DIFFERENTIATED PAY RESOURCE GUIDE

Part II: Design Options and Considerations

In this part of the Differentiated Pay Resource Guide you will find resources and information to aid districts in designing and creating the structure of their differentiated pay plans. The content in this guide has been heavily informed by sessions held with ERS for the cohort of accelerated planning districts and has been modified based on district feedback from those sessions. The experiences of Tennessee districts currently implementing strategic compensation initiatives are also reflected throughout this guide. District leaders should feel free to use and modify these resources to fit their individual needs.

Both the experiences of Tennessee districts as well as those in other states have found that well-designed compensation plans can have powerful effects when they are aligned to key district strategies and priorities. Ensuring that compensation plans function as an integrated part of a larger human capital management system rather than an isolated initiative is critical to long-term success. This guide provides tools for assessing those key human capital needs, as well as, more specific information on each of the differentiated pay elements. Several of the resources are designed to guide districts through the design process, breaking down the process into a set of concrete decision points for districts to consider.

It is important to note, that while this guide is intended to support districts in the design and implementation of differentiated pay plans, it is not intended to espouse any one model or approach over another. Districts retain ultimate flexibility and discretion in designing plans that meet their local needs and contexts as well as minimum policy requirements. A complete listing of sections and resources in Part 2 of the Differentiated Pay Resource Guide can be found in the table below:

Comprehensive Human Capital Management Systems

With the state's goal of becoming the fastest improving state in the nation in student outcomes, school districts are also embracing a series of ambitious student achievement goals. Considering all aspects of a comprehensive human capital management system will be integral to achieving these goals of increased achievement.

By thinking about teacher compensation and differentiated compensation as part of broader efforts to attract and retain top talent, improve professional development opportunities for all teachers, and strategically staff schools and classroom, it is possible to further drive increased student achievement.

Comprehensive Human Capital Management System
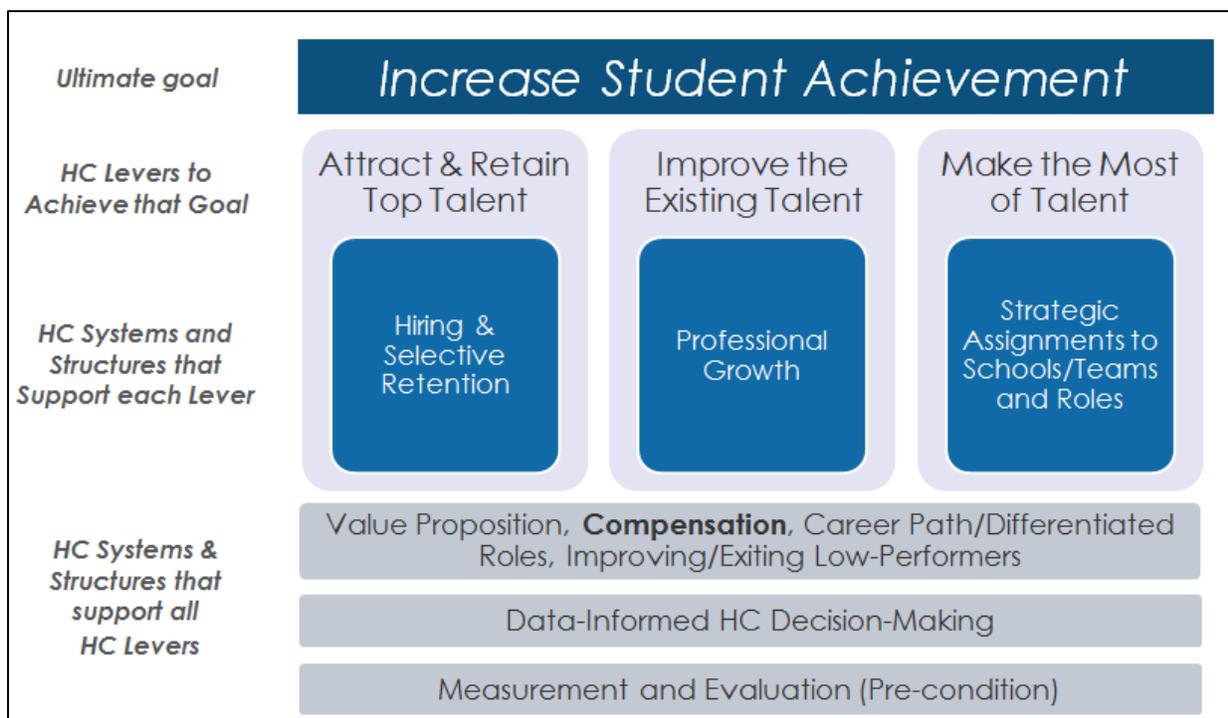
[1]

The state's differentiated pay policy calls on districts to use compensation resources to strategically push on one or several of these human capital levers that are depicted in the image below. Through the creation of specialized roles focusing on high quality, targeted professional development, mentoring, or extending the reach of the most effective teachers, districts can address levers 3-4. The use of hard-to-staff or district priority incentives can be used to address levers 2 and 5. Differentiating base salary also provides an opportunity to address all of these key levers.

TEACHER EFFECTIVENESS IN IMPROVING STUDENT OUTCOMES

1 **Measuring Teacher Effectiveness:** Evaluate teachers based on a clear & rigorous combination of multiple measures.

2 **Job & Team Assignment:** Prioritize effective teachers for high-need students, and strategically assign teachers to jobs & teams.

3 **Instructional Support & Professional Development:** Boost effectiveness of all teachers through targeted professional development.

Current Teacher Performance

Potential Teacher Performance

5 **Hiring:** Optimize new teacher supply by hiring from preparation programs whose teachers consistently achieve better student outcomes.

4b **Retain and leverage** the most effective teachers.

4c **Improve or exit** persistently less effective teachers and replace with more effective teachers.

4a **Career Path, Recognition, & Retention:** Develop career trajectories that acknowledge different teacher needs and expertise.

2

District Value Proposition[3]

"All employers, including school districts, enter into a *Value Proposition* with their employees—the complete set of offerings and experiences provided by the employer, compared to other similar opportunities. A successful Value Proposition reflects the needs of both employer and employee, not only attracting and retaining employees with the right skills and knowledge, but giving employees the rewards and working conditions that motivate and engage them at the level and quality desired by the employer."[4]

To date, districts nationwide have tended to think quite narrowly about compensation. A holistic approach to the value proposition is important however, when considering how to both attract and retain top talent. To broaden the view of compensation as part of larger goals and priorities, many districts are beginning to address both the extrinsic (base salary, benefits, rewards) and the intrinsic motivations (working conditions, career and growth opportunities) of potential and current employees in order to improve student outcomes. The value proposition provides a helpful context and starting place for school districts to prioritize the elements for inclusion in their differentiated pay plans.
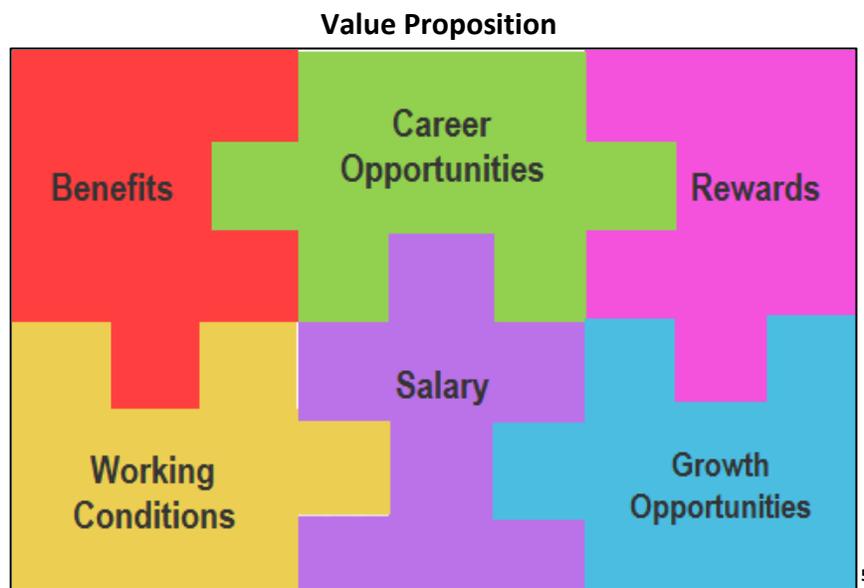
Value Proposition

