, and not necessarily making predictions or explaining relationships. The current dissertation provides a description of perceptions about pay-for-performance in public school
systems, specifically East Providence. The data will be used to create a comprehensive description of perceptions among educators.

**Primary research question.** The primary research question is:

What are the overall perceptions about, and attitude towards, pay-for-performance among educators in East Providence?

**Secondary research questions.** The secondary research questions tested in the dissertation research are as follows:

1. Are there differences on perceptions of pay-for-performance among educators whose years of experience vary?
2. Are there differences in perceptions of pay-for-performance among elementary, middle and secondary educators?
3. Are there differences in perceptions of pay-for-performance among educators in different positions?

**Instrumentation**

With descriptive research designs, the appropriate tool or instrument for data collection is a questionnaire. The current dissertation research modified an instrument used in previous dissertation research as described in "The Merit of Merit Pay" (Pemberton Albright, 2011). The tool assessed teachers’ attitudes about compensation systems. The reliability coefficient was .60, which was computed using Cronbach’s alpha coefficient for the 15 items that composed the Pay-for-performance construct scale.

The draft instrument consisted of five sections including demographics, questions regarding attitudes and perceptions on pay-for-performance, perceived outcomes of performance pay, development and evaluation, and amount of compensation.
The tool was piloted with a small number of colleagues chosen from throughout the district to establish content validity and to improve questions, formats and scales. Also, to ensure question clarity, some non-educators from outside the district were selected to pilot the survey. Once this step was completed, based on feedback from the pilot group, some of the survey questions were revised to be more clear and precise, and to be sure the questions were interpreted correctly by all participants.

Based upon this review and feedback, the final survey instrument was produced and presented to educators throughout the East Providence Public Schools District. The first five questions were used to gather demographic information on the respondents. Participants were asked to identify their gender, years of experience, tenure status, grade level assignment (elementary, middle, secondary) and position (See Table 1).

Table 1

Demographic Information Survey Items

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Gender</td>
</tr>
<tr>
<td>2.</td>
<td>Years Experience (0-5, 6-10, 11-15, 16-20, 21-25, 26 or more)</td>
</tr>
<tr>
<td>3.</td>
<td>Tenure Status (tenured teacher, non-tenured teacher, administrator)</td>
</tr>
<tr>
<td>4.</td>
<td>Grade Level Assignment (early childhood, elementary, middle, high school)</td>
</tr>
<tr>
<td>5.</td>
<td>Current Position (core subject teacher, special education teacher, special services teacher, administrator)</td>
</tr>
</tbody>
</table>

The next 15 questions used agreement scaling to ask participants about their attitudes and beliefs regarding pay-for-performance systems. These 15 items together comprised the major construct of the dissertation research (See Table 2).
Table 2

**Performance Pay Attitudes and Beliefs Survey Items**

<table>
<thead>
<tr>
<th>Item</th>
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<tbody>
<tr>
<td>1. The current salary structure is an adequate way to pay educators.</td>
</tr>
<tr>
<td>2. I would work for performance pay if it was based on student test scores.</td>
</tr>
<tr>
<td>3. I would work for performance pay if it was based on performance of students in my classroom (individual growth, portfolios, targeted growth, other)</td>
</tr>
<tr>
<td>4. I would work for performance pay if it was based on building-wide performance criteria.</td>
</tr>
<tr>
<td>5. Performance pay is the best option to increase teacher wages.</td>
</tr>
<tr>
<td>6. Performance pay is a fair way to reward teacher performance.</td>
</tr>
<tr>
<td>7. Performance pay will affect the retention of highly-qualified teachers.</td>
</tr>
<tr>
<td>8. The principle of relating teachers’ pay to performance is a good one.</td>
</tr>
<tr>
<td>9. The idea of performance pay for teachers is fundamentally unfair.</td>
</tr>
<tr>
<td>10. Experience on the job should count more towards determining pay levels.</td>
</tr>
<tr>
<td>11. Performance pay will be problematic because it is hard to link the work done in schools to individual performance.</td>
</tr>
<tr>
<td>12. Performance pay will have no effect on the quality of my work because it is already at the appropriate standard.</td>
</tr>
<tr>
<td>13. Performance pay will make staff less willing to assist colleagues.</td>
</tr>
<tr>
<td>14. Performance pay will help undermine staff morale.</td>
</tr>
<tr>
<td>15. Performance pay will discourage teamwork and cooperation between teachers.</td>
</tr>
</tbody>
</table>

The next set of questions assessed respondents’ perceptions about perceived outcomes of a performance pay system, beliefs regarding the development of a pay-for-performance system, and perceptions regarding the evaluation of a pay-for-performance system (See Tables 3 and 4)
Table 3

Perceived Outcomes: Performance Pay Attitudes and Beliefs

<table>
<thead>
<tr>
<th>Performance Pay will:</th>
</tr>
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<tbody>
<tr>
<td>(a) lead to greater motivation amongst teachers</td>
</tr>
<tr>
<td>(b) have a positive effect on teacher recruitment</td>
</tr>
<tr>
<td>(c) have a positive effect on teacher retention</td>
</tr>
<tr>
<td>(d) reinforce good performance</td>
</tr>
<tr>
<td>(e) result in better and more effective teaching</td>
</tr>
<tr>
<td>(f) improve the quality of my work</td>
</tr>
<tr>
<td>(g) increase the quantity of my work</td>
</tr>
<tr>
<td>(h) will make me work harder</td>
</tr>
<tr>
<td>(i) make me work longer hours</td>
</tr>
<tr>
<td>(j) cause resentment among staff</td>
</tr>
</tbody>
</table>

On scale of *strongly disagree* to *strongly agree*
Table 4

*Performance Pay Development Responses*

Check all that apply:

1. If a performance pay plan were developed, it should be tied to:
   - Standardized Test Scores
   - District Assessments
   - Classroom Assessments
   - Peer Evaluations
   - Principal Evaluations
   - Parent Evaluations
   - Portfolios

2. If a performance pay plan were developed, who should be involved in the development?
   - Parents
   - Students
   - Teachers
   - Administrators
   - Community Members
   - Business Leaders
   - District Leaders
   - State Leaders
   - Professional Organizations
   - Local Colleges/Universities

3. If performance pay was implemented, who should monitor and evaluate the system?
   - Parents
   - Students
   - Teachers
   - Administrators
   - Community Members
   - Business Leaders
   - District Leaders
   - State Leaders
   - Professional Organizations
   - Local Colleges/Universities
Finally, the last two questions asked about the level of compensation teachers should receive in a pay-for-performance system.

Table 5

*Performance Pay Development Responses*

Select one for each question

1. The amount of the performance pay reward should be:
   - More than $5,000 per teacher
   - Between $3,000 and $5,000 per teacher
   - Between $1,000 and $3,000 per teacher
   - Below $1,000 per teacher

2. The proportion of a teacher’s pay related to performance should be:
   - More than 10% of base salary
   - Between 6% and 10% of base salary
   - Between 1% and 5% of base salary
   - Less than 1% of base salary

Based upon the review of items with minor modifications, the survey instrument was fully developed as presented in Appendix A.

**Sample**

The sample consisted of all educators (N=500) in the East Providence School District. The district employs 500 certified teachers. Approximately 209 educators participated in the survey. This yielded a very satisfactory return rate of 42%.

**Data Collection Procedures**

The questionnaire was developed in an online format. Using staff email addresses, it was sent to the 500 members of the community with a live link for participation on Survey Monkey, an online survey tool. Most school department communication is sent via email so the majority of the staff uses the school email system.
Since the survey was an internet survey, there were additional guidelines followed in order to ensure success. Those recommendations were taken from the article, *Guidelines for Designing and Implementing Internet Surveys* from Sonoma University (http://www.sonoma.edu/users/s/smithh/designinternetsurvey.pdf). First, it recommends listing only a few questions on each screen so participants do not have to scroll down. It also recommends eliminating unnecessary questions and using graphics sparingly. Based on this advice no graphics were included, and the questions were reduced to 25 including demographic information. It also suggests that matrix questions be used sparingly and answers not be forced unless absolutely necessary. Respondents to the survey were free to skip any question they did not choose to answer and could end the survey at any time.

Before sending the actual survey, all participants received a pre-notification email approximately one week before the actual survey. The alert described the importance of their participation in the survey, the time it would take to complete the survey, and thanked them for their participation in advance. The email also indicated that staff participation was completely voluntary and confidential, according to Institutional Review Board (IRB) expectations for soliciting participation. Participants received another email a week after the survey was sent reminding them of the survey and the date it would close. It was noticed that the reminder helped to increase the participation rates.

Another factor was intended to stimulate participation. As a teacher evaluator in the East Providence School district and someone who had worked at all secondary schools in this district, the researcher had a personal connection to a large number of the district staff. This personal connection was considered beneficial in soliciting responses from staff, and likely had a positive impact on the response rate to the survey.
Data Analysis

The questionnaire responses on Survey Monkey were downloaded into a spreadsheet file, and the data was transposed for importing into the Statistical Package for the Social Sciences (SPSS). Because demographic variables are measured on a nominal scale, these variables were analyzed with descriptive statistical procedures including measures of percentages and frequencies.

The responses to the questionnaire that centered on perceptions and attitudes toward pay-for-performance were coded using two types of scales: ordinal and nominal. For the 15 questions that utilized a five-point agreement scale, an ordinal scale was used. For questions in which respondents were asked to “Check all that apply,” dichotomous scaling was used. For those that required the respondent to check or not check an answer, nominal scaling was used. Since the primary research question was descriptive in nature, it was analyzed with frequencies and percentages, measures of central tendency and variability.

The secondary research questions were inferential in nature and thus addressed by using one-way analysis of variance procedures. The independent variables were: experience with six categories or levels, types of schools with three categories or levels, and position with four categories or levels. The dependent variables were perceptions as based on responses to items on the questionnaire. The probability level for rejecting the null hypotheses was $p<.05$.

Protection of Human Subjects

Confidentiality was essential when conducting this study. Participants needed to know their identity was protected and nothing that they said or wrote would be used against them. Data that was collected could allude to their identity, but individual responses based on those demographics were protected. It was clearly expressed to employees they were not obligated to
respond to the survey, they could drop out of the survey at any time, and it would not be held against them if they chose not to participate. It was also essential employees understood individual identity would be protected, and that was reinforced with all three emails that were sent.

Summary

Teacher compensation is currently a fiercely debated topic in education (Heyburn et al., 2010; Makkonen & Arnold, 2005; Weber, 1988). This project explored the attitudes and perceptions of teachers in the East Providence School Department towards an alternate teacher compensation system. The next chapter will analyze the survey data.

Chapter 4: Research Findings

Introduction

Chapter 4 presents the findings and analysis of this study starting with a description of the study’s context – including participant information – followed by a description and analysis of the findings. As noted earlier, the purpose of the dissertation research was to investigate teachers’ perceptions and attitudes on the topic of pay-for-performance in public school systems. The research design was a descriptive study. The results were intended to provide a description of perceptions about the pay-for-performance in public school systems, specifically the East Providence Public School District. There was one primary and three secondary research questions examined in the dissertation research.

Primary research question. The primary research question is: What are the overall perceptions about and attitude towards, pay-for-performance among educators in East Providence?
Secondary research questions. The secondary research questions examined in the dissertation research are as follows:

1. Are there differences in perceptions of pay-for-performance among educators whose years of experience varies?
2. Are there differences in perceptions of pay-for-performance among elementary, middle and secondary educators?
3. Are there differences in perceptions of pay-for-performance among educators in different positions?

Survey data is presented for each of the four research questions, along with an analysis of the data.

