

POLICY BRIEF

An electronic publication of
The Allegheny Institute for Public Policy

July 8, 2010

Volume 10, Number 36

Pay for Performance: How Will it Play Out in Pittsburgh's Schools?

Student achievement improves, and, as a result, so too does the pay of the principal, the teachers, and other school employees responsible for the improvement. That is a brief definition of a pay for performance system. It differs from the traditional salary step system in which an employee's pay is based on how much education they have attained or how long they have worked for the particular district. Pay for performance is the subject of our most recent report.

This model of compensation has been in place for several years now in the Pittsburgh Public Schools (PPS) going back to 2006 when principals at eight accelerated learning academies were put into a pay for performance system. The following year, all principals—roughly 70 or so altogether—were moved to this model of pay. In the 2007-08 and 2008-09 school years over \$300,000 in performance pay was handed out, ranging from several hundred dollars to over \$10,000. The bonuses were funded by a Federal program called the Teacher Incentive Fund.

Based on what they saw with the principals and believing that “people need to see the reward because it gives them the incentive to do more”, the school board directed the superintendent to make pay for performance a widespread goal. As described in the board's goals for 2008-09 they wanted the District's chief to “work towards a plan to extend performance based system to other PPS employees, especially to teachers”. This goal did not have any specific target attached to it, nor is it clear if the board would have been satisfied with just an attempt at extending it or would have viewed no extension as a failure.

Perhaps this was deliberate: teacher unions have long opposed pay for performance models and a move to unilaterally foist it upon teachers in contract negotiations would not have gone well and could possibly result in a strike. Whereas the District's principals are not unionized and the new compensation system was not subject to collective bargaining, the opposite held for the teachers. That's why the subsequent mentions of extending pay for performance after the board's document—including the application the PPS made to the Gates Foundation that turned into a \$40 million award this past fall—fully acknowledged that any new pay model would be subject to the bargaining process and the Pittsburgh Federation of Teachers would be “the final voice on these [pay for performance] initiatives” in contract negotiations that resulted in a new five year work agreement through 2015.

That contract produced a variety of ways for teachers and other PPS staff to enhance their pay: some related to seniority, some related to taking on additional duties related to mentoring teachers and students, and some related to student achievement. It is worth noting that current teachers are not mandated to participate in a pay for performance system: individual teachers can volunteer to participate in a merit pay pilot program that hopes to enroll up to 225 teachers (about 10% of all teachers) by the end of the contract and schools that reach certain levels of student attainment will

share in bonus money that will be distributed on an equitable basis to all unionized staff within the school. Newly hired teachers are put into a career ladder system that will have the potential of allowing better performers to make more money than average teachers during their professional tenure.

This is a far cry from simply paying more to better teachers, whether current or new, who deliver better results than their peers. That would be too much of a blow to union solidarity. Again fully acknowledging the vagueness of the board's goal and the deference paid to the PFT in the bargaining process, it is not surprising to see the end product as it now stands.

Going forward, evaluation of the program for principals and the initiatives contained in the teachers' contract will be the way to determine if the District will try to build upon the current programs, scrap any notion of pay for performance, or try to go for a model that has a more direct tie between pay and student achievement. What will be the reaction of the Gates Foundation and other public and foundation sources that might be tapped for additional funding?

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