The current value proposition, while unique for each district, is not particularly strong for the teaching profession as a whole.   A survey of the top third of college graduates found that of those surveyed only a third believed that the teaching profession paid enough to support a family and more than half incorrectly believed that they could earn more as a garbage collector.[6] Moreover, research has shown that it is increasingly difficult for districts to retain their top talent as teachers in the top quartile on entrance exams are twice as likely to leave the profession as those that are in the bottom quartile.[7]

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[3] ERS—*Rethinking the Value Proposition to Improve Teaching Effectiveness, 2012*
[4] ERS—*Rethinking the Value Proposition to Improve Teaching Effectiveness, 2012*
[5] ERS Accelerated Planning Session 1
[6] Auguste, Byron, Paul Kihn and Matt Miller. (September 2010). "Closing the Talent Gap: Attracting and Retaining Top-third Graduates to Careers in Teaching." McKinsey & Company.
[7] Hunt-White, Tracy. (August 2003). "Baccalaureate and Beyond Longitudinal Study 2000/01 Data Analysis System (DAS) Online." National Center for Education Statistics. Retrieved February 17, 2012 from http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2003174

The following chart outlines several outlines the key components of the value proposition and can be used to assess, identify gaps, and prioritize elements that districts might choose to incorporate in their differentiated pay plans.

Career/Growth Opportunities	Working Conditions	Salary	Benefits	Rewards
Learning Opportunities ❑ Tuition Reimbursement ❑ Sabbaticals ❑ Professional Dev. ❑ Opportunities for collaboration with peers /on-the job learning time ❑ Coaching and mentoring ❑ Performance reviews ❑ Certification renewal **Instructional Supports** ❑ Curriculum supports ❑ Formative Assessment **Advancement Opportunities** ❑ Career ladders and pathways ❑ Leadership opportunities	**Job Structure** ❑ Flex time ❑ Part-time ❑ Job-sharing ❑ School schedule (day and year) ❑ Load, number of preps, and duties ❑ Planning time **Working Conditions** ❑ Safe and clean environment ❑ Collegial working conditions ❑ Opportunities for input, participation, and impact ❑ Strong school leadership ❑ Job protection	**Salary (Min, Max, Potential/Expected Trajectory, COLA)** **District-Priority Premiums** ❑ High-needs areas and schools **Market-Incentive Premiums** ❑ Math and science teachers **Roles and Responsibilities** ❑ Leadership ❑ Contribution/Additional responsibilities ❑ Stipends for additional hours **Monetary Rewards** ❑ Individual and group performance	**Health and Welfare** ❑ Medical plans ❑ FSAs ❑ Life insurance ❑ Disability insurance ❑ Discounts for fitness clubs, etc. **Retirement** ❑ Pension ❑ Accumulated leave ❑ Health insurance **Pay for Time Not Worked** ❑ Summer/winter breaks ❑ Vacation ❑ Holidays ❑ Religious holidays ❑ Sick leave ❑ Bereavement leave ❑ Maternity/paternity leave	**Service Awards** **Peer-recognition awards** **Performance awards** **Appreciation awards** **Innovation awards** ❑ Individual and school

[8]

The following process and guiding questions can be helpful when assessing a district's value proposition:
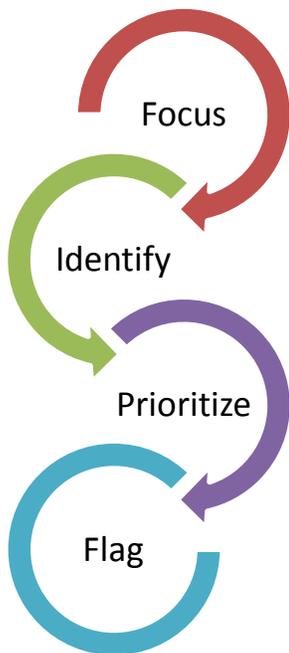
1. **Focus** on your biggest needs for improvement to attract and keep the best. For which groups of teachers do you need to improve your value proposition?

2. **Identify** the strengths and weaknesses of your current value proposition for each of the five components

3. **Prioritize** the top three weaknesses that are most important to address and list why

4. **Flag** elements of the value proposition that would require more information to assess

[9]

Just as districts complete an annual budget or strategic planning process, evaluating the district value proposition at regular intervals is equally important to ensuring alignment of district priorities with the ability to attract, grow, and retain talent. Benchmarking data like salary, benefits, and compensated hours against that of neighboring districts and state and national averages is a useful way to track the competitiveness of the value proposition.   Surveying teachers entering, exiting, and those who decline offers from the district is also a beneficial way to identify strengths and gaps in the value proposition.

The appendix includes a longer article, *Rethinking the Value Proposition to Improve Teaching Effectiveness,* as well as an article that outlines *First Steps: What School Systems Can Do Now to Improve Teacher Compensation and Career Path.* It also contains a self-assessment tool to assist district leadership teams in evaluating the alignment between resources and instructional priorities.

[9] ERS—Accelerated Planning Session 1

Differentiated Pay Options

The differentiated pay policy guidelines correspond with the four major compensation components depicted in the Teacher Compensation Pyramid below: base salary, district priority or hard-to-staff incentives, additional roles, and rewards or bonuses. These elements are sequenced according their impact on improving student achievement[10].

The base salary will always comprise the bulk of compensation resources, so considering ways to leverage those funds is critical in maximizing available funds. Research has shown that investing a larger percentage of funding is needed to recruit highly effective teachers to high-need subject areas and schools, which places priority incentives just above base salary in the pyramid.[11] Leveraging effective teachers and providing career pathways for continued development has the potential to increase retention while also investing in the development of other teachers. Finally, while rewards and bonuses are effective recognition techniques, they have not been shown to change instructional practices or behaviors.[12]

Within each of these differentiated elements there are multiple decision points that will be outlined in the next sections. The *Opportunity* Decisions are those that create additional funding flexibility and free up compensation dollars to be reinvested in differentiated pay, while the *Investment* Decisions are those that require additional funds The Compensation Visioning Template is a planning tool intended to guide districts through these decisions[13]. The intent of considering these options is not to advocate for a particular course of action, but to outline the main decisions at a district's discretion within the differentiated pay policy.

Teacher Compensation Pyramid
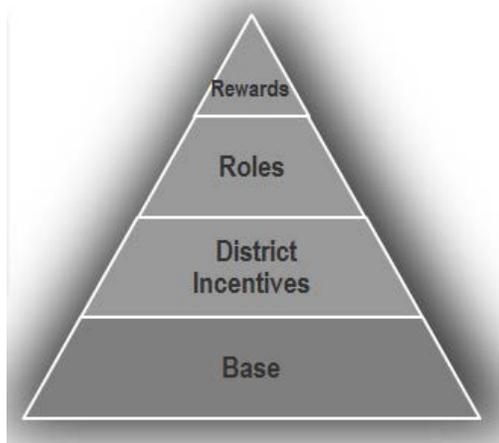
Increasing % of expenditures

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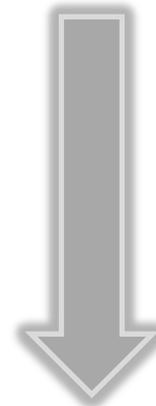
[10] ERS—Accelerated Planning Sessions 1 and 2

[11] Kowal, J.; Hassel, B.; Hassel, E. (2008). "Financial Incentives for Hard-To-Staff Positions: Cross-Sector Lessons for Public Education." Center for American Progress. http://www.americanprogress.org/issues/2008/11/pdf/hard_to_staff.pdf

[12] ERS—*Strategic Design of Teacher Compensation, 2012*

[13] The terms Opportunity and Investment Decisions and teacher compensation pyramid that are used throughout the rest of this document were coined by ERS.