Study context. The purpose of the dissertation research is to investigate the topic of pay-for-performance in public school systems. This topic has been controversial. Therefore, an objective study of the perceptions was developed to contribute to the body of knowledge in a systematic and comprehensive manner. Initially when the research project began, the East Providence school district had been considering implementing performance-based pay. Since then a new administration has taken over the district and performance pay is no longer a consideration. However, as part of the Race To The Top initiative, Rhode Island is looking for two districts to pilot a compensation model for 2013. The state will provide some funding, and district planners anticipate that involvement in a pilot could be one way to potentially increase salaries of effective employees in the district. East Providence could consider exploring the option of becoming a pilot district, however, based on educators’ attitudes on the survey it may be difficult to get support.
The research for this project was conducted using a 25-question survey. A week prior to the survey, an email was sent notifying participants of its arrival and encouraging their participation. The survey was sent to all certified educators in the East Providence School District using the school email a week later. Participants were also sent a reminder after one week and had a two-week window to respond. Out of a possible 500 participants, 209 educators completed the survey for a response rate of 42%.

**Demographic Analysis of Sample**

In the survey, participants were asked to identify their gender, years of experience, tenure status, grade level assignment and position (See Tables 6, 7 and 8). Of the 209 participants, 164 were females (80%) and 41 were males (20%), four did not respond to the question. This is consistent with the ratio of male to female teachers in the East Providence School District and documents evidence of representation in the sample.

Years of experience – an independent variable in the dissertation research – is varied among participants. Table 6 shows the breakdown of the survey sample as it relates to experience.

<table>
<thead>
<tr>
<th>Years of Experience</th>
<th>n</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 6</td>
<td>24</td>
<td>11.5%</td>
</tr>
<tr>
<td>6-10</td>
<td>25</td>
<td>12.0%</td>
</tr>
<tr>
<td>11-15</td>
<td>49</td>
<td>23.6%</td>
</tr>
<tr>
<td>16-20</td>
<td>31</td>
<td>14.9%</td>
</tr>
<tr>
<td>21-25</td>
<td>44</td>
<td>21.2%</td>
</tr>
<tr>
<td>26+</td>
<td>35</td>
<td>16.8%</td>
</tr>
</tbody>
</table>

Note. N=208
Educators were also asked to classify themselves into tenured or non-tenured status. Tenure is granted to employees after three successful years of teaching in the district. The largest group of participants (86%) is comprised of 178 tenured teachers. Non-tenured teachers (8% or 17) and administrators (6% or 13) are in the minority.

Educators are also classified into three categories: elementary, middle and high school. Table 7 reflects the breakdown of the number of teachers in each category. The percentages are similar to the composition of teachers in the district, again providing documentation of representation in the sample.

Table 7

<table>
<thead>
<tr>
<th>Assignment Level</th>
<th>n</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary</td>
<td>80</td>
<td>38.6%</td>
</tr>
<tr>
<td>Middle</td>
<td>64</td>
<td>30.9%</td>
</tr>
<tr>
<td>High</td>
<td>63</td>
<td>30.4%</td>
</tr>
</tbody>
</table>

Note. N=207

Educators are asked to classify the type of position they hold in the district into one of four categories including: core subject, special education teacher or special services (O.T, P.T, social worker), specialty areas (art, physical education, music, technology, vocational, library) or administrator. The majority of the participants (54% or 110) identified themselves as core subject teachers as shown in Table 8.
Table 8

**Position**

<table>
<thead>
<tr>
<th>Position</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Subject</td>
<td>110</td>
<td>53.7%</td>
</tr>
<tr>
<td>Special Ed/Related Services</td>
<td>39</td>
<td>19.1%</td>
</tr>
<tr>
<td>Special Areas</td>
<td>43</td>
<td>21%</td>
</tr>
<tr>
<td>Administrator</td>
<td>13</td>
<td>6.3%</td>
</tr>
</tbody>
</table>

Note. N=205.

**Primary Statistical Analysis: Performance Pay Questions across All Groups**

Primary statistical analysis is used to determine participants’ perceptions of pay-for-performance. Table 9 reports the percentages, means and standard deviations for the fifteen items that are rated on agreement scales in the dissertation research. (See Table 9). The assigned values are as follows: Strongly Agree (5), Agree (4), Neutral (3), Disagree (2) and Strongly Disagree (1). Therefore, scores above the midpoint of 3 represent agreement while those under the midpoint of three represent disagreement. This is the rationale for interpreting the data.

**Survey results.** Table 9 presents the percentages, means and standard deviations for the fifteen performance pay scale questions that were used to determine overall attitudes and perceptions of educators. Table 10 presents a collapsed version of participants’ responses.
Table 9

Responses to Performance Pay Questions

<table>
<thead>
<tr>
<th>Performance Pay Questions</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The current salary structure is an adequate way to pay educators.</td>
<td>5.8%</td>
<td>18.8%</td>
<td>24.2%</td>
<td>36.7%</td>
<td>14.5%</td>
<td>3.35 (1.12)</td>
</tr>
<tr>
<td>I would work for performance pay if it was based on student test scores.</td>
<td>67.7%</td>
<td>22.4%</td>
<td>8.5%</td>
<td>1.5%</td>
<td>0%</td>
<td>1.44 (.72)</td>
</tr>
<tr>
<td>I would work for performance pay if it was based on performance of students in my classroom.</td>
<td>26.7%</td>
<td>11.9%</td>
<td>19.3%</td>
<td>31.7%</td>
<td>10.4%</td>
<td>2.87 (1.38)</td>
</tr>
<tr>
<td>I would work for performance pay if it was based on building-wide performance criteria.</td>
<td>28.6%</td>
<td>19.1%</td>
<td>25.1%</td>
<td>21.6%</td>
<td>5.5%</td>
<td>2.56 (1.26)</td>
</tr>
<tr>
<td>Performance pay is the best option to increase teacher wages.</td>
<td>40.9%</td>
<td>28.4%</td>
<td>18.8%</td>
<td>10.6%</td>
<td>1.4%</td>
<td>2.03 (1.07)</td>
</tr>
<tr>
<td>Performance pay is a fair way to reward teacher performance.</td>
<td>37.1%</td>
<td>24.4%</td>
<td>18.0%</td>
<td>17.1%</td>
<td>3.4%</td>
<td>2.25 (1.22)</td>
</tr>
<tr>
<td>Performance pay will affect the retention of highly-qualified teachers.</td>
<td>33.8%</td>
<td>27.1%</td>
<td>13.0%</td>
<td>20.8%</td>
<td>5.3%</td>
<td>2.37 (1.29)</td>
</tr>
<tr>
<td>The principle of relating teachers’ pay to performance is a good one.</td>
<td>34.8%</td>
<td>25.1%</td>
<td>18.4%</td>
<td>19.3%</td>
<td>2.4%</td>
<td>2.29 (1.20)</td>
</tr>
<tr>
<td>The idea of performance pay for teachers is fundamentally unfair.</td>
<td>5.4%</td>
<td>20.6%</td>
<td>15.2%</td>
<td>27.0%</td>
<td>31.9%</td>
<td>2.41 (1.27)</td>
</tr>
<tr>
<td>Experience on the job should count more towards determining pay levels.</td>
<td>4.9%</td>
<td>16.5%</td>
<td>21.5%</td>
<td>42.4%</td>
<td>14.6%</td>
<td>3.45 (1.08)</td>
</tr>
<tr>
<td>Performance pay is problematic because it is hard to link the work done in schools to individual performance.</td>
<td>0.0%</td>
<td>7.4%</td>
<td>13.4%</td>
<td>42.1%</td>
<td>37.1%</td>
<td>4.09 (.89)</td>
</tr>
<tr>
<td>Performance pay will have no effect on the quality of my work because it is already at the appropriate standard.</td>
<td>2.0%</td>
<td>6.5%</td>
<td>20.4%</td>
<td>37.8%</td>
<td>33.3%</td>
<td>3.94 (.99)</td>
</tr>
<tr>
<td>Performance pay will make staff less willing to assist colleagues.</td>
<td>3.9%</td>
<td>19.5%</td>
<td>17.1%</td>
<td>35.1%</td>
<td>24.4%</td>
<td>3.57 (1.17)</td>
</tr>
<tr>
<td>Performance pay will help undermine staff morale.</td>
<td>0.5%</td>
<td>7.8%</td>
<td>15.6%</td>
<td>39.5%</td>
<td>36.6%</td>
<td>4.04 (.94)</td>
</tr>
<tr>
<td>Performance pay will discourage teamwork and cooperation between teachers</td>
<td>3.0%</td>
<td>17.2%</td>
<td>19.7%</td>
<td>32.5%</td>
<td>27.6%</td>
<td>3.65 (1.14)</td>
</tr>
</tbody>
</table>

Note. These 15 questions constitute the pay scale questions used to answer the primary research question.
### Table 10

**Collapsed Responses to Performance Pay Questions**

<table>
<thead>
<tr>
<th>Performance Pay Questions</th>
<th>% disagree or strongly disagree</th>
<th>% neutral</th>
<th>% agree or strongly agree</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The current salary structure is an adequate way to pay educators.</td>
<td>24.6%</td>
<td>24.2%</td>
<td>51.2%</td>
<td>3.35 (1.12)</td>
</tr>
<tr>
<td>I would work for performance pay if it was based on student test scores.</td>
<td>90.1%</td>
<td>8.5%</td>
<td>1.5%</td>
<td>1.44 (.72)</td>
</tr>
<tr>
<td>I would work for performance pay if it was based on performance of students in my classroom.</td>
<td>38.6%</td>
<td>19.3%</td>
<td>42.1%</td>
<td>2.87 (1.38)</td>
</tr>
<tr>
<td>I would work for performance pay if it was based on building-wide performance criteria.</td>
<td>47.7%</td>
<td>25.1%</td>
<td>27.1%</td>
<td>2.56 (1.26)</td>
</tr>
<tr>
<td>Performance pay is the best option to increase teacher wages.</td>
<td>69.3%</td>
<td>18.8%</td>
<td>12.0%</td>
<td>2.03 (1.07)</td>
</tr>
<tr>
<td>Performance pay is a fair way to reward teacher performance.</td>
<td>61.5%</td>
<td>18.0%</td>
<td>20.5%</td>
<td>2.25 (1.22)</td>
</tr>
<tr>
<td>Performance pay will affect the retention of highly-qualified teachers.</td>
<td>60.9%</td>
<td>13.0%</td>
<td>26.1%</td>
<td>2.37 (1.29)</td>
</tr>
<tr>
<td>The principle of relating teachers’ pay to performance is a good one.</td>
<td>59.9%</td>
<td>18.4%</td>
<td>21.7%</td>
<td>2.29 (1.20)</td>
</tr>
<tr>
<td>The idea of performance pay for teachers is fundamentally unfair.</td>
<td>26.0%</td>
<td>15.2%</td>
<td>58.9%</td>
<td>3.59 (1.27)</td>
</tr>
<tr>
<td>Experience on the job should count more towards determining pay levels.</td>
<td>21.4%</td>
<td>21.5%</td>
<td>57.0%</td>
<td>3.45 (1.08)</td>
</tr>
<tr>
<td>Performance pay is problematic because it is hard to link the work done in schools to individual performance.</td>
<td>7.4%</td>
<td>13.4%</td>
<td>79.2%</td>
<td>4.09 (.89)</td>
</tr>
<tr>
<td>Performance pay will have no effect on the quality of my work because it is already at the appropriate standard.</td>
<td>8.5%</td>
<td>20.4%</td>
<td>71.1%</td>
<td>3.94 (.99)</td>
</tr>
<tr>
<td>Performance pay will make staff less willing to assist colleagues.</td>
<td>23.4%</td>
<td>17.1%</td>
<td>59.5%</td>
<td>3.57 (1.17)</td>
</tr>
<tr>
<td>Performance pay will help undermine staff morale.</td>
<td>8.3%</td>
<td>15.6%</td>
<td>76.1%</td>
<td>4.04 (.94)</td>
</tr>
<tr>
<td>Performance pay will discourage team work and cooperation between teachers</td>
<td>20.2%</td>
<td>19.7%</td>
<td>60.1%</td>
<td>3.65 (1.14)</td>
</tr>
</tbody>
</table>
Table 11 presents the performance pay questions in rank order by highest level of agreement.

Table 11

*Highest Level of Agreement in Rank Order by Mean Score*

<table>
<thead>
<tr>
<th>Performance Pay Question</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance pay is problematic because it is hard to link the work done in schools to individual performance.</td>
<td>4.09 (.89)</td>
</tr>
<tr>
<td>Performance pay will help undermine staff morale.</td>
<td>4.04 (.94)</td>
</tr>
<tr>
<td>Performance pay will have no effect on the quality of my work because it is already at the appropriate standard.</td>
<td>3.94 (.99)</td>
</tr>
<tr>
<td>Performance pay will discourage team work and cooperation between teachers.</td>
<td>3.65 (1.14)</td>
</tr>
<tr>
<td>The idea of performance pay for teachers is fundamentally unfair</td>
<td>3.59 (1.27)</td>
</tr>
<tr>
<td>Performance pay will make staff less willing to assist colleagues.</td>
<td>3.57 (1.17)</td>
</tr>
<tr>
<td>Experience on the job should count more towards determining pay levels.</td>
<td>3.45 (1.08)</td>
</tr>
<tr>
<td>The current salary structure is an adequate way to pay educators.</td>
<td>3.35 (1.12)</td>
</tr>
</tbody>
</table>

Table 12 presents the highest level of disagreement in rank order by mean score on the 15 performance pay questions.
Table 12

*Highest Level of Disagreement in Rank Order by Mean Score*

<table>
<thead>
<tr>
<th>Performance Pay Question</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would work for performance pay if it was based on student test scores.</td>
<td>1.44 (.72)</td>
</tr>
<tr>
<td>Performance pay is the best option to increase teacher wages.</td>
<td>2.03 (1.07)</td>
</tr>
<tr>
<td>Performance pay is a fair way to reward teacher performance.</td>
<td>2.25 (1.22)</td>
</tr>
<tr>
<td>The principle of relating teachers’ pay to performance is a good one.</td>
<td>2.29 (1.20)</td>
</tr>
<tr>
<td>Performance pay will affect the retention of highly-qualified teachers.</td>
<td>2.37 (1.29)</td>
</tr>
<tr>
<td>I would work for performance pay if it was based on building-wide performance criteria.</td>
<td>2.56 (1.38)</td>
</tr>
<tr>
<td>I would work for performance pay if it was based on performance of students in my classroom.</td>
<td>2.87 (1.38)</td>
</tr>
</tbody>
</table>

**Summary of findings in relationship to the primary research question.** Fifteen questions on the survey are used to answer the primary research question, which asks about educators’ overall perceptions about, and attitudes toward, performance pay. Educators that responded to the survey were overwhelmingly against performance pay (See Table 9). They strongly agreed that performance pay would undermine staff morale and make staff less willing to help each other, negatively affecting the collaborative culture that exists in schools. They also felt performance pay would discourage teamwork and cooperation between teachers (60%). More than half of the participants indicated experience on the job should count more towards
determining performance pay and that the current salary structure is an adequate way to compensate teachers for their work (57% and 51% respectively).

The survey also asked participants under what conditions they would work for performance pay. Teachers strongly opposed using standardized test scores as a measure of performance (92%). The majority did, however, believe that pre-test/post-test comparisons (69%), classroom assessments (58%), and value-added classroom assessments (57%) would be valid criteria for a performance pay plan. Finally, almost half of the participants (48%) disagreed with performance pay being tied in to building-wide criteria (25% neutral). In order to further assess the extent to which attitudes and perceptions vary by demographics, educators were classified in groups to answer the secondary research questions below.

**Secondary Research Questions**

The research questions empirically tested in the dissertation research are as follows:

1. Are there differences in perceptions of pay-for-performance among educators whose years of experience varies?
2. Are there differences in perceptions of pay-for-performance among elementary, middle and secondary educators?
3. Are there differences in perceptions of pay-for-performance among educators in different positions?

**Survey results based on "experience."** As shown in Table 13, there is only one area where there is a statistically significant difference across all of the survey items based on years of experience. Teachers’ survey responses to the statement, "Performance pay will discourage team-work and cooperation between teachers," yielded a significant group effect $F(5,197)=2.94$, $p<.05$. The Scheffe post hoc test indicates that the significant difference is between those with
less than six years of experience ($M = 3.21$, $SD = 1.02$) and those with over 26 years of experience ($M = 3.70$, $SD = 1.8$).

In sum, teachers with greater years of experience believed more strongly that performance pay would discourage team-work and cooperation between teachers. The results across all ages are displayed in Table 13, and a collapsed version of the results is presented in Table 14.

Table 13

"Performance Pay Will Discourage Team Work and Cooperation Between Teachers"

<table>
<thead>
<tr>
<th>Years of Experience (N = 208)</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 6 (n = 24)</td>
<td>4.2% (1)</td>
<td>37.5% (9)</td>
<td>20.8% (5)</td>
<td>29.2% (7)</td>
<td>8.3% (2)</td>
<td>3.21 (1.02)</td>
</tr>
<tr>
<td>6-10 (n = 25)</td>
<td>0.0% (0)</td>
<td>8.0% (2)</td>
<td>28.0% (7)</td>
<td>48.0% (12)</td>
<td>16.0% (4)</td>
<td>3.29 (1.13)</td>
</tr>
<tr>
<td>11-15 (n = 49)</td>
<td>4.1% (2)</td>
<td>4.1% (2)</td>
<td>18.4% (9)</td>
<td>38.8% (19)</td>
<td>34.7% (17)</td>
<td>3.85 (1.09)</td>
</tr>
<tr>
<td>16-20 (n = 31)</td>
<td>3.4% (1)</td>
<td>17.2% (5)</td>
<td>10.3% (3)</td>
<td>27.6% (8)</td>
<td>41.4% (12)</td>
<td>3.90 (1.14)</td>
</tr>
<tr>
<td>21-25 (n = 44)</td>
<td>4.5% (2)</td>
<td>25.0% (11)</td>
<td>20.5% (9)</td>
<td>22.7% (10)</td>
<td>27.3% (12)</td>
<td>3.27 (1.32)</td>
</tr>
<tr>
<td>26+ (n = 35)</td>
<td>0.0% (0)</td>
<td>18.8% (6)</td>
<td>21.9% (7)</td>
<td>31.3% (10)</td>
<td>28.1% (9)</td>
<td>3.70 (1.8)</td>
</tr>
</tbody>
</table>

Note. One participant did not reply.
Table 14
"Performance Pay Will Discourage Team Work and Cooperation Between Teachers"

(Collapsed)

<table>
<thead>
<tr>
<th>Years of Experience (N=208)</th>
<th>% disagree or strongly disagree</th>
<th>Neutral</th>
<th>% who agree or strongly agree</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 6 (n = 24)</td>
<td>41.7% (10)</td>
<td>20.8%</td>
<td>37.5% (9)</td>
<td>3.21 (1.02)</td>
</tr>
<tr>
<td>6-10 (n = 25)</td>
<td>8.0% (2)</td>
<td>28.0%</td>
<td>64.0% (16)</td>
<td>3.29 (1.13)</td>
</tr>
<tr>
<td>11-15 (n = 49)</td>
<td>8.2% (4)</td>
<td>18.4%</td>
<td>73.5% (36)</td>
<td>3.85 (1.09)</td>
</tr>
<tr>
<td>16-20 (n = 31)</td>
<td>20.6% (6)</td>
<td>10.3%</td>
<td>69.0% (20)</td>
<td>3.90 (1.14)</td>
</tr>
<tr>
<td>21-25 (n = 44)</td>
<td>29.5% (13)</td>
<td>20.5%</td>
<td>50.0% (22)</td>
<td>3.27 (1.32)</td>
</tr>
<tr>
<td>26+ (n = 35)</td>
<td>18.8% (6)</td>
<td>21.9%</td>
<td>59.4% (19)</td>
<td>3.70 (1.8)</td>
</tr>
</tbody>
</table>

Note. One participant did not reply.

**Summary of survey results by "experience."** When the 15 questions are analyzed by number of years’ experience using an analysis of variance, only one question shows any statistical significance. Teachers with the least experience (less than six years) do not feel as strongly as those with 26 or more years’ experience when they are asked if performance pay will discourage team-work and cooperation between teachers. Both groups agree with the statement but less experienced teachers did not feel as strongly with only 8% strongly agreeing as opposed to 28% of teachers with 26 or more years’ experience. Forty-two percent of teachers with less than six years’ experience disagree or strongly disagree with the statement, as opposed to 19% of the more experienced teachers. This indicates younger teachers do not feel as strongly that a performance pay system will discourage teamwork.
Survey results based on "assignment." The results show there are two areas where there is a statistically significant difference with respect to educators’ assignment (elementary, middle school, and high school). The mean scores on the statement, "The current salary structure is an adequate way to pay teachers," yielded a significant group effect of $F(2,200)=4.99$, $p<.05$. The Scheffe post hoc test indicates the significant difference is between high school ($M = 3.71$, $SD = .94$) and both elementary ($M=3.19$, $SD =1.48$) and middle school ($M = 3.17$, $SD =1.17$) participants.

In sum, high school participants agree with this statement to a greater extent than peers at the other two assignment levels. The results across educator assignments are listed in Table 15, and a collapsed version of the results is presented in Table 16.

Table 15

<table>
<thead>
<tr>
<th>Assignment Level (N=205)</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary (n=79)</td>
<td>6.3% (5)</td>
<td>26.6% (21)</td>
<td>21.5% (17)</td>
<td>32.9% (26)</td>
<td>12.7% (10)</td>
<td>3.19 (1.48)</td>
</tr>
<tr>
<td>Middle (n=64)</td>
<td>7.8% (5)</td>
<td>20.3% (13)</td>
<td>26.6% (17)</td>
<td>37.5% (24)</td>
<td>7.8% (5)</td>
<td>3.17 (1.17)</td>
</tr>
<tr>
<td>High (n=62)</td>
<td>3.2% (2)</td>
<td>6.5% (4)</td>
<td>27.4% (17)</td>
<td>41.9% (26)</td>
<td>21.0% (13)</td>
<td>3.71 (.94)</td>
</tr>
</tbody>
</table>

Note. Four participants did not reply.
Table 16

"The Current Salary Structure is an Adequate Way to Pay Teachers" (Collapsed)

<table>
<thead>
<tr>
<th>Assignment Level (N = 205)</th>
<th>% who strongly disagree or disagree</th>
<th>Neutral</th>
<th>% who strongly agree or agree</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary (n = 79)</td>
<td>32.9% (26)</td>
<td>21.5% (17)</td>
<td>45.6% (36)</td>
<td>3.19 (1.48)</td>
</tr>
<tr>
<td>Middle (n = 64)</td>
<td>28.1% (18)</td>
<td>26.6% (17)</td>
<td>45.3% (29)</td>
<td>3.17 (1.17)</td>
</tr>
<tr>
<td>High (n = 62)</td>
<td>9.7% (6)</td>
<td>27.4% (17)</td>
<td>62.9% (39)</td>
<td>3.19 (.94)</td>
</tr>
</tbody>
</table>

Note. Four participants did not reply.

Second, there is a statistically significant difference on the survey item, "I would work for performance pay if it were based on performance of students in my classroom." (F (2,196) = 9.59, p<.05). The Scheffe post hoc test indicates the significant difference is, again, between high school (M = 2.30, SD = .97) and both elementary (M = 3.00, SD = 1.14) and middle school (M = 3.31, SD =1.08) participants.

In sum, high school participants disagree with this statement to a greater extent than peers at other two assignment levels. The results on this item across assignment levels are displayed in Table 17, and a collapsed version of the results is presented in Table 18.
Table 17

"I Would Work for Performance Pay if it were Based on Performance of Students in my Class"

<table>
<thead>
<tr>
<th>Assignment Level N = 201</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary (n = 77)</td>
<td>19.5% (15)</td>
<td>14.3% (11)</td>
<td>23.4% (18)</td>
<td>29.9% (23)</td>
<td>13.0% (10)</td>
<td>3.0 (1.15)</td>
</tr>
<tr>
<td>Middle (n = 63)</td>
<td>19.0% (12)</td>
<td>4.8% (3)</td>
<td>15.9% (10)</td>
<td>44.4% (28)</td>
<td>15.9% (10)</td>
<td>3.31 (1.10)</td>
</tr>
<tr>
<td>High (n = 61)</td>
<td>41% (25)</td>
<td>16.4% (10)</td>
<td>18.0% (11)</td>
<td>21.3% (13)</td>
<td>3.3% (2)</td>
<td>2.30 (1.72)</td>
</tr>
</tbody>
</table>

Note. Eight participants did not reply.

Table 18

"I Would Work for Performance Pay if it were Based on Performance of Students in my Class"

(Collapsed)

<table>
<thead>
<tr>
<th>Assignment Level N = 201</th>
<th>% who disagree or strongly disagree</th>
<th>Neutral</th>
<th>% who agree or strongly agree</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary (n = 77)</td>
<td>33.8% (26)</td>
<td>23.4% (18)</td>
<td>42.9% (33)</td>
<td>3.0 (1.15)</td>
</tr>
<tr>
<td>Middle (n = 63)</td>
<td>23.8% (15)</td>
<td>15.9% (10)</td>
<td>60.3% (38)</td>
<td>3.31 (1.10)</td>
</tr>
<tr>
<td>High (n = 61)</td>
<td>57.4% (35)</td>
<td>18.0% (11)</td>
<td>24.6% (15)</td>
<td>2.30 (1.72)</td>
</tr>
</tbody>
</table>

Note. Eight participants did not reply.

**Assignment levels - summary.** When the 15 questions are analyzed by assignment level using an analysis of variance, two questions show statistical significance. The first question showing a statistically significant difference asked if educators believed the current salary structure was adequate. More than 60% of high school teachers agreed that the current salary
structure was adequate. Elementary (46%) and middle school teachers (46%) agreed to a lesser extent than their high school counterparts.

The second question that shows statistical significance asks participants if they would work for performance pay if it was based on performance of students in their classroom. Once again the responses of high school teachers varied significantly from their peers at both the elementary and middle school level. High school teachers (57%) disagreed with the statement to a greater degree than elementary (34%) and middle school teachers (23%). It is possible that high school teachers are more concerned than K-8 teachers with focusing on student performance because they feel they have less control over students in their classroom.

Survey results based on "position." The results showed there is only one area where there is a statistically significant difference with respect to educator position (core, special education/related services, and special areas). The mean scores on the question, "Experience on the job should count more towards determining pay levels," yields a significant group effect $F(2,186)=3.64, \ p<.05$. The Scheffe post hoc test indicates that the significant difference is between special areas ($M = 3.79, SD = .93$) and both core ($M=3.50, SD = 1.06$) and special education ($M = 3.14, SD = 1.16$) participants.

In sum, the special area participants agree with this statement to a greater extent than peers in the other two positions. The results are displayed in Table 19 and a collapsed version is presented in Table 20.
Table 19

"Experience on the Job Should Count More Towards Determining Pay Levels"

<table>
<thead>
<tr>
<th>Position</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean (S.D.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Ed/Related Services (N=37)</td>
<td>8.1% (30)</td>
<td>27.0% (10)</td>
<td>18.9% (7)</td>
<td>35.1% (13)</td>
<td>10.8% (4)</td>
<td>3.14 (1.16)</td>
</tr>
<tr>
<td>Core Subjects (N=110)</td>
<td>5.5% (6)</td>
<td>13.6% (15)</td>
<td>20.9% (23)</td>
<td>45.5% (50)</td>
<td>14.5% (16)</td>
<td>3.5 (1.06)</td>
</tr>
<tr>
<td>Special Areas (N=42)</td>
<td>2.4% (1)</td>
<td>7.1% (3)</td>
<td>21.4% (9)</td>
<td>47.6% (20)</td>
<td>21.4% (9)</td>
<td>3.79 (.93)</td>
</tr>
</tbody>
</table>

Note. Twenty participants did not reply.

Table 20

"Experience on the Job Should Count More Towards Determining Pay Levels" (Collapsed)

<table>
<thead>
<tr>
<th>Position</th>
<th>% who strongly disagree or disagree</th>
<th>Neutral</th>
<th>% who strongly agree or agree</th>
<th>Mean (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Ed/Related Services (n=37)</td>
<td>35.1% (40)</td>
<td>18.9% (7)</td>
<td>45.9% (17)</td>
<td>3.14 (1.16)</td>
</tr>
<tr>
<td>Core Subjects (n=110)</td>
<td>19.1% (21)</td>
<td>20.9% (23)</td>
<td>60.0% (66)</td>
<td>3.5 (1.06)</td>
</tr>
<tr>
<td>Special Areas (n=42)</td>
<td>9.5% (4)</td>
<td>21.4% (9)</td>
<td>69.0% (29)</td>
<td>3.79 (.93)</td>
</tr>
</tbody>
</table>

Note. Twenty participants did not reply.

Summary secondary research question by "Position." Once again when analyzing the 15 questions related to attitudes and perceptions about performance pay, one question shows statistical significance when examined by assignment. When educators are asked whether experience on the job should count more towards determining pay levels, special area teachers
agree to a greater extent (69%) than their peers who teach in core subject areas (60%) and special education/related services (46%).

**Perceived Outcomes of Pay-for-Performance**

Three additional survey items were used to add depth to the topic of Pay-for-performance. These questions gave participants an opportunity to check *Perceived Outcomes* that apply regarding their perceptions of the effects on performance pay. The overall theme is that a negative effect will result.

A majority of educators believed performance pay would cause friction and resentment among staff (75% and 74% respectively). The majority also believed performance pay ignores the student’s level of readiness and their level of self-control (68% and 62% respectively). Few thought it would improve the quality of their work, have a positive effect on recruitment or lead to higher retention (11%, 13%, and 12% respectively). Only 18% thought it would result in better and more effective teaching. Forty-four percent of participants feel it denigrates the teaching profession, and 47% feel it can be a tool for coercion. A total of 11% believe that performance pay will have no effect at all, positive or negative. (See Table 21).
Table 21

*Frequency Table: Perceived Outcomes of Pay-for-performance*

<table>
<thead>
<tr>
<th>Question</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will increase staff friction</td>
<td>156</td>
<td>75%</td>
</tr>
<tr>
<td>Will cause resentment among staff.</td>
<td>153</td>
<td>74%</td>
</tr>
<tr>
<td>Ignores the students’ level of readiness.</td>
<td>141</td>
<td>68%</td>
</tr>
<tr>
<td>Ignores the students’ level of self-control.</td>
<td>128</td>
<td>62%</td>
</tr>
<tr>
<td>Could be used as a tool of coercion.</td>
<td>98</td>
<td>47%</td>
</tr>
<tr>
<td>Can be used as a tool to change teacher behavior.</td>
<td>92</td>
<td>44%</td>
</tr>
<tr>
<td>Denigrates the teaching profession.</td>
<td>92</td>
<td>44%</td>
</tr>
<tr>
<td>Will reinforce good performance.</td>
<td>63</td>
<td>30%</td>
</tr>
<tr>
<td>Will lead to greater motivation amongst teachers.</td>
<td>49</td>
<td>24%</td>
</tr>
<tr>
<td>Will make me work longer hours.</td>
<td>45</td>
<td>22%</td>
</tr>
<tr>
<td>Will increase the quantity of my work.</td>
<td>42</td>
<td>22%</td>
</tr>
<tr>
<td>Will result in better and more effective teaching.</td>
<td>37</td>
<td>18%</td>
</tr>
<tr>
<td>Will have a positive effect on teacher recruitment.</td>
<td>27</td>
<td>13%</td>
</tr>
<tr>
<td>Will improve the quality of my work.</td>
<td>22</td>
<td>11%</td>
</tr>
<tr>
<td>Will have no effect.</td>
<td>21</td>
<td>11%</td>
</tr>
</tbody>
</table>

**Preferred Components of Pay-for-Performance Development**

Participants were asked what components should comprise the Pay-for-performance plan, if it is developed. Only 8% thought standardized test scores should factor into a performance pay plan. The highest positive response, on the other hand, was for a pre-test/post-test
comparison with 69% agreeing it should be a component. The next highest response rate involved value-added assessments that measured student growth from one year to the next with 57% agreeing such assessments should be a component. A total of 41 participants skipped the question indicating they are not in favor of any of these components (20%). (See Table 22).

Table 22

*Frequency Table: Perceived Components of Pay-for-Performance Plan Development*

<table>
<thead>
<tr>
<th>Components</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-test/post-test comparisons.</td>
<td>115</td>
<td>69%</td>
</tr>
<tr>
<td>Classroom assessments.</td>
<td>98</td>
<td>58%</td>
</tr>
<tr>
<td>Value added assessments.</td>
<td>95</td>
<td>57%</td>
</tr>
<tr>
<td>Principal evaluations.</td>
<td>83</td>
<td>49%</td>
</tr>
<tr>
<td>Portfolios.</td>
<td>77</td>
<td>46%</td>
</tr>
<tr>
<td>Peer evaluations.</td>
<td>47</td>
<td>28%</td>
</tr>
<tr>
<td>Student evaluations.</td>
<td>43</td>
<td>26%</td>
</tr>
<tr>
<td>District assessments.</td>
<td>35</td>
<td>21%</td>
</tr>
<tr>
<td>Parent evaluations.</td>
<td>31</td>
<td>19%</td>
</tr>
<tr>
<td>Standardized test scores.</td>
<td>13</td>
<td>8%</td>
</tr>
</tbody>
</table>

**Development and Evaluation of Pay-for-Performance Plans**

Participants were asked who should be involved in the development and evaluation of a performance pay plan. The majority thought teachers (99%) and administrators (77%) should be involved in the development. They also thought teachers (74%) and administrators (80%) should be the main evaluators of the system. The lowest response was for business leaders to be
involved in the development with only 7% of educators suggesting they be involved and only 4% saying they should be involved in the monitoring of the system. (See Tables 23 and 24).

Table 23

*Frequency Table: Who Should be Involved in Development of the Plan*

<table>
<thead>
<tr>
<th>People Involved</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teachers</td>
<td>188</td>
<td>99%</td>
</tr>
<tr>
<td>Administrators</td>
<td>147</td>
<td>77%</td>
</tr>
<tr>
<td>Professional Organizations</td>
<td>69</td>
<td>36%</td>
</tr>
<tr>
<td>District Leaders</td>
<td>68</td>
<td>36%</td>
</tr>
<tr>
<td>Parents</td>
<td>56</td>
<td>30%</td>
</tr>
<tr>
<td>Local Colleges/Universities</td>
<td>52</td>
<td>27%</td>
</tr>
<tr>
<td>Students</td>
<td>45</td>
<td>24%</td>
</tr>
<tr>
<td>State Leaders</td>
<td>28</td>
<td>15%</td>
</tr>
<tr>
<td>Community members</td>
<td>23</td>
<td>12%</td>
</tr>
<tr>
<td>Business Leaders</td>
<td>14</td>
<td>7%</td>
</tr>
</tbody>
</table>
Table 24

*Frequency Table: Who Should Evaluate the Plan*

<table>
<thead>
<tr>
<th>Evaluators</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrators</td>
<td>149</td>
<td>80%</td>
</tr>
<tr>
<td>Teachers</td>
<td>139</td>
<td>74%</td>
</tr>
<tr>
<td>District Leaders</td>
<td>67</td>
<td>36%</td>
</tr>
<tr>
<td>Professional Organizations</td>
<td>53</td>
<td>28%</td>
</tr>
<tr>
<td>Local Colleges/Universities</td>
<td>31</td>
<td>17%</td>
</tr>
<tr>
<td>State Leaders</td>
<td>22</td>
<td>12%</td>
</tr>
<tr>
<td>Parents</td>
<td>11</td>
<td>6%</td>
</tr>
<tr>
<td>Students</td>
<td>10</td>
<td>5%</td>
</tr>
<tr>
<td>Community Members</td>
<td>8</td>
<td>4%</td>
</tr>
<tr>
<td>Business Leaders</td>
<td>8</td>
<td>4%</td>
</tr>
</tbody>
</table>

**Compensation**

The final two questions on the survey ask educators about the amount of compensation teachers should receive. Over half (36%) thought the award should be $3001 to $5000. Twenty-eight percent believed it should be over $5000. This represents almost two-thirds of the participants. As a note, 23% of the participants did not answer this question. (See Table 25).
When asked what proportion of the teacher’s pay should be related to performance, 37% reported that between 1% and 5% of the base salary is appropriate. Thirty-two percent thought it should be higher at 6% to 10%. As a note, 22% of the participants did not answer this question.

Table 26

*Frequency Table: Proportion of Base Salary for Performance Pay Award*

<table>
<thead>
<tr>
<th>Proportion of Salary</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than 10%</td>
<td>25</td>
<td>15%</td>
</tr>
<tr>
<td>6% to 10%</td>
<td>53</td>
<td>32%</td>
</tr>
<tr>
<td>1% to 5%</td>
<td>60</td>
<td>37%</td>
</tr>
<tr>
<td>Less than 1%</td>
<td>26</td>
<td>16%</td>
</tr>
</tbody>
</table>
Potential Situations That Merit Consideration

Finally, participants were asked what type of situation might pay-for-performance be considered. Although 123 participants (%) did not check any of the three responses, those who did respond, favored working in low-performing schools (62%). Please see Table 27.

Table 27

Frequency Table: Possible Performance Pay Scenarios

<table>
<thead>
<tr>
<th>Scenarios for Performance Pay</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>One who teaches in a hard to fill subject</td>
<td>35</td>
<td>41%</td>
</tr>
<tr>
<td>One who earns National Board Certification</td>
<td>47</td>
<td>55%</td>
</tr>
<tr>
<td>One who works in a low-performing school</td>
<td>53</td>
<td>62%</td>
</tr>
</tbody>
</table>

Interpretation of results. Performance pay is a controversial topic around the country, and attitudes and perceptions of educators vary. Overall, East Providence educators are overwhelmingly opposed to performance pay being implemented in the district, although there are significant differences on four questions when compared by demographics. Variations in the extent to which participants agree or disagree with statements are observed when comparing years of experience, subject taught and grade level, though no groups supported pay-for-performance in their responses. It is this researcher’s opinion there are multiple reasons why educators in this district feel so strongly that performance pay should not be implemented. The various reasons will be examined below.

East Providence has faced extreme financial hardship over the last several years. The school department has a seven million dollar cumulative deficit. The previous administration cut salaries and increased health care premiums outside of the collective bargaining agreement. The
union took the school department to court and lost because the contract had expired and the financial situation in the district was dire. As a result of that action and others, there is a general lack of trust in the district and low staff morale. East Providence teachers are now at the bottom of the state in salary.

In order to create a performance pay plan that staff may support, it would be important to have input from teachers in the creation of the plan and to establish a dialog that reestablishes trust in the district. While East Providence and all districts can implement performance pay independent of whether educators agree to it, staff resistance may derail the initiative. East Providence may want to inquire further why its educators are opposed as indicated in the research. The survey responses indicated educators in the district thought performance pay would increase staff friction, cause resentment among staff and discourage teamwork. It would benefit the district to investigate reasons for the teachers’ responses and to develop ways to address misinterpretations before further pursuing performance pay.

Since the concept of performance pay was first explored in the district, a new school committee has been elected and the previous administration has departed. Performance pay is no longer in consideration at this time in the district, but the state is beginning to explore the possibilities as part of the Race To The Top grant. The possibility exists that performance pay could resurface in the district in the near future in order to reallocate existing funding to help attract and retain teachers.

A large school department deficit has resulted in the state bringing a budget commission to East Providence to control the finances of both the city and school department. Once again, this has resulted in major cuts, and this may have contributed to the lack of trust educators have in the district's budget committee. Many of the negative attitudes and perceptions about
performance pay, in addition to the existing low morale, may result from this lack of trust. Teachers may not be confident that the process would be fair, equitable and valid. There may be concerns with who would evaluate educators in a performance pay program, and there also may be fears that it would not be consistently rewarded to all teachers who meet the criteria. Finally, teachers may be concerned there would be a quota and that it could result in an additional loss of salary for people, a thought that was expressed by several teachers during discussions about performance pay.

This researcher believes that another major factor in educators’ strong opposition to performance pay is that they are unfamiliar with the various performance pay systems. Many teachers in the district believe that performance pay is strictly based on student performance on standardized tests. There are many variations of performance pay and since there are not many alternate compensation systems in the state, teachers are unfamiliar with the possibilities. Outlining some of the various types of performance pay may result in less opposition. When speaking with teachers individually, teachers were more open and responsive to different performance pay scenarios than what was indicated in the survey.

As someone who has been a life-long resident in East Providence, and has been in various roles in the district for the past 13 years, the researcher's opinion is that the financial climate, lack of trust, low staff morale and general lack of understanding of performance pay systems may have significantly contributed to educators overwhelming opposition. If a performance pay plan was to be considered for the district it would be optimal that teachers and administrators share in the design of the system. A fair and consistent measurement tool would be an important component, and all teachers that meet the criteria would need a guarantee that
they would receive the compensation promised. It is this researcher’s opinion that the climate in
the district is not one that would be conducive to a performance pay plan at this time.

Chapter 5: Discussion of the Research Findings

This chapter begins with reiterating the purpose of the study followed by the research
questions that defined the study. Results of the study and limitations are examined next. A
discussion of the research results and their application to the theoretical framework and literature
review will be explored, followed by implications for the school district and future research.
Concluding thoughts are then stated.

Purpose

Research has consistently demonstrated that teacher quality is a dominant factor in
student achievement (Darling-Hammond, 1999; Goldhaber, 2009; Sommerfeld, 2011). There
has also been an increase in the call for accountability of the nation’s teaching force by the
general public (Firestone, 1991; Koppich, 2010). Compensation reform has been suggested as
one way to motivate teachers to improve their performance and in turn increase student
achievement.

Districts throughout the country are facing budget shortfalls and making cuts to
programs, supplies, salaries and benefits. “But prudent districts – those looking for long-term
solutions to budget problems as well as those seeking to more fairly compensate the most
effective teachers – are reconsidering the traditional salary schedule, which rewards teachers for
years of experience and graduate credits” (National Council on Teacher Quality (NCTQ), 2010
p1). Pay-for-performance systems can be created within current budgets if districts look to
restructure how they compensate teachers, taking into consideration the concerns of teachers and
their unions. Research to further identify those concerns and barriers to implementation will be beneficial in the creation of successful Pay-for-performance systems.

This study set out to explore East Providence educators’ attitudes and perceptions about pay-for-performance systems through a district-wide survey. The survey was conducted in an effort to better understand whether educators in the East Providence Public Schools, as of April 2012, support pay-for-performance, what types of performance pay systems they would favor and how the system should be designed and implemented. The survey also explores whether the attitudes and perceptions of educators differed based on years’ experience, grade level and position.

When the topic was first chosen, the school district was considering a performance pay system for the district. Since then, there is new leadership in the district and there are no plans at the current time to implement an alternate compensation system. However, given that there is still a possibility that performance pay may be pursued in this district in the future, this study may add to district leadership’s knowledge of district educators’ attitudes and perception of performance pay. In addition, this study can contribute to the growing literature on educators’ perceptions of performance pay nationally.

**Research Questions**

In this study, the attitudes and perceptions of educators in East Providence were analyzed in order to answer the following primary research question: What are the overall perceptions about, and attitude towards, pay-for-performance among educators in East Providence?

In addition to the primary research question, the following secondary research questions were explored:
1. Are there differences in perceptions of pay-for-performance among educators whose years of experience vary?

2. Are there differences in perceptions of pay-for-performance among elementary, middle and secondary educators?

3. Are there differences in perceptions of pay-for-performance among educators in different positions?

**Review of the Methodology**

This descriptive survey study involved the use of a 25-question survey to assess educators’ attitudes and perceptions of pay-for-performance. The survey, modified from a survey in Pemberton Albright’s (2011) dissertation, *The Merit of Merit Pay*, was sent to the entire district population using the district email list. Out of a possible 500 participants, 196 teachers and 13 administrators (209 total) responded, representing a response rate of 42%.

To determine East Providence educators’ beliefs, values, and perceptions of pay-for-performance, participants were asked 15 questions. Additional questions assessed participants’ perceptions regarding potential outcomes or effects of a pay-for-performance system, the development of a pay-for-performance system, and who should evaluate a pay-for-performance system. Finally, two questions asked participants about the level of compensation they believed people should receive. (Tables 1-5 provide an overview of the items and the categories each survey item addresses.)

In addition to these questions, demographic information was requested to determine the extent to which there were differences in the attitudes and perceptions of particular groups, including gender, years of experience, tenure status, grade level assignment, and position. Responses across groups were then grouped by grade level – elementary, middle and high school.
– as well as years taught – 0-5, 6-10, 11-15, 16-20, 21-25, and 26 or more years. Finally, participants were grouped into three classifying positions: core subjects, special education/related services, and special areas. Administrators were not classified as a group due to the small number of participants but their attitudes and perceptions were considered when evaluating the group as a whole. The demographics of the survey participants were similar to the composition of district staff.

Additional data was also collected from the sample to add depth to the topic of pay-for-performance. One question on the survey for example, provided participants with an opportunity to check what they perceived could be the effects of performance pay. Additionally, questions were included asking participants about desired components of a performance pay system, and evaluation of a performance pay system. Finally, two questions were asked to assess the amount of compensation that should be awarded to educators who achieve the desired results. (See Table 5 for these items as provided to participants.)

Summary of the Findings

Majority opposed. According to the results of this study, teachers in East Providence are overwhelmingly opposed to performance pay. The survey data clearly shows that educators believe performance pay will have a negative impact on many aspects of teaching in the district. Most educators reported that performance pay was not the best option to increase teacher wages, nor was it a fair way to reward teachers. The majority of participants continue to see the current salary structure, which provides compensation for years of service and advanced degrees, as an adequate way to compensate teachers. This was demonstrated by support for the statement that experience on the job should count more than performance, with which the majority of educators agreed.
Educators also responded that it was fundamentally unfair to compensate people based on performance because there are so many factors involved in teaching and learning. An overwhelming majority of teachers agreed that performance pay would not have an effect on the quality of their work because an appropriate standard was already in place, and few teachers reported that performance pay would result in better and more effective teaching.

Finally, one of the major themes that emerged across all educators was the belief that performance pay would have a negative impact on collaboration among teachers. Participants reported it would have a significant impact on the collaborative culture that exists in many schools. The majority said it would increase staff friction and cause resentment among staff and that it was hard to link the work done in schools with the individual performance of teachers. This finding is consistent with data from other studies indicating the belief that performance pay would negatively affect the collaborative culture of schools (Jacob & Springer, 2008; Winkler, 2011). Springer (2009) points out that critiques of performance pay stress the collaborative nature of education and that introducing individual incentives into education may reduce teachers’ incentives to cooperate and collaborate, in turn reducing, rather than increasing student performance. In line with Springer’s argument, over 75% percent of survey participants either agreed or strongly agreed with the statement that performance pay would undermine staff morale.

**Differences across groups.** When examining the data cross tabulated by years of experience, grade level assignment, and position, there were some variations in the degree to which participants agreed or disagreed with survey statements. Still, when reviewed overall, educators were overwhelmingly opposed to the concept of performance pay.
When asked if performance pay would discourage team work and cooperation between teachers, there was a statistically significant difference identified between those educators with more and less years of experience, albeit the majority of educators across all levels felt it would discourage team work and cooperation. The difference thus was that teachers with more years teaching felt even more strongly that performance pay would discourage cooperation than did teachers who were new to the profession.

In comparing data by grade level, results indicated a statistically significant difference on only two survey items. First, high school teachers were more likely to agree with the statement that the current salary schedule was adequate than both their middle and elementary school peers. Sixty-three percent of high school level participants felt the current salary structure was adequate as opposed to 46% and 45% of elementary and middle school participants, respectively.

The second statistically significant finding when comparing across grade level was that participants were in agreement with the statement, “I would work for performance pay if it were based on the performance of students in my classroom.” To this statement, 43% of elementary teachers and 60% of middle school teachers agreed or strongly agreed while only 25% of high school teachers agreed. This begs the question as to whether high school teachers may be more reluctant to tie compensation to student performance if more high school teachers are concerned about linking performance pay to student performance.

Only responses to one other question in the survey demonstrated a statistically significant difference. In looking at the relationship between teaching position and responses to questions having to do with experience, special education and related services teachers responded significantly differently from core area and special area subject teachers. Special education and related services teachers disagreed more than other teachers that experience on the job should
count more towards determining pay levels. Sixty-nine percent of special area teachers and 60% of core subject teachers agreed that, “Experience on the job should count more towards determining pay levels,” compared to only 46% of special education and related services teachers. While this difference is statistically significant, only a little over half of all teachers agreed with this statement.

All told, findings indicate that East Providence teachers have an overall negative view of performance pay. While there was some variation found across grade assignments, teaching position, and years’ experience, there was no overall difference in educators’ views of the performance pay system as a whole. Educators reported feeling strongly that performance pay was not a good option to increase teacher salaries and that it would cause resentment and discourage cooperation and collegiality.

Additional data was collected on the sample to add depth to the topic of pay-for-performance. One question gave participants an opportunity to indicate the degree to which they believed certain outcomes (Perceived Outcomes) would be impacted by a pay-for-performance system. Once again, the overall theme indicated that East Providence educators believed that a pay-for-performance system would have a negative impact on the relationships amongst teachers as well as on other factors. For example, a majority of educators thought that performance pay would cause staff friction and resentment among staff. Most also believed that performance pay ignored the student’s level of readiness and their level of self-control. And when asked if they felt additional compensation would improve the quality of their work, only 10% of educators thought it would impact the quality of instruction.

When participants were asked if they thought performance pay would have a positive effect on recruitment and retention, only 27 educators (13% of all participants) felt it would serve
that purpose. Most did not think it would result in better and more effective teaching, and many were concerned not only that it could be used as a tool for coercion by evaluators, but that it also denigrates the teaching professional as a whole.

Additional information was gathered using survey questions to explore the areas of preferred components of a pay-for-performance plan along with the development, evaluation, and amount of compensation for performance pay plans. Although teachers were not in favor of a pay-for-performance system, if one were to be created, the majority of participants thought that pre and post-test comparisons should be used as a criteria as well as value-added assessments that would measure student progress from one year to the next.

When asked whether performance pay should be given to teachers under certain circumstances, only 41% of participants answered positively, with only 41% indicating it should be awarded to teachers who teach hard-to-fill subjects, and 55% indicating it should go to those who achieve National Board certification.

Regarding the use of standardized scores, only 8% responded that they should be used in a performance pay plan. Teachers were also opposed to using parent and student evaluations, (30% and 24% respectively). And most (73%) were not in favor of using building-wide performance criteria.

Finally, participants overwhelmingly replied that teachers should be involved in the development of a Pay-for-performance plan (99%). When asked who should monitor and evaluate the system, 80% of respondents indicated it should be administrators and 74% indicated it should be teachers. The next highest indication was for district leaders with 39%. The final key attribute of a performance pay plan assessed in the survey was the amount of compensation
that should be awarded. The highest response rate was for awarding teachers between $3,000-$5,000 per teacher (36%), and the lowest response rate was $1,000 (11.3%) response.

In sum, based on survey response, the key attributes of a performance pay plan are pre and post-test assessments, classroom assessments, and value-added assessments that compare student’s progress from one year to the next. Respondents thought teachers and administrators should develop the system and monitor the implementation and that the compensation should be between $3,000-$5,000.

**Administrator-specific responses.** While the overall percentage of administrators that responded in the district was high (72%), the relative number of overall responses by administrators (13) in comparison to the teacher responses (196) was very small. With this said, it is important to note that administrators thought that performance pay would help to retain highly qualified teachers (seven out of thirteen administrators, or 54%) while only 24% of teachers felt so. Another important finding across administrators was the degree to which they thought it would be problematic to link the work done in schools to individual teachers. Ten out of twelve administrators (83%) did not feel that this was problematic, while in contrast 82% of teachers felt that it was. Administrators also did not believe that a Pay-for-performance system would have a significant effect on teamwork or staff morale, with only three of the thirteen administrators (23%) and five of thirteen administrators (38%), feeling that it would have a significant negative effect on those areas while 78% and 63% of teachers respectively did. In sum, it could be said that that administrators in the East Providence schools believe there are more benefits and not so many negative consequences to performance pay as did teachers in the system.
Discussion of the Finding in Relation to the Theoretical Framework

It is important to interpret the aforementioned findings through the lens of this study’s theoretical framework, which is grounded in expectancy theory. Expectancy theory, as previously discussed, is a process theory, which explains how people make decisions to achieve the end they value (Schmidt, 2002). Developed by Victor Vroom (1964), it is based on three perceptions: expectancy, instrumentality, and valence, each of which individually can influence an individual’s motivation, but together can have a more powerful affect (Center for Public Education, 2007). Expectancy is the belief that one’s effort will result in attaining the desired goal; instrumentality is the belief that if the performance expectation is met the reward will be received; and valence refers to the value the individual places on the reward (Schmidt, 2002).

Expectancy. When examining the way people make decisions through the theoretical framework of expectancy theory, the first perception to consider is expectancy. According to the Consortium for Policy Research in Education (2007), if teachers do not believe they will be rewarded for success, they will be less likely to make the necessary effort to attain it. According to expectancy theory, in order for teachers to believe they can achieve success, they need to be part of the development and implementation process. Perhaps, this is why the findings from the study indicate that teachers felt so strongly they should be part of the development process of a performance pay plan. Ninety-nine percent of teachers responded that they should be involved in the development of a performance pay plan.

While educators were clear on who should be part of the development and implementation of the system, there was much more variation in what the key components of the system itself should be. In fact, in conversations with a variety of teachers, many teachers were not clear about exactly what a pay-for-performance system could entail. Not only were they
lacking in knowledge about some of the more innovative strategies in use, but a large portion of teachers related performance pay to the old-fashioned notion of using standardized test scores as a basis for performance pay. Teachers were very concerned with being measured on the basis of student progress because they felt they could not control for outside factors in students’ lives. Rhode Island has begun implementation of a new educator evaluation system using student learning objectives that factor into 50% of a teachers’ effectiveness rating, and many teachers throughout the state have expressed concern about the process due to their inability to control outside influences.

It is essential to make sure when creating a performance pay plan that teachers believe the rewards are attainable. If educators do not believe the results are attainable then they may not be willing to make the effort necessary to attain those results. Providing clear descriptions of the knowledge and skills that will be rewarded, providing opportunities to acquire and apply those knowledge and skills, and the presence of support and technical assistance, are all things that can positively influence the expectancy perception (Consortium for Policy Research in Education, 2007).

In order for a performance pay plan to even be considered in East Providence by teachers, expectations for how teachers can earn the desired award would need to be clearly defined. Misconceptions about what performance pay is and how performance would be measured may have contributed to educators' overall opposition to performance pay in this survey. There is definitely a lack of trust in the district because of the salary cuts, health care premium increases and changes in work conditions that occurred outside of the collective bargaining agreement with the prior administration. Research supports the fact that clear expectations and a clearly defined
proposal developed by teachers and administrators would help teachers establish the first component of expectancy.

Instrumentality. The next perception of expectancy theory relates to instrumentality, which refers to how strong a person perceives the connection to be between achieving their goals and experiencing positive outcomes. Responses to several of the survey items indicated that teachers did not think performance pay was a fair way to reward teacher performance (61%) nor is it the best way to increase teacher wages (69%), therefore they did not think there was a strong connection between achieving the goals and the outcomes. Currently it appears that with the level of trust and the financial situation in East Providence, it is very difficult for teachers to believe they will receive any type of financial incentive even if they did support performance pay. In reviewing the survey responses and in conversations within the district, it appears that some educators see performance pay as a threat to their current salaries and are concerned that it could be used to cut salaries. Anecdotally, in conversation, some educators in the district also expressed concerns that there would be a quota on how much would be awarded regardless of how many people achieved the desired results.

As indicated, findings suggest that a majority of teachers are not in support of performance pay, which further suggests that it may be very difficult at this time for East Providence School teachers to agree to any type of performance pay. Many believe that the current salary structure is adequate and that performance pay would have many negative consequences in the district. This is ironic considering East Providence teachers are now one of the lowest paid districts in the state. Prior to the last two contracts, East Providence used a salary formula that placed them in the median salary range in the state. With staff morale already low,
participants thought that performance pay may be another contributing factor in undermining staff morale (76%).

In looking at the survey responses, it is clear that educators in East Providence do not support performance pay. When looking at expectancy theory the component of instrumentality is essential to getting educator support for performance pay. Due to the financial situation in the district teachers may believe that even though they may earn performance pay by meeting the criteria, it is highly unlikely they would receive it due to the current financial climate. Teachers in the district have not received raises for some time and received a five percent pay cut a couple of years ago.

Valence. The final component of the theory is valence. In this context valence refers to value. Teachers need to value the rewards associated with obtaining the desired goals. Also, in the case of performance pay the extra money that can be earned needs to be enough to motivate teachers to obtain specific goals set forth for them. In order to be motivated by a reward, a person needs to perceive it as highly desirable (Iyer, 2011). Survey participants were asked what they thought the amount of performance pay should be if a performance pay plan were implemented. The answers were almost evenly split between the categories, with between $3,001 and $5,000 per teacher as the top answer with 36.3%. Questions still remain as to whether $5,000 would be enough to motivate teachers to change their instruction and whether teachers truly value monetary rewards over all other incentives.

In some compensation systems teachers can earn over $20,000 if they meet the performance criteria. Based on participants’ responses to the survey, the lack of trust in the system and not knowing what a performance pay system could look like made it difficult for teachers to determine an appropriate compensation amount. All of these issues discussed in this
section connect educators’ responses to the survey and explore the reasons for their choices using the components of the theory as to why teachers are not supportive of performance pay.

**Discussion of the Findings in Relation to the Literature Review**

The findings of this study both confirm and contradict previous literature on the topic. Much of the literature on performance pay is mixed. Teachers’ attitudes about compensation are complicated and vary significantly. Goldhaber et al. (2007) recently completed a working paper titled "Teacher Attitudes about Compensation Reform," that explores opinions and attitudes. Findings of the article suggest that teachers’ attitudes about compensation reform are not simple. Research has been contradictory partly because much of it speaks about reform in the abstract sense, which applies to the survey that East Providence educators completed. Since teachers in the district have not experienced any type of alternate compensation system it may have been difficult for them to make informed decisions about the questions. When speaking to teachers individually about compensation reform many teachers seem to be more interested in the possibilities when they were more clearly defined.

There have been several opinion surveys about teachers’ attitudes toward pay-for-performance suggesting different levels of support ranging from over 60% in favor to over 60% opposed (Goldhaber et al., 2007). Support for reform seems to depend on the framing of the questions. In a 2003 survey of public school teachers conducted by Public Agenda, only 50 percent of teachers supported school districts’ moving away from the single salary schedule (Goldhaber et al., 2007). In the survey of East Providence educators just over 50% thought that the current salary structure is an adequate way to pay educators, supporting the Public Agenda findings. In the same survey by Public Agenda, however, teachers appeared far more supportive of a deviation in the schedule when asked about some specific compensation reforms. Around
70% of teachers supported providing incentives to teachers to work in tough neighborhoods with low-performing schools (Goldhaber et al., 2007). This also coincides with the survey participants in East Providence where the majority of the educators that responded to the question supported paying more to teachers who worked in low-performing schools. Public Agenda's research suggests the context of teacher pay reform is important in shaping teacher views (Goldhaber et al., 2007), and this is supported with the research collected in East Providence. Peoples’ experience or lack of experience with performance pay and the overall climate in a district may have contributed to how people viewed the concept of alternate compensation.

Participants in the “Project on Incentives in Teaching” reflected general support of the idea that more effective teachers should be paid more than less effective teachers (Springer et al., 2010). Sixty-four percent of teachers agreed that teachers should receive additional compensation if their students showed outstanding achievement gains (Springer et al., 2010). Two years later the teachers were surveyed again and felt the same way. Overall, it seems as if most educators would agree with the concept of pay-for-performance if they were confident in the system used for evaluation (Springer, et. al., 2010). This could also be the case in East Providence. Prior to this year the evaluation tool was a checklist with the highest rating for teachers being satisfactory.

This year Rhode Island implemented a new evaluation system designed to improve teaching and learning and assigned a rating to teachers based on professional practice, professional responsibility and student learning objectives. There was much resistance to this reform throughout the district and state; none-the-less, the system was implemented. Based on feedback from the field, the model has been modified for the next school year to address some of
the concerns that were identified. The implementation of this comprehensive evaluation system could be the first step in introducing performance pay. While there has been resistance to the new evaluation system, many teachers are beginning to feel more confident in the system as they complete the evaluation process. Findings from this research, as understood through the lens of expectancy theory suggest that a clearly defined system needs to be in place, and the new evaluation system should begin to clearly define effective teaching.

While East Providence educators had an overwhelmingly negative view of performance pay, additional research could be conducted once people are more familiar and comfortable with the new evaluation system. Also, identifying what alternate compensation systems could look like would help people to see the possibilities in a concrete form and may improve teachers’ views. The research is definitive in that an effective teacher has a significant impact on student achievement. It is also clear there is a considerable shift in the call for accountability of teachers. Support for performance-based awards is also growing in popularity in the political arena. In 2008, all three democratic candidates for President supported some form of pay-for-performance plan in education. Further, Representative George Miller (D-Calif.) stated:

If we want our students to succeed, we have to begin giving our teachers the respect and resources they deserve…This will require a seismic shift in the way we talk about and treat teachers, and it starts with [an] important investment in programs that reward teacher excellence. (Springer & Gardner, 2010, p.13)

A system for measuring teacher effectiveness has been created and now clearly defines effective teaching in the district and the state. With this system in place educators may now be more willing to consider the possibility that performance pay may indeed improve student achievement by improving teaching.
Limitations of the Study

The original survey was piloted with a small group of educators and non-educators to check for clarity of questions and the overall design of the survey in order to increase content validity. Recommendations were made, and the survey was revised based on those recommendations. Recommendations were also made by members of the doctoral committee, and questions were revised based on their suggestions. Since some educators in the district were not familiar with the concept or components of merit pay, the possibility exists that the interpretation of the terms could vary by survey participants.

Because it was only administered in one school district, the study has limited scope. The sample cannot be generalized to any other pool of educators. Also, this school district is in the midst of severe budget issues, and educators have all taken pay cuts and had their health care contributions increased. Teachers have also been without a contract for a significant amount of time contributing to a sense of distrust and anxiety over salary and benefits.

Another possible limitation of the study was the Cronbach’s alpha coefficient score which was used to determine internal consistency reliability. The overall score for the 15 items that compose the pay-for-performance construct scale was .60. Typically, researchers require that the internal reliability coefficient be .70 or higher before using an instrument (Choudhury, 2010).

Survey research in general has its own limitations. Non-response bias and response bias are issues with survey research. Who answers the questions and who does not can affect the results of the survey, and a sizeable number of East Providence teachers elected not to respond to the survey. Another issue with survey research is that people may not respond honestly to the
questions. Also, because some of the questions used a Likert Scale, there may have been some variations into how each respondent interprets the degree of their answer.

Finally, the survey only provided quantitative data. Participants were not asked any open-ended questions that would explain their reasons behind their answers, nor were any focus groups conducted to further clarify why participants were so strongly opposed to performance pay. Focus groups and interviews would have helped to answer a variety of questions about why educators felt the way they did. Are there circumstances in East Providence particularly that have contributed to their negative feeling? Why do teachers overwhelmingly feel that performance pay would discourage teamwork? Why are they not in favor of building-wide bonuses if they fear that performance pay would discourage team work? Interviews and focus groups would have helped to explore the answers to these and other questions that still remain.

Implications for the School District

The East Providence School Department is currently dealing with major budgetary issues including a seven million dollar budget deficit accumulated from previous years. A budget commission is currently overseeing both school and city spending. Teachers have already received pay cuts and increased health care premiums. There has been no contract in place for some time. The school committee and teachers’ union recently reached a contract agreement, only to have the budget commission put the adoption of the contract on hold. While performance pay has been taken off the table with the new school committee, alternatives to the current compensation system need to be explored in order to recruit and retain talented teachers.

It is possible to implement performance-based incentives within the current salary structure without increasing the financial burden to the taxpayers. The NCTQ (2010) states, “We make the case that truly effective teacher pay reform is best achieved by aligning compensation
with a district’s primary needs: improving student achievement and placing the best teachers where they are needed most” (p. 1). Guaranteed salary steps and awards for advanced degrees, which do not necessarily coincide with effective teaching, could be eliminated to award performance bonuses. Performance pay could be tied into the new state-wide teacher evaluation system in Rhode Island. A performance pay plan should be multifaceted based on a variety of measures so that effective teaching and learning are accurately measured.

The NCTQ released recommendations in 2010 for how districts could begin to implement a new pay structure without an influx of funding to districts. The first recommendation was to redistribute funds that were directed to master’s coursework, since there is little correlation between increased student achievement and advanced degrees (Podgursky & Springer, 2010). Podgursky and Springer (2010) go on to state that “the public school system could annually award the top 50 percent of teachers performance bonuses averaging $13,000 with the top teachers earning $20,000 or more if advanced degree premiums were reduced by approximately 80 percent.”

The next recommendation was to award the most significant raises at the tenure mark as opposed to giving teachers with more experience step increases. The NCTQ (2010) believes that this will help to retain teachers at the time period in a teacher’s career where there is the highest turnover rate. The final recommendation is to compact the salary scale in order to have teachers reach their maximum pay sooner in their career. This would provide an incentive for mid-career professionals to remain in the classroom (NCTQ, 2010).

Based on the survey administered, it is clear that district educators are opposed to the idea of performance pay, however, questions still remain as to the reasons. Is it because teachers are not familiar with the types of performance-based pay? Are they concerned with the fairness of
an alternate compensation system? Only 51% of teachers surveyed in East Providence agree that the current salary structure is adequate. If only a little over half of the educators responded that it is an adequate way to pay teachers, what does the other half think is an adequate way to compensate teachers? Almost 80% of educators responded that performance pay would be problematic because it is hard to link the work done in schools to individual performance. If it was possible to link the work done in schools to individual or groups of teachers would teachers be more willing to work for performance pay?

Although not specifically a focus of the research study when examining the data by subject area, administrator views on several of the questions were significantly different than teachers. Thirteen administrators responded to the survey which is more than 65% of the administrators in the district. When asked if they thought that performance pay was problematic because it is hard to link the work done in schools, 84% disagreed indicating a very different attitude from teachers. Fifty percent of administrators disagreed with using experience as a determining factor for compensation with 33% remaining neutral and only 17% agreeing that it should be used. Another sharp contrast between administrators and teachers in the district is that 69% of administrators did not think that performance pay would have an effect on the willingness of colleagues to work together whereas more than 60% of teachers did.

All of this information can be used to begin discussions in the district about compensation. It is evident--based on the financial situation in the district--that it will be some time before teachers will receive across the board raises. Salaries in East Providence have steadily declined compared to the state average causing some teachers to seek positions elsewhere. If we are to retain our most effective teachers we need to find ways to begin to compensate them based on achievement and not years of service.
In order to do this it will be essential to further research why the educators in East Providence are so strongly opposed to performance pay. A qualitative study consisting of interviews and focus groups would help to define the reasons teachers feel the way they do. Clarifying questions could be asked to determine why teachers are so overwhelmingly opposed to performance pay and why there are some variations in opinions by demographics. Many questions still remain since the survey only provided an initial analysis of teachers’ attitudes and perceptions of performance pay. Further research in the district would help to clearly define the concerns of the educators so that those concerns could be addressed and an effective alternate compensation system plan implemented.

Implications for Other Districts

East Providence educators have an overwhelmingly negative view of performance pay. The same survey could be used in districts throughout the state to assess attitudes and perceptions to see if they vary by district. It would be recommended that focus groups also be conducted to explain why educators feel the way they do about compensation systems. The financial situation in East Providence has been very unstable for the past few years, while some other districts in the state are encountering some of the same financial hardships, not all are and it would add to the research to assess the attitudes of teachers and administrators in districts facing different challenges.

Also if the survey was administered state-wide, data from a larger population could be examined to see if attitudes varied by demographics such as years’ experience, grade level, tenure status, and position. Administrators’ attitudes could also be examined on a wider scale since there would be a larger population available to survey. This information would continue to
add to existing research which varies significantly on both educators’ attitudes and perceptions and the effectiveness of compensation programs.

Performance pay has become an issue around the country and is receiving increased political and financial support from both the federal government and private foundations. Rhode Island will be looking for districts to volunteer to create a performance pay program next year and will provide the finances to do so. Once those districts implement a program, a survey could once again be administered to see if the attitudes and perceptions of educators changed once a program was clearly defined. All of this information would be valuable to school districts and the state as districts begin to design new compensation systems that better reflect the demands of teaching and the need to recruit and retain highly skilled educators.

Implications for Future Research

It is evident based on this research and previous studies that many teachers are not in favor of performance pay (Albright, 2011; Ballou & Podgursky, 1997; Goldhaber et al., 2007; Winkler, 2010). Whether it is because they are unfamiliar with the types of performance pay systems or they just generally believe it is unfair is not clear. Further research could use qualitative or mixed methods. Focus groups with follow-up questions to why teachers feel the way they do could be implemented in order to help define why teachers hold such negative perceptions of performance pay.

This survey assessed both educators’ feelings about compensation systems and the development and implementation of compensation systems. The two topics could be split in order to gather more accurate information. In the current study, the majority of teachers in the study were opposed to performance pay which may have been reflected in their responses to what should be included in a performance pay plan.
When speaking with teachers about the topic and describing different types of compensation systems, teachers were more interested and willing to consider performance pay. Perhaps conducting a study that lists a variety of different compensation plans and then assesses teachers’ attitudes would provide more extensive data about teachers’ perceptions and attitudes.

Another possibility for further research could be comparing administrator attitudes about performance pay systems to teachers’ attitudes to better understand any differences. While the number of administrators in the district surveyed was limited, there did seem to be some variations in their perceptions versus teachers’. Perhaps conducting a state-wide assessment would provide valuable information from a larger pool of participants.

Change is a difficult process; this has been evident in the implementation of a new state-wide evaluation system in Rhode Island. It is not until people actually go through the process that accurate data about their perceptions can be gathered. Another area for future research could be assessing attitudes of educators who have been involved in alternate compensation systems to see if they vary from educators who have not. It is essential to continue to explore the attitudes, perceptions, development, implementation and results of alternate compensation systems in order to gather accurate data and make informed decisions on their effect on student achievement.

Conclusion

Using expectancy theory as a base, the current study explored educators’ attitudes and perceptions of pay-for-performance systems. The study also attempted to identify key attributes of effective performance pay systems as perceived by the study’s participants. The premise for the study was that teacher attributes, such as grade level, position and years of experience would not have a significant impact on their attitudes about pay-for-performance. A further assumption
was that there would be little support for a system that includes incentives based on test scores of students.

Both premises were proven to be true by participants’ responses to the survey questions. The majority of teachers were opposed to pay-for-performance although there were variations in how opposed they were to alternate compensation systems based on years’ experience, grade level, and subject taught. Participants also overwhelmingly rejected the idea of using student test scores to determine compensation with 90% disagreeing on the survey question.

When looking at responses based on expectancy theory an assumption was made that teachers may not be in support of alternate compensation systems because of the climate in the district. Due to financial constraints many teachers may believe that the possibility of earning a financial reward based on performance may not be attainable. Also, many teachers may be concerned with the implementation of an alternate compensation plan and its overall fairness and consistency, which is currently a concern of teachers with the new state-wide evaluation system.

The findings in the study are consistent with other research that has been conducted to date although the research has been contradictory and confusing at times (Ballou & Podgursky 1997; Goldhaber et al., 2007; Jacobs & Springer, 2008). A poll by the National School Board Association in the early 1980s found that 63% of teachers supported pay-for-performance while a 1984 poll by Phi Delta Kappan found that 64 percent of teachers opposed pay-for-performance (Jacobs & Springer, 2007). Some possible reasons for this include the fact that when compensation plans are not specifically described, there have been variations in the survey participants and their experiences and variations in the questions used in each survey.

What is evident is that in order to compete in a global economy we need to increase student achievement in the United States. Research has consistently demonstrated that teacher
quality is a dominant factor in student achievement (Darling-Hammond, 1999; Goldhaber, 2009; Sommerfeld, 2011). There has also been an increase in the call for accountability of the nation’s teaching force by the general public (Firestone, 1991; Koppich, 2010). Compensation reform has been suggested as one way to motivate teachers to improve their performance and in turn increase student achievement. While there have been some school systems that have been successful in implementing compensation reform, further research is needed on the topic. The research is clear, however, that an effective educator is the key to improving student achievement and all methods that have the ability to improve teaching deserve further exploration.
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Diego, 1980


### Pay-for-Performance Educator Survey

1. **Demographic Information**

   1. **Gender**
   
      - Female
      - Male

   2. Indicate your current level of experience as an educator:

      - 0-5 years
      - 6-10 years
      - 11-15 years
      - 16-20 years
      - 21-25 years
      - 26 or more

   3. Indicate your category as an educator:

      - Tenured Teacher
      - Non-tenured teacher
      - Administrator

   4. Indicate your work assignment:

      - Early Childhood
      - Elementary
      - Middle
      - High

   5. Indicate your current position:

      - Core subject
      - Special Education Teacher
      - Special Services (OT, PT, Social Worker, etc...)
      - Specialty area (art, PE, music, technology education, vocational, library/media, other)

      - Administrator
II. Performance Pay Questions

6. The current salary structure is an adequate way to pay educators.

Strongly Agree (SA)  Agree (A)  Neutral (N)  Disagree (D)  Strongly Disagree (SD)

7. I would work for performance pay if it was:

- based on student test scores.
- based on performance of students in my classroom.
  (individual growth, portfolios, targeted growth, other)
- based on building-wide performance criteria.

8. Performance pay should be awarded to a teacher:

- who teaches in a hard to fill subject.
- who earn National Board Certification.
- who works in a low-performing school.

9. Performance pay is the best option to increase teacher wages.

(SA)  (A)  (N)  (D)  (SD)

10. Performance pay is a fair way to reward teacher performance.

(SA)  (A)  (N)  (D)  (SD)

11. Performance pay will affect the retention of highly-qualified teachers.

(SA)  (A)  (N)  (D)  (SD)
12. The principle of relating teachers’ pay to performance is a good one.  
   (SA) (A) (N) (D) (SD)

13. The idea of performance pay for teachers is fundamentally unfair.  
   (SA) (A) (N) (D) (SD)

14. Experience on the job should count more towards determining pay levels.  
   (SA) (A) (N) (D) (SD)

15. Performance pay will:  
   (SA) (A) (N) (D) (SD)  
   lead to greater motivation amongst teachers.  
   have a positive effect on teacher recruitment.  
   have a positive effect on teacher retention.  
   reinforce good performance.  
   result in better and more effective teaching.  
   improve the quality of my work.  
   increase the quantity of my work.  
   will make me work harder.  
   make me work longer hours.  
   cause resentment among staff.
16. Performance pay will be problematic because it is hard to link the work done in schools to individual performance.

(SA) (A) (N) (D) (SD)

17. Performance pay will have no effect on the quality of my work because it is already at the appropriate standard.

(SA) (A) (N) (D) (SD)

18. Performance pay will make staff less willing to assist colleagues.

(SA) (A) (N) (D) (SD)

19. Performance pay will help undermine staff morale.

(SA) (A) (N) (D) (SD)

20. Performance pay will discourage team work and cooperation between teachers.

(SA) (A) (N) (D) (SD)
III. Development and Evaluation

For the next group of questions, check all that apply:

21. If a performance pay plan were developed, it should be tied to:

   - Standardized Test Scores
   - District Assessments
   - Classroom Assessments
   - Peer Evaluations
   - Principal Evaluations
   - Parent Evaluations
   - Portfolios

22. If a performance pay plan were developed, who should be involved in the development?

   - Parents
   - Students
   - Teachers
   - Administrators
   - Community Members
   - Business Leaders
   - District Leaders
   - State Leaders
   - Professional Organizations
   - Local Colleges/Universities

23. If performance pay was implemented, who should monitor and evaluate the system?

   - Parents
   - Students
   - Teachers
   - Administrators
   - Community Members
   - Business Leaders
   - District Leaders
   - State Leaders
   - Professional Organizations
   - Local Colleges/Universities
IV. Compensation

24. The amount of the performance pay reward should be:

- More than $5000 per teacher
- Between $3000 and $5000 per teacher
- Between $1000 and $3000 per teacher
- Below $1000 per teacher

25. The proportion of a teacher’s pay related to performance should be:

- More than 10% of base salary
- Between 6% and 10% of base salary
- Between 1% and 5% of base salary
- Less than 1% of base salary

You have reached the end of the survey. Thank you for your participation!
Appendix B

Email Invite Prior to Survey

March 16, 2012

Dear Colleagues,

As some of you may know, I am currently pursuing my doctorate in education from Northeastern University, and, as part of this process, I will be conducting a research study beginning in March. My study will be a survey measuring teachers’ and administrators' attitudes and perceptions of Pay-for-performance Plans.

The survey will soon be sent to all teachers and administrator in the district. The survey will take approximately ten minutes to complete and will be done using SurveyMonkey. The survey will be completely confidential and will not identify you or your school. Your participation in this survey is totally voluntary.

I am asking for your help with my research. The survey will be sent to you through your district email next week. Please complete the survey when you receive it. Thank you in advance for your support of this project.

Sincerely,

Sandy
Appendix C

Informed Consent – Email Invite

Northeastern University, Department of: College of Professional Studies
Name of Investigator(s): Dr. Raymond McCarthy, Sandra Forand
Title of Project: Teachers’ Attitudes and Perceptions of Pay-for-performance
Request to Participate in Research

Dear Colleague,

I would like to invite you to participate in a web-based online survey. The survey is part of my dissertation research the purpose of which is to identify teachers’ attitudes and perceptions about Pay-for-performance Plans. This survey should take about 20 minutes to complete.

I am asking you to participate in this study because you are a teacher or administrator in the East Providence School District. You must be at least 18 years old to take this survey.

The decision to participate in this research project is voluntary. You do not have to participate and you can refuse to answer any question. Even if you begin the web-based online survey, you can stop at any time. Your decision to participate or not to participate will have no effect on your standing in the school system.

There are no foreseeable risks or discomforts to you for taking part in this study.

There are no direct benefits to you from participating in this study. However, your responses may help us learn more about how educators feel about pay-for-performance.
You will not be paid for your participation in this study.

Your part in this study will be handled in a confidential manner. Any reports or publications based on this research will use only group data and will not identify you, your school or any individual as being affiliated with this project.

If you have any questions regarding electronic privacy, please feel free to contact Mark Nardone, IT Security Analyst via phone at 617-373-7901, or via email at privacy@neu.edu.

If you have any questions about this study, please feel free to contact Sandra Forand at 401-435-7819 x121 or by email at forand.s@husky.neu.edu, the person mainly responsible for the research. You can also contact Dr. Raymond McCarthy at 857-272-8942 or Ra.McCarthy@neu.edu, the Principal Investigator.

If you have any questions regarding your rights as a research participant, please contact Nan C. Regina, Director, Human Subject Research Protection, 960 Renaissance Park, Northeastern University, Boston, MA 02115. Tel: 617.373.4588, Email: irb@neu.edu. You may call anonymously if you wish.

By clicking on the survey link below you are indicating that you consent to participate in this study. Please print out a copy of this consent form for your records. http://www.surveymonkey.com/s/HRCZPRB

Thank you for your time.
Sandra Forand
Appendix D

Informed Consent – Email Invite- Follow up

Northeastern University, Department of: College of Professional Studies
Name of Investigator(s): Dr. Raymond McCarthy, Sandra Forand
Title of Project: Teachers’ Attitudes and Perceptions of Pay-for-performance

Request to Participate in Research
Dear Colleague,

I contacted you a week ago to invite you to participate in a web-based online survey. If you have already completed the survey, I want to thank you very much for your time. If not, I hope that you might still consider participating in my study.

The survey is part of my dissertation research the purpose of which is to identify teachers’ attitudes and perceptions about Pay-for-performance Plans. This survey should take about 20 minutes to complete.

I am asking you to participate in this study because you are a teacher or administrator in the East Providence School District. You must be at least 18 years old to take this survey.

The decision to participate in this research project is voluntary. You do not have to participate and you can refuse to answer any question. Even if you begin the web-based online survey, you can stop at any time. Your decision to participate or not to participate will have no effect on your standing in the school system.

There are no foreseeable risks or discomforts to you for taking part in this study.
There are no direct benefits to you from participating in this study. However, your responses may help us learn more about how educators feel about pay-for-performance.
You will not be paid for your participation in this study.

Your part in this study will be handled in a confidential manner. Any reports or publications based on this research will use only group data and will not identify you, your school or any individual as being affiliated with this project.

If you have any questions regarding electronic privacy, please feel free to contact Mark Nardone, IT Security Analyst via phone at 617-373-7901, or via email at privacy@neu.edu.

If you have any questions about this study, please feel free to contact Sandra Forand at 401-435-7819 x121 or by email at forand.s@husky.neu.edu, the person mainly responsible for the research. You can also contact Dr. Raymond McCarthy at 857-272-8942 or Ra.McCarthy@neu.edu, the Principal Investigator.

If you have any questions regarding your rights as a research participant, please contact Nan C. Regina, Director, Human Subject Research Protection, 960 Renaissance Park, Northeastern University, Boston, MA 02115. Tel: 617.373.4588, Email: irb@neu.edu. You may call anonymously if you wish.

By clicking on the survey link below you are indicating that you consent to participate in this study. Please print out a copy of this consent form for your records.
http://www.surveymonkey.com/s/HRCZPRB

Thank you for your time.
Sandra Forand