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**ISSUE PAPER**

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**PERFORMANCE-BASED PAY FOR TEACHERS**

APC supports the notion that performance-based rewarding of teachers would be a more effective pay system than those currently based upon length of service. If young Australians who have the potential to be quality teachers are going to be attracted into the profession and retained for the long term Australia needs to develop a system which identifies, acknowledges and rewards high quality classroom teaching.

While the teaching profession in Australia is concerned about the possible negative ramifications of performance based pay for teachers, particularly in respect of its perceived capacity for it to undermine the traditional collegiality of the profession, APC contends that a remuneration system primarily based upon length of service is no longer appropriate. Those concerns are possibly correct in the case of performance based pay models that have a significant competitive element. However, we believe it would be possible to develop an effective, non-competitive model of performance based pay for Australian teachers.

One of the most common criticisms of performance-based pay for teachers is that many of the elements of quality teaching are impossible to measure. We agree that it is hard to measure a key element such as capacity to develop and maintain relationships and therefore believe an effective performance pay model will need to combine quantitative measurement of things like progress in student learning with qualitative assessment by immediate supervisors/managers in areas such as relational issues.

Our research indicates that a model developed by a diverse group of expert teachers from across the United States, under the auspices of Teacher Solutions, provides a sensible framework for the development of an appropriate Australian performance-based pay model for Australian teachers. In using that model as the basis of its recommendations, APC proposes it is necessary to:

**1. Get the base-pay system right**

A career path is required that encourages teachers to advance in their profession. A base-pay system with at least three tiers such as, say, novice, professional and expert is suggested.

**Supplement the base-pay system with a performance-pay system that is open to all teachers**

Singling out only a small proportion of educators for special rewards encourages unhealthy competition. In particular:

- Don't place an artificial cap on the number or percentage of teachers who are eligible for performance incentives or rewards.
- Don't limit rewards only to teachers who teach tested subjects, such as maths and science. To encourage excellence across entire schools, an incentive system is needed that encourages every teacher in every subject to excel.

- 2. Reward teachers who help their students make significant academic gains**  
Student achievement is the bottom line, and some teachers are more effective than others – and should be compensated accordingly. APC believes it should be possible to develop a system that would measure student gains over time and recognise both individual and “small team” performance, and that would allow credible data from classroom assessments to be used.  
  
There should be a broad range of criteria used in the assessment process, with a mixture of measurable elements and qualitative evidence.
- 3. Provide additional pay for additional degrees and professional development - but only if the training is relevant**  
Ensure that additional courses, credits or degrees are tied to the school’s and/or school authority’s/jurisdiction’s strategic goals for boosting student and/or school achievement.
- 4. Allow local flexibility**  
Different schools, districts and jurisdictions need the flexibility to distribute incentive funds in ways that advance their specific student-learning and school development goals.
- 5. Encourage collaboration**  
A highly competitive performance pay model would discourage the teamwork and sharing of successful strategies that research has shown to be a hallmark of high performing schools. Performance-pay plans should encourage more teachers to document effective classroom practices and share them with their colleagues. Incentives should also be used to promote close collaboration among small teams at the department or grade level, where “team effects” are most likely to produce better results for students.
- 6. Offer incentives to teachers who want to teach in high-needs, low-performing schools, but only if they are qualified**  
Limit these incentives to teachers who can demonstrate that they are effective with high needs students and will be able to address the school’s specific learning needs. Sending a willing but unqualified or under prepared teacher to such a school could do more harm than good.
- 7. Reward leadership, not seniority**  
Qualified teachers who take on additional responsibilities – mentoring newly qualified teachers and peers and preparing new teachers, creating family/school partnership programs, community outreach programs, serving on advisory councils, etc – should be acknowledged and rewarded. The number of years on the job should not determine who gets identified for these leadership opportunities; it should be determined by demonstrated commitment and ability.
- 8. Include accomplished teachers**  
Teachers with a track record of accomplishment in their classrooms, schools and communities should be sought out to become partners in the development of a performance based pay system. They have the experience and credibility to ensure that a pay plan will win the necessary public support, starting with support from their peers.
- 9. Assess teachers for performance based rewards at the lowest possible level**  
School principals and leadership teams are the appropriate people to decide which teachers are eligible for performance rewards, based upon clear and transparent frameworks for assessment and reward which would include, where appropriate, input from parents and the local school community.

## **10. Principals should also be eligible for performance based acknowledgement and reward**

Current pay systems that determine principal remuneration solely on the size of a school and length of tenure should be further developed to incorporate a performance-based element which takes into account the principles outlined above for performance-based pay for teachers.

APC has also noted and supports the findings of the DEST Research Paper released in March of this year, titled *Performance-based rewards for teachers*, that performance-based reward systems can work if they:

- are developed in conjunction with, rather than for, teachers. (APC believes that Teaching Australia is ideally placed to be a leader in this process)
- use multiple, credible and objective measures of teacher skills and student progress (the paper noted that measures for performance may include such elements as classroom observation by independent experts, interviews with the teacher, separate questionnaires from students, peers and principals, annual knowledge exams, change in students' test scores from one year to the next. We would suggest that parents should also be involved in the assessment process)
- establish a clear system of significant rewards that are recognised as additional pay and rewarded in a timely fashion
- provide school leaders and administrators with guidance and resources to cover additional expenses and administrative responsibilities created by the system (the paper noted that sufficient time and funding is required to plan, introduce and run any performance pay system)
- are aligned with overall school goals
- are considered in conjunction with comprehensive reforms of teacher compensation as well as other organisational changes to improve teaching
- emphasise the importance of continuous, focused learning
- recognise the need to adjust the details based on early experiences (noting that implementation of a performance pay system is a multi-year project)
- explore innovative methods of knowledge and skill assessment to reduce the workload of teacher and assessors
- are supported by ongoing and comprehensive performance management and support in the local school setting

APC believes two further factors are imperative if a successful outcome is to be achieved in respect of this issue:

- adequate levels of additional resources will have to be provided by all levels of government to ensure any model that is adopted is adequately funded. This would be enhanced by the Australian and State and Territory Governments entering into the cost sharing contractual arrangement promoted by APC; and
- the teaching profession needs to be encouraged to move beyond its traditional closed mindset that reflects a negative perspective of professional collegiality and often puts unnecessary barriers in the way of solution focused endeavours aimed at reinvigorating and sustaining their profession.

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