Base Pay[14]

One of the first decisions a district must make locally is whether to modify the base salary and associated local salary schedule. There are many different ways to approach those modifications. The options outlined in this section cover key decision points, but note that this is not an exhaustive list.

When restructuring compensation, the vast majority of the flexibility to invest in differentiated elements will come through restructuring base pay. Maintaining the traditional step and level system is an option districts can pursue; however, maintaining that schedule will drastically limit the amount of current funding that can be reinvested in differentiated elements. Note that any funding generated through restructuring base pay must be reinvested in teacher compensation. Options for modifying base pay are as follows:

- Opportunity Decision: Education Pay
- Opportunity Decision: Experience Pay
- Opportunity Decision: Future State or Local Increases
- Opportunity/Investment Decision: Effectiveness Pay

Opportunity Decision: Education Pay

A thorough body of national research has emerged showing that advanced degrees do not result in improved student achievement.[15] As a result, districts may choose to reinvest education funding in other elements. Below is a list of options that can be considered regarding education pay:

- Remove and reinvest all education pay[16]
- Only provide education pay increases at the levels of the state minimum schedule (in 2013-14 the state has two levels - Bachelor and Advanced Degree)
- Consolidate education pay lanes (i.e., combine MA and MA+30 lanes into a single lane)
- Reduce the amount of the lane increase for education pay
- Offer tuition reimbursement rather than education pay[17]
- No change in education pay

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[14] The terms Opportunity and Investment Decisions and teacher compensation pyramid that are used throughout the rest of this document were coined by ERS.

[15] ERS—*Strategic Design of Teacher Compensation, 2012*

[16] Note that this would constitute an alternative salary schedule. For more information on alternative salary schedules, contact Laura.Encalade@tn.gov.

[17] This could constitute an alternative salary schedule if all advanced degree pay is given in the form a tuition reimbursement.

Opportunity Decision: Experience Pay

Research has also shown that beyond the first few years additional years of experience do not result in improved student achievement.[18] As a result of these findings districts may also choose to consider reinvesting all or part of the funding they spend on experience pay or longevity. The following options are all available to districts:

- Remove "step increases" and reinvest all experience pay[19]
- Reduce the dollar amount of experience pay to match the amount of the increases provided in the state minimum salary schedule
- Cap experience pay after a set period time (i.e., five years, ten years, etc.)[20]
- Reduce the timing of experience pay to match that of the state minimum (i.e., providing increases at only the one, six, and eleven year marks)
- No change in experience pay

Opportunity Decision: Future State or Local Increases

Determining how to allocate any future state or local increases is another major decision related to base pay. Similar to the 1.5% increase provided in state funding for fiscal year 2014, districts have discretion on how to allocate any future state or local increases. Options include:

- Apply 100% of future increases to fund the district's salary schedule (This may be the current traditional schedule or any modified schedule that would be developed.)
- Apply a particular percentage of future increases to the salary schedule and reinvestment the remaining percentage in other investments (i.e., apply 50% of an increase to the salary schedule and 50% to fund elements like school roles or priority incentives)
- Apply 100% of future increases to other compensation investments that are outside of base pay (i.e., school roles or priority incentives)

Opportunity/Investment Decision: Effectiveness Pay

If districts decide to eliminate or reduce experience pay, those funds can be reinvested in providing an effectiveness pay. Effectiveness differentiates base pay increases for teachers based on their performance. There are two main types of effectiveness pay: effectiveness steps or effectiveness bands.

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[18] ERS—*Strategic Design of Teacher Compensation, 2012*

[19] Note that this would constitute an alternative salary schedule. For more information on alternative salary schedules, contact Laura.Encalade@tn.gov.

[20] This could constitute an alternative salary schedule if experience pay is reduced beyond the amounts and the 11 year marks depicted in the state minimum schedule.

Effectiveness steps differentiate the amount of base pay or step increases for teachers based on performance. (This model developed by TOSS in partnership with BFK is an example of an effectiveness steps model.) Another example would be if level 1 and 2 teachers no longer receive step increases, level 3 teachers received $300, level 4 teachers received $400, and level 5 teachers received $500.

Effectiveness steps can be implemented in a way that is cost-neutral by redistributing the current dollars spent on experience pay. The district's evaluation distribution must be taken into account when considering the amount of step increases offered for each performance level. The image below outlines how the current compensation dollars can be restructured into effectiveness steps.

	% of Workforce	Current System	Redesigned System
A teacher entering the new system			
Level 5	33%	$1.4M	$1.5M
Level 4	35%	$1.4M	$1.4M
Level 3	22%	$1.4M	$1.4M
Level 2	9%	$1.4M	$1.2M
Level 1	1%	$1.4M	$1.2M [21]

The following are options for implementing effectiveness steps and the cost implications associated with each:
- Implement effectiveness steps using 100% current experience dollars (cost-neutral)
- Implement effectiveness steps during the first 10 years of teachers career vs. over 20 years, allowing them to accelerate their base pay early in their career (short-term investment)
- Implement effectiveness steps with a smaller portion of current experience dollars (opportunity)
- Implement effectiveness steps with 100% of current experience dollars and invest an additional percentage of funding from either restructured education pay or future state increases (investment)
- Do not implement effectiveness steps

[21] ERS—Accelerated Planning Session 1

The second type of effectiveness pay is an effectiveness bands model. Effectiveness bands tie base salary both to performance and roles and responsibilities. In this model, districts have the flexibility to set the criteria for moving from one band to another and whether they will also offer any base increases within the bands.   The chart below outlines one way that effectiveness bands could be structured:

Level	Criteria	Pay Change*	Roles/Privileges
Novice/ Probationary	New teachers or those not meeting standards	Starting salary + $0K	Provisional contract Mandatory PD
Professional	2 years rated as a Level 5, or 3 years rated as a Level 3 or 4	+0-$2K	Year-long contracts Avail roles may vary based on effectiveness level: mentor, etc.
Master 1	Same as Professional + Additional skills	+0-$4K	2-3 year contracts Additional roles which continue to vary by effectiveness level
Master 2	Same as Master 1 + Additional experience and evidence of strong leadership	+0-$4K	Additional leadership roles [22]

The following are options for implementing effectiveness bands:
- Develop effectiveness bands in a way where all options for increasing base salary are included
- Combine an effectiveness bands model with other options for base pay increases within the bands. This could be by also creating small effectiveness steps within each band or by continuing to recognize experience pay.
- Do not implement effectiveness bands

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[22] ERS—Accelerated Planning Session 1

Priority or Hard-to-Staff Incentives[23]

District priority incentives are developed by aligning high-performing or uniquely-skilled teachers to challenging or hard-to-staff positions. The most common incentive takes the form of offering stipends for those teachers serving in high-need schools or for those in high-demand subject areas like secondary math and science. Districts have flexibility to define the criteria for "hard-to-staff" based on their own achievement, hiring, and retention data. This definition may also change from year to year as needs shift so ongoing assessment of district needs is important.

Investment Decision: Priority Incentives
Because districts will individually define "hard-to-staff" the following are a sampling of ways you could structure a priority incentive:

- All teachers in high-need schools receive an annual incentive
- All teachers in hard-to-staff positions receive an annual incentive
- All Level 5 teachers in hard-to-staff positions receive a one-time hiring bonus
- All Level 5 teachers in hard-to-staff positions receive an annual incentive
- No district priority incentives

The amount of stipends will vary given the level of need and local market conditions. A thorough analysis of these conditions should factor into the amount offered.[24] Also, included below is a sample list of priority incentives being implemented in several districts throughout the country and in Tennessee:

District/Program	Hard-to-Staff Schools	Hard-to-Staff Subjects
Denver, CO	$2,400/yr for each year in position at a designated school	$2,400/yr for each year in position for a designated subject
Hillsborough County, FL	5% of base for each year in position for effective teachers at 90%+FRL schools	$50/student who passes the exam
Pittsburgh, PA	$12,200/yr to a limited # of Turnaround Teachers in low-performing schools	NA
Teach Plus	$6,000 on top of base pay for high-performing teachers in low-income, low-performing schools	NA
Lincoln County, TN	NA	$4,000 recruitment/retention stipend for designated subjects
Putnam County, TN	NA	Additional points towards a bonus for advanced STEM coursework

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[23] The terms Opportunity and Investment Decisions and teacher compensation pyramid that are used throughout the rest of this document were coined by ERS.
[24] ERS—*Strategic Design of Teacher Compensation, 2012*

School Roles[25]

Differentiating pay according to roles and responsibilities creates new opportunities to leverage and retain effective teachers. They also provide the ability to improve retention through the development of additional growth and career pathways and investments in teacher-leadership.

Investment Decision: School Roles

Because additional school roles are best developed in a way that uniquely align to district instructional priorities, the amount of compensation should be determined once the types of roles and their responsibilities have been finalized. The most common way to compensate for roles is through an annual stipend. Another option, although often a more expensive one, would be to provide an additional prep or release period for teachers in a particular role.

Additional information and research on ways to create and structure role is available through Public Impact's work Opportunity Culture: Models to Reach Every Student with Excellent Teachers available in the appendix. The chart below highlights several of those roles:
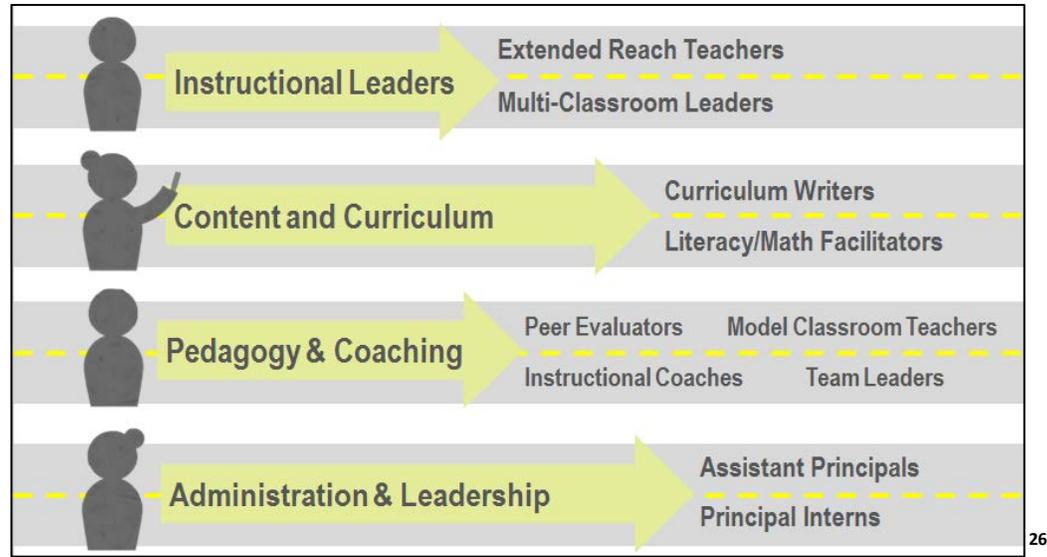
Also critical when considering the creation of additional instructional roles is the establishment of clear selection criteria and accountability measures for the new roles. An emerging best practice is to develop a clear job description, selection and evaluation measures for the role prior to the hiring process.

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[25] The terms Opportunity and Investment Decisions and teacher compensation pyramid that are used throughout the rest of this document were coined by ERS.

[26] ERS—Accelerated Planning Session 1

Rewards and Bonuses[27]

Bonuses are one-time payments that do not become a part of an educator's base pay. These awards most often reward for improvement or attainment of certain evaluation or student achievement standards and can be structured as individual, team, school, or district-wide awards. The following chart summarizes a few of those options:

Types of Bonuses	Criteria
School-based	Achievement or Gap Closure AMOs Graduation rate or ACT growth Benchmark data Building-level TVAAS Scores
Team-based	Horizontal-team bonuses Vertical-team bonuses
Individual	TVAAS scores TEAM scores Improvement stipends contingent on performance and completion of PD

While bonuses are effective at recognizing and rewards teachers for strong performance, they do not appear to change teachers' behaviors or instructional practices and have limited impact on student outcomes.[28] Evidence suggests that more resources should be focused on base pay for consistently strong student outcomes, while one-time rewards and bonuses should be smaller percentages of funding.[29] Public recognition is an often overlooked, yet low cost option for rewarding both performance and longevity.

Investment Decision: Rewards and Bonuses
The following are a sample of options for structuring bonuses and rewards:
- Level 5 teachers receive a share of the district's bonus pool
- Eligible teachers receive a flat bonus
- Eligible teachers receive a bonus that is a percentage of their base salary
- No monetary bonuses, only public recognition and celebration

A critical component of establishing an effective bonus program is developing and communicating eligibility criteria.

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[27] The terms Opportunity and Investment Decisions and teacher compensation pyramid that are used throughout the rest of this document were coined by ERS.
[28] ERS—*Strategic Design of Teacher Compensation, 2012*
[29] ERS—*Strategic Design of Teacher Compensation, 2012*

Eligibility Criteria

Tennessee's existing compensation districts have found that the establishment of clear eligibility criteria for their compensation plans has been an integral component of their plans' success.

Eligibility criteria should apply to the components of the compensation plan and typically include policies detailing how each element will impact the employee's compensation. Often districts find that there is a need to review and update the administrative policies and processes for monitoring such elements as:

- Attendance
- Leaves such as FMLA, Funeral, Jury and Military
- Starting employment date
- New employee policies both for those new to teaching and those with prior experience
- Transfers out of the district
- Retirement
- Part-time employment status
- Performance qualifications for receiving an award
- Issue resolution process if the employee grieves their compensation

A sample of eligibility criteria developed by existing compensation districts is available in the appendix.

DECEMBER 1

Rethinking the Value Proposition to Improve Teaching Effectiveness

By Regis Anne Shields and Christopher Lewis

One out of a series of three ERS publications on teacher compensation, this paper explores what it means to transform the value proposition *between school systems and teachers, and provides guidance on steps to reach this new vision.*

Introduction

All employers, including school districts, enter into a *Value Proposition* with their employees—the complete set of offerings and experiences provided by the employer, compared to other similar opportunities. A successful Value Proposition reflects the needs of both employer and employee, not only attracting and retaining employees with the right skills and knowledge, but giving employees the rewards and working conditions that motivate and engage them at the level and quality desired by the employer.

Because teaching effectiveness is the single most important in-school factor for improving student achievement,[1] rethinking the Value Proposition and how it gets communicated is one of the crucial levers available for school districts to increase their student achievement through improved attraction and retention of excellent teachers. What employers offer in any Value Proposition is broader than salary and benefits, and includes professional growth and career opportunities, work-life balance structures, and recognition. It also encompasses

working conditions—things like quality of leadership,[2] opportunity for teamwork, student motivation and discipline, and demands and structure of the job.[3] To date, many districts have thought too narrowly about their Value Proposition, if at all. When defining Value Proposition, districts have relied heavily on the intrinsic value of the teaching mission, rarely looking beyond salary and benefits. Even with these, they have failed to communicate the totality of what is offered, particularly with respect to benefits—health, retirement, and fringe. Improving communication of the Value Proposition will improve the pool of applicants, and employers must also successfully discern and select the most effective applicants to gain value from the larger pool.[4]

This brief gives districts a roadmap for re-envisioning and rebuilding their Value Proposition. It requires a dramatic change in perspective, and deliberate shifts in investments to better meet district needs while also considering teacher preferences.

1. Flip the Value

The place to begin is at the end. Constructing a teacher Value Proposition—"What do I need to give in order to **get** the right people for achieving my objectives?"—requires district leaders to begin at the end point, with a clear definition of who those right people are. Most districts have constructed their Value Proposition the opposite way, stating what they will give without defining clearly what they want in return. This has resulted in a teacher-compensation and job structure that doesn't reliably produce the teachers we need.

Districts must upend how they think about the Value Proposition. They should begin by describing their instructional objectives. Once established, they can define the type and quality of teachers they seek to hire, as well as bringing about the specific job conditions and supports that nurture professional growth in teachers.

2. Expand and Assess

School districts must avoid narrowly defining the teacher Value Proposition as simply salary and benefits, for two reasons. First, a successful Value Proposition must balance employer *and* employee interests. While compensation is important, we know from surveys that working conditions are critical to teacher job satisfaction, and thus retention. Second, a narrow definition of the Value Proposition makes it difficult for districts to compete with the private sector for highly qualified candidates, making districts appear to have less to offer.

Districts rarely consider the concept of working conditions as a component of how they invest in their teaching Value Proposition. Evidence suggests that supportive principals, collaborative working conditions, and professional empowerment are particularly important for high-performing candidates and teachers. The most recent MetLife Survey of the American Teacher, which reported teacher satisfaction to be at the lowest level in the 20-year survey history, found higher job satisfaction among teachers who felt their jobs were secure, were valued by the community, and offered opportunities for collaboration and teaming where work is shared.[5]

Since districts compete with the private sector for the same talent, communicating the *entire* Value Proposition is essential. In particular, districts often under-communicate the value of pensions and benefits, though these frequently put districts at a competitive advantage relative to private-sector employers. But even with a completely restructured teacher-compensation system, competition with the private sector on salaries and benefits alone may

FIGURE 1: Potential Value Proposition Elements[7]

Compensation: Direct Pay	Compensation: Benefits	Recognition	Development and Career Opportunities	Working Conditions (work/life balance)
Salary (Min, Max, Potential/Expected Trajectory, COLA) **District-Priority Premiums** • High-needs area and schools **Market-Incentive Premiums** • Math and science teachers **Roles and Responsibilities** • Leadership • Contribution/ • Additional responsibilities • Stipends for additional hours **Monetary Rewards** • Individual and group performance	**Health and Welfare** • Medical plans • FSAs • Life insurance • Disability insurance • Discounts for fitness clubs, etc. **Retirement** • Pension • Accumulated leave • Health insurance **Pay for Time Not Worked** • Summer/winter breaks • Vacation • Holidays • Religious holidays • Sick leave • Bereavement leave • Maternity/paternity leave **Financial** • Transit subsidies • Employee discounts • Financial planning services • Mortgage/housing programs	Service Awards Peer-recognition awards Performance/ appreciation/ innovation awards— individual and school	**Learning Opportunities** • Tuition reimbursement • Sabbaticals • Professional development • Opportunities for collaboration with peers/on-the-job learning time • Coaching and mentoring • Performance reviews • Certification renewal • Average actual teacher improvement **Instructional Supports** • Curriculum supports • Formative Assessment Tools **Advancement Opportunities** • Career ladders and pathways • Leadership opportunities	**Job Structure** • Flex time • Part-time • Job-sharing • School schedule (day and year) • Load, number of preps, and duties **Working Conditions** • Safe and clean environment • Collegial working conditions • Opportunities for input, participation, and impact • Strong school leadership • Job protection

be a challenge, especially in the current economy.[6] Analyzing the entire Value Proposition allows districts to emphasize (and adjust, if appropriate) those pieces that may lack high monetary value but yield great satisfaction in terms of mission, work-life balance, or individual growth.

The potential components of the teaching profession's Value Proposition are detailed in **Figure 1**. The Value Proposition has five basic elements: (1) Direct Pay, (2) Benefits, (3) Recognition, (4) Development and Career Opportunities, and (5) Working Conditions (work/life balance).

3. Customize

While major elements are similar, no two Value Propositions should be exactly the same. This is obvious between sectors—private and public—and across different professions. It is also the case across districts. The specifics of the Value Proposition will be dictated by factors outside the immediate control of the employer, detailed in **Figure 2** on the next page, such as the legal environment around what must be offered and cannot be offered, the constraints of available resources, and the local context. If contractual or regulatory constraints limit a district's ability to construct an attractive offering, district leaders must work to change this.

The Value Proposition is also influenced and shaped by factors over which employers have greater control: strategic priorities and an understanding of the specific preferences of targeted employees. Individual employees may be willing to trade specific elements of the Value Proposition to maximize those they prioritize, allowing a district to give those employees more value for the same cost.[8]

While it is important to customize a district's Value Proposition, schools must also assess and improve their school-level Value Propositions. Some of the elements discussed are relevant across an entire district (for instance, benefits), whereas other elements, such as principal leadership and building conditions, are specific to individual schools. Note that if teachers can't apply directly to schools, altering school-level Value Propositions has limited impact on attracting better teachers, but impacts retention. Districts have a responsibility to help their neediest schools improve their school-level Value Proposition, since these schools struggle to attract and retain excellent teachers. Help could include an initiative to place excellent principals in turnaround schools, or paying more to highly effective teachers for working in the neediest schools.

4. Prioritize

Compensation is not the only component of a Value Proposition that significantly impacts the financial bottom line. Since public revenues are generally constrained at some level, it's impossible for districts to fully fund all district priorities or honor all employee preferences. Districts must structure the Value Proposition to attract, motivate, and retain a high-performing teaching force *in a financially sustainable way,* meaning that districts must prioritize which elements to fund. The process of prioritization begins as districts tailor their Value Proposition to their needs. District leaders must then consider the student impact and cost of each component in their Value Proposition to best leverage resources and maximize impact on student outcomes.

Some elements of the Value Proposition impact attraction over retention, and vice versa. The differential tends to center around transparency, or lack thereof, that prospective new hires have around certain elements. For instance, working conditions impact retention over attraction, since new hire candidates have less insight into working conditions than do current teachers. In prioritizing elements of the Value Proposition, districts should consider whether they want to privilege attraction over retention.

**Heitin, L. 2012 National Teacher of the Year Hopes to 'Restore Dignity' to Teachers, Education week, 2012, April 24

Understanding the entire cost of the Value Proposition helps districts align scarce financial resources with priorities and support attracting, retaining, and motivating a high-performing working force. A small salary increase for all teachers may be better invested in other parts of the Value Proposition to improve teaching effectiveness, for instance. Coaching resources can be an expensive line item, especially if funded at levels that provide enough attention and support to improve instruction. Coaching, if structured and implemented in alignment with best practices, can improve teaching effectiveness[9] and teacher satisfaction.[10] Given this

knowledge and these costs, a district must consider which investments make better financial and strategic sense: investment in coaching resources or a tiny increase in salary.[11] (See **Figure 3** on next page) The answer to this question depends on a district's specific context, including competitiveness of salary and benefits as compared to surrounding districts, current structures for individual growth and professional development, and other elements in the Value Proposition.

With all of that said, salary and benefit levels are vitally important. Everyone, including teachers, wants to be paid adequately. Intrinsic motivation

FIGURE 2: **Examples of Customizing the Value Proposition**

Value Proposition Variables	Potential Factors	Examples
External		
Legal	Union contracts	Salary and many working conditions (sick leave, class size, etc.) dictated by union contract
	State laws	State law often defines benefits, pensions, and job security
Resources	Funding levels and flexibility	Higher-funded districts have more options in constructing a Value Proposition, unless funding streams are tied to specific uses
Local Context	Urban/suburban/rural	District setting may impact the value of safe working conditions
	Local economy	Level of market competition with area employers influences the total size of a Value Proposition package; cost of housing in proximity to schools influences inclusion of housing benefits
Internal		
District Strategic Priorities	Workforce performance and capacity	With a high-performing workforce: Value Proposition could include more opportunities for leadership and collaborative professional communities; with a novice or lower-performing workforce: Value Proposition could include more opportunities for directed professional development and support
Employee Preferences	Age	With a younger workforce: Value Proposition could emphasize maternity/paternity benefits, professional development opportunities, job sharing, and flexible schedules. With an older workforce: emphasis might be on health and retirement benefits.
	Proximity to job	Mass transit/travel subsidies may be part of a Value Proposition if a significant number of teachers live outside the district.

significant differences between teaching and the chosen careers of top-third college graduates lie with compensation.

With regard to attracting and retaining top-third students, the report shows that starting salary, expected growth, and maximum potential salary are all critical factors in compensation structures.[14] This same report shows that only 10 to 18 percent of top-third students say teaching offers a competitive starting salary, pays appropriately for the skills and effort they would bring, or offers a salary that would increase substantially over the next seven to 10 years. Only one in three think teaching pays enough to support a family, and more than half believe they could earn more as a garbage collector.[15]

Beyond perceptions, the annual salary of teachers in the United States without adjusting for the shorter work year is lower than the annual salary of college graduates employed in other occupations. Salaries for American teachers with 15 years' experience are, on average, 60 percent or less of full-time earnings for 25- to 64-year-olds with tertiary education in the United States.[16] The International Organisation for Economic Co-operation and Development (OECD) reports that supply of potential teachers is highly responsive to increase in salaries.[17]

5. Communicate

For a district's Value Proposition to drive success in attracting, retaining, and motivating high-performing employees, it must be understandable and accessible.

Understandable. Prospective or current employees must be able to compare the Value Proposition and its individual components with that of competing employers, including other professions and surrounding districts. This requires districts to cost out individual components in ways they have not previously done, and to collect and provide comparison information on competitors, if available.

and professional development don't pay the mortgage or college tuition. Not only does getting compensation right contribute to attracting, retaining, and motivating a high-performing workforce, it may also spur higher performance. Daniel Pink in *Drive* suggests that, "Effective organizations compensate people in amounts and in ways that allow individuals to mostly forget about compensation and instead focus on the work itself."[12] He asserts that not getting it right keeps compensation front and center and inhibits creativity, ultimately unraveling performance.

Economists vigorously debate the best methodology for determining the competitiveness of current teacher salary and benefits.[13] Without wading into the details of that debate, evidence suggests that districts have a hard time competing with other professions for top-quality candidates, given current salary levels and growth patterns. A recent report by McKinsey & Company, "Closing the talent gap: Attracting and retaining top-third graduates to careers in teaching," indicates that the most

FIGURE 4: Salary vs. Adjusted Hourly Rate

District	# Teacher Days	Hours/Day	Annual Hours	Starting BA Salary	Adjusted Hourly Rate
A	183	6.5	1190	$44,943	$37.76
B	190	7.1	1346	$44,587	$33.12
C	192	7.5	1440	$48,567	$33.72

Source: ERS analysis and partner district data

For example, a district might consider its elementary literacy-coaching program to be a major selling point, and invest significant resources toward creating a nationally recognized program. The district will want to tout this program, but it must also value it so that a potential employee understands how that investment translates into personal value, either through teacher-to-coach ratio or dollars-per-teacher expenditure. How a district represents this investment depends on the trade-offs and priorities of the employee and employer. If the district has specifically chosen to invest in a coaching program rather than slightly increase salaries, since its salaries are on par with neighboring districts, the dollars-per-teacher calculation must highlight this (**Figure 4**).

In communicating comparisons, districts should ensure that comparisons are apples-to-apples, particularly with salaries. While districts routinely report salary scales, they rarely include a picture that adjusts for required hours worked, which often differs significantly by district.

Requirements for teacher hours do not represent actual hours worked by most hard-working, conscientious teachers.[18] However, they do represent hours available for school-wide use for student instruction, team collaboration, professional development, or other activities important to both employee and employer. At first glance in **Figure 4**, District C appears to offer an 8 percent higher salary at $48,567 over District A at $44,943.

However, these starting salary levels do not account for differences in total annual hours worked. When starting salaries are adjusted for annual hours worked, District A's shorter contract day and year means its adjusted hourly rate of $37.76 is higher than District C's at $33.12.

Accessible. The Value Proposition is an effective human-resource management tool if it is an active and live concept. It must be kept current, with consistently updated information, readily available to all employees and—to the extent possible—personalized for each employee.

Conclusion

As school districts rethink their teacher Value Proposition, they must not ignore their most valuable asset: the opportunity to impact, improve, and enrich the lives of children and young adults. This intrinsic characteristic is a priceless asset in attracting, retaining, and motivating a high-performing teaching force. That said, it is no longer sufficient for districts to rely primarily on the intrinsic nature of the profession to achieve their goals. The concept of the Value Proposition can be an effective human-resource tool to attract a teaching force that our demanding education outcomes require.

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First Steps:
What School Systems Can Do Right Now to Improve Teacher Compensation and Career Path

The Moment

Across the country, school districts are struggling to improve student performance on flat or declining budgets. While school improvement methods are as varied as the towns and cities where they take place, district leaders increasingly agree that the road to improved student outcomes must pass through improved instruction. With many states implementing new teacher evaluation systems, and the impending arrival of Common Core standards putting pressure on an already stressed teaching force, districts are trying to adapt their human capital strategies to develop and retain teachers for the 21st century. One of the most potentially catalytic elements of any human capital strategy is teacher compensation and career path.

Many districts are understandably cautious about implementing large changes, such as redesigning the step and lane system that has existed for decades. New evaluation systems must be implemented and vetted before they are linked to compensation, and it is challenging to find common ground among administration, teachers and unions on the best approach. But most districts face critical student performance challenges and budgetary constraints *now*—and need to improve in the short term even as they lay the foundations for broader change in the future.

First Steps

In this paper, we outline a series of actions that districts can take to start moving toward a future vision of the teaching job. These First Steps shouldn't replace the larger work of overhauling the system, but they allow districts to have short term impact while advancing towards the ultimate goal. We define First Steps as actions which:

- Have a positive impact on student outcomes
- Can be implemented within a year
- Can be implemented within existing collective bargaining agreements or are likely to have broad support
- Require little or no new investment, or are budget neutral when implemented in combination
- Build toward a new vision of a teacher compensation and career path system that can attract, retain, and leverage the skills of a highly effective teaching force

Though these First Steps described below are numbered, they do not need to be taken in order. In addition to describing each First Step, we estimate how much each action might cost to implement (or save if implemented). We have also used existing research[1] that links improvements in teaching effectiveness to improvements in student performance to estimate how much student outcomes might improve relative to cost. In other papers in the series we take the long view, and outline a comprehensive approach to compensation and career path reform that will help attract, develop, retain and reward a high quality teaching force.

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[1] Harvard Strategic Data Project, *Learning about Teacher Effectiveness: The SDP Human Capital Diagnostic* (Center for Education Policy Research at Harvard University), 2011.

First Step # 1: Ask your strong performers to take on more responsibility—and reward them for their impact

We know that teaching quality is the most important in-school factor for student learning. The strongest teachers in a district provide a valuable starting point for driving improvement. Even in districts where evaluation systems don't do a very good job of differentiating among teachers, research indicates that principals can reliably identify their best and worst teachers.[2] There are a number of ways that these teachers can impact student learning right now.

Match the best teachers with the highest-need students.
This may sound like common sense, but in most districts and schools with which ERS has worked, the best teachers do not teach at the highest-need schools, and within schools the best teachers do not teach the highest-need grades, subjects or students. For example, in high schools the best teachers often teach 11th and 12th grade advanced classes, instead of teaching math to 9th graders who come in a year or more behind. Some schools and districts may be able to simply reassign teachers to these schools or classes. Others may not. In either case, results will be better if teachers move voluntarily. How can district and school leaders persuade the best teachers to take on these tougher assignments? Financial incentives may be necessary, especially to move to higher-need schools. But non-financial incentives are also important and in some cases can be enough. Teachers cite the principal as the most important factor in choosing a school, so moving a high-performing principal to a high-need/low-performing school is a good first step.[3] Teachers also may be more willing to move to a problem school if they move with a group of other high performers. Within a school, teachers might be enticed by fewer preps or smaller class sizes (see sidebar).

> **Sidebar: How Strategic School Design Can Improve Teacher Effectiveness**
>
> Pairing thoughtful teacher assignment with school design modifications (such as changes in scheduling or class size) can help make it more attractive– and more "doable"—to teach the highest-need students, while also providing additional time and attention to those students. For example, we often find that basic math and ELA classes are among the largest in a school, while electives and more advanced courses tend to be smaller. Innovative schools are having success by significantly lowering class size for certain high priority core classes (e.g. 9th grade Algebra 1) and letting non-core or advanced class sizes float higher. This not only gives the students in these courses more attention, it also makes it more attractive for teachers to take on these tough assignments. Another option might be to double-block ELA or math for low performing students. This extends the time that students have for that subject while reducing the number of different students the affected teachers instruct (i.e. their teacher load). Depending on how it is implemented, this strategy can cut teacher load by as much as 40 percent and teacher preps by one or two. By offering fewer preps to some teachers and smaller classes to others, a school could satisfy each teacher's preferences while organizing class enrollment for student success.

Additionally, districts should not underestimate the power of appreciation and recognition in rewarding teachers for expanded leadership responsibility. Unfortunately, two thirds of top teachers currently report that

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[2] Jacob, Brian A., and Lars Lefgren. "Can principals identify effective teachers? Evidence on subjective performance evaluation in education." *Journal of Labor Economics* 26.1 (2008): 101-136.

[3] Milanowski, Anthony Thomas, et al. "Recruiting New Teachers to Urban School Districts: What Incentives Will Work?." International Journal of Education Policy and Leadership 4.8 (2009).

no supervisor even encourages them to return for the following school year.[4] High performing teachers, who generally entered the profession because they want to help students learn, may respond quite willingly if a supervisor asks them to use their outstanding abilities where they are needed the most.

Expand the reach of the best teachers.   A district can maximize the impact of its effective teachers through two basic strategies: either directly, by actually teaching more students; or indirectly, by supporting other classrooms through leadership roles. Public Impact's Opportunity Culture initiative has developed a host of resources to help district and school leaders identify and implement the strategies that make the most sense for their situation. We highlight just a few examples here.

Directly: By selectively assigning larger classes, schools can increase the proportion of students taught by effective and highly effective teachers. As Public Impact writes, "The opportunity to reach more students in a larger class is a privilege for the best teachers, and it comes with higher pay."[i] Of course, not all teachers may be able to maintain the same high level of effectiveness with a larger class or while surrendering a planning period to teach an extra class. For these reasons, class-size expansion may work best as an opt-in strategy for those teachers attracted to the opportunity. It is important that teaching more or larger classes for more pay is clearly linked to teaching effectiveness, and does not become a perk that accrues based upon experience.

Indirectly: While some teachers' abilities enable them to teach more students, other teachers can best exercise their skills by coaching and mentoring their colleagues. Rather than shift excellent teachers out of the classroom and into coaching roles, schools can extend teacher reach by establishing coaching responsibilities that exist within and outside of the regular teacher day. This strategy particularly makes sense when teaching expertise is spread widely across a teaching force rather than narrowly concentrated in a few individuals. If full time coaching positions already exist in the district, this strategy could potentially be implemented in a cost- neutral way, by eliminating full time coaching positions and instead spreading out those dollars as stipends across several part-time teacher leaders. For example, a full time coach making $80,000 will cost the district approximately $100,000 including benefits. The district could replace this position with 10 teacher leaders each making $10,000 more to take on additional coaching and mentoring responsibilities; or it could provide five teacher leaders with $5,000 each and an extra period of release time, filling in that time with a full time teacher at a salary of $60,000 ($75,000 including benefits). If a district has already implemented a compensation system that offers rewards for student performance, it could even evaluate "multi-classroom leadership" by holding the teacher leader partially or fully responsible for the success of all students on the team. In this case it may make sense to separate the teacher's evaluation as a teacher leader from his or her evaluation as an instructor so that there is no downside to taking on responsibility for other teachers.

Finally, if a district is concerned about translating the Common Core standards into relevant classroom tools, it might offer stipends to its best teachers to develop Common Core-aligned curricula and train other teachers on it.

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[4] *The Irreplaceables. Understanding the Real Retention Crisis in America's Urban Schools*. Rep. Brooklyn: TNTP, 2012, 16.

Sidebar 2: Compensation Reform that Doesn't Produce Long-term Results

In trying to move toward a new vision of teacher compensation and career path, a few districts have instituted one-time performance-based bonuses based on a narrowly based definition of student performance (often high stakes test scores). This strategy – essentially rewarding a small group of teachers for doing the same job they are already doing – has not been shown to improve student performance reliably. We therefore do not consider these one-time bonuses to be a viable First Step strategy. Instead of attempting one-time performance bonuses, we believe districts would do better to create opportunities for high performers to increase their compensation through increased contribution as part of a comprehensive compensation and career path redesign.

As noted above, compensation is just one factor in enticing teachers to take on additional responsibilities. The entire value proposition should always be considered—including specific job characteristics, additional release time or extended working hours, and public recognition.[5] Each district should follow its own strategic priorities to determine the specific ways it extends the reach of effective and highly effective teachers. But the fact is that the best teachers are exactly the ones who should have the opportunity to face instructional challenges—and be compensated for it.

First Step # 2: Address the challenge posed by low performing teachers.

In any district, a percentage of teachers are less effective than we need them to be, but that ineffectiveness is not always absolute, permanent, or inevitable. And there are a variety of things districts and schools can do to address the challenges posed by these teachers, even when districts have not yet implemented a nuanced evaluation system.

Help underperforming teachers succeed. All teachers deserve effective support. However, efforts to help underperforming teachers often fail because districts do not invest sufficiently to address each teacher's core problems, offering only feedback on weak areas and maybe a few hours of support per week. By creating simplified roles or providing very intensive remediation opportunities (for example, removing such teachers from the classroom or pairing them with high-performing coaches for part of the day), districts can more effectively develop their struggling teachers and shift students immediately to more effective ones. Because this is a relatively intensive and expensive intervention, it is critical that district and school leaders lay out specific performance improvement objectives and explicitly limit the time of the intervention. If no improvement is seen during the intervention period, districts should set those teachers on a quick path to exit.

Eliminate raises for teachers rated unsatisfactory. Districts may be able to negotiate for this provision relatively easily, if it is not already part of the collective bargaining agreement. In most districts the number of teachers in this category is low and the performance of those teachers is clearly problematic. Districts and unions that have taken on broader compensation and career path reform—notably the District of Columbia and Newark Public Schools—have included this as a critical element of their plans.

Manage out the lowest performers. Even in districts where the dismissal process is onerous, there may be opportunities to manage out at least a subset of the most problematic performers. One place to look is at absence and tardiness data. In two districts with which we worked, we found that two percent and seven percent of teachers, respectively, had been absent more than 30 days in the prior year —more than double the number of absences their students were afforded. While some of these teachers had real health or family issues

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[5] Shields, R., & Lewis, C. (2013). Rethinking the value proposition to improve teaching effectiveness. Retrieved from http://erstrategies.org/resources/details/rethinking_the_value_proposition.

to deal with, others were simply unengaged. The thoughtful identification and removal of such egregious or habitual offenders is likely to be positively received by other teachers, and may therefore be relatively easy to accomplish, even in strong union districts. While managing out such a small number of teachers may not have a large short term impact on student performance, it sends a message to the teaching force that expectations are changing, and can help set the stage for broader efforts in the future.

Do not grant tenure to underperformers. Research shows that many districts grant tenure to virtually all teachers who stay through their probationary period. While it is true that principals do manage out certain underperformers during the probationary period, experience suggests that existing practices remove only a small fraction of ineffective or less effective teachers. To reduce the awarding of tenure to underperformers, some districts are starting to require that principals interview new applicants as part of the tenure consideration process. If the tenure candidate is in the bottom performance quartile, there is up to an 80 percent chance that a new candidate will be more effective than the existing teacher.

Combined, these three strategies may only impact a small percentage of teachers. But this can still be an important first step. First, assuming that the district can replace the teachers that leave with a teacher of average quality, the students impacted will experience on average a much higher quality of instruction. Since low-performing teachers are often teaching at the highest-need schools, this will disproportionately impact higher-need students. Second, it sends a message that poor performance will not be tolerated, which will likely increase voluntary attrition of teachers who know they are not cutting it. In Washington DC, after the district instituted a policy of no raises and dismissal of the lowest performers, there was also a sizeable increase in the *voluntary* attrition amongst these lowest performing teachers. Finally, if the lowest performing teachers are on average more senior than their replacements, this shift will free resources that can be used to reward high performing teachers for taking high-need positions or extending their reach, as described in First Step # 1.

First Step # 3: More tightly link what you're paying with why you are paying it

Even while working on major changes that more closely link career and compensation structures to teacher contribution, districts can take small steps to more tightly link pay increases to their intended purpose.

Link COLA increases to actual cost of living. This has not been as prominent an issue recently, as many cost of living adjustments (COLA) were frozen during the recession. Previously, however, COLA percentages were regularly included in contracts applicable to everyone, every year, *in addition to* automatic step increases based on years of experience. Many teachers received double raises – a step increase that could be as high as four or five percent and then a COLA of two to three percent on top of that. In addition, these COLA increases were often agreed to up front, included in collective bargaining agreements or compensation structures and implemented regardless of what actually happened to cost of living. This meant that in times of low inflation districts overpaid for cost of living, while in times of increasing inflation teachers were disadvantaged. As the economy recovers and funding begins to be reinstated, districts can take the opportunity to change how cost of living increases are implemented.

For example, for districts that are moving away from annual steps toward a career -level compensation system, it may make sense to keep an annual cost of living adjustment as a way for teachers to maintain their real income between career advancement opportunities. Meanwhile, districts that maintain a step-and-lane system (which awards raises to all teachers every year) might consider moving toward less frequent COLA adjustments as an alternative way to minimize the amount teachers earn solely based on experience while maintaining competitive compensation levels. In all cases, cost of living increases should be tied to actual increases in the cost of living based on objective and agreed upon measures.

More closely monitor which coursework counts toward lane progression. There is no demonstrated correlation between educational attainment beyond a bachelor's degree and teaching effectiveness (except for a small impact in high school math and science from subject-based degrees).[6] Yet most teacher salary schedules provide "lane" increments for educational attainment. In many districts, there is little attention paid to determining the rigor or relevance of courses teachers are taking. A full compensation reform may consider eliminating or greatly reducing the dollars that accrue for education. Meanwhile, districts can at least ensure that teachers are taking courses from a high quality provider and that coursework has direct relevance to what they are doing in the classroom. This could improve instruction and free resources to invest in other areas.

First Step # 4: Invest more in teacher recruiting and hiring

Different districts and teacher recruitment organizations have diverse theories about the qualities most indicative of great teaching potential; among them student-teaching experience, pedagogical coursework, demonstrated leadership, overall academic excellence, and proficiency in a particular subject area. But whatever their human capital theory, districts tend to spend surprisingly little time and money recruiting the best candidates. Yet it turns out that a small increase in spending here can pay big returns in better quality teachers who stay longer and are a better fit for district needs.

Invest more in recruiting. In a profession where success is all about people, recruiting should be a major priority. Unfortunately, most large school districts don't treat it that way. In the districts we work with, we've seen recruiting budgets that range from as little as .02% of total operating budget up to a still-paltry .25%. Expressed differently, districts tend to spend $500-$3,000 per new teacher hired—this for what can easily become a multi-million dollar investment (including salary, benefits, and professional development) over the decades to follow.[7] Because current spending is so low, if increasing recruiting expenditures yields even a marginal improvement in applicant quality, the additional investment would generate academic gains that far outweigh the cost. This means that districts can afford to recruit at universities where the cost-per-applicant may be higher so long as the expected quality is higher as well. Districts can also work to ensure that all teaching positions are listed well before the summer, when most potential applicants begin to search. Of course, some districts may have already tapped the local college pipeline to its depths. In those cases alternative pathways to teaching, such as Teach for America and TeachPlus, can offer high-quality applicants from outside the traditional hiring pool.

Improve identification and selection. Districts can also work to improve the quality of applicants they select from the pool. By doing more to screen resumes and gather additional pieces of information (such as teaching demonstrations) from applicants, they can build a more robust set of information to help schools select the top applicants. They can also do more over time to track the quality of applicants back to sources. Over time, they can increase recruitment efforts at institutions with the highest quality candidates and curtail or eliminate hiring from lower quality programs.

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[6]Ozdemir, M., & Stevenson, W. (2010). "The Impact of Teachers' Advanced Degrees on Student Learning." Human Capital in Boston Public Schools: Rethinking How to Attract, Develop and Retain Effective Teachers. Washington, DC: National Council on Teaching Quality
Rivkin, Steven G., Eric A. Hanushek, and John F. Kain. "Teachers, schools, and academic achievement." *Econometrica* 73.2 (2005): 417-458.
[7] For comparison, corporate recruiters of college graduates tend to spend $3K-$8K per hire. 2012 Recruiting Benchmarks Survey, National Association of Colleges and Employers.

The Cost of Reform

In an environment of tight budgets, district leaders need to make the most out of every dollar. Some of the First Steps we describe above can be implemented in a cost-neutral way; others actually save money, and some will require additional investment. When we quantify the estimated cost of each action, and then use existing research that ties teaching effectiveness to student outcomes, three categories of actions emerge:

- *"Infinite" Return Actions:* These actions improve student learning and either cost nothing or generate savings.
- *High Return Actions:* These actions require some investment, but also have a significant impact on student learning
- *Hard to Quantify Actions:* These actions should be expected to improve student learning, but it is difficult to quantify either their cost or their impact on student learning because research is limited or because more information is needed about specifically how the action would be implemented

For example, paying top teachers more to take on additional responsibility has a "high return"; reassigning teachers within or across schools has a positive impact on the students who receive the higher-performing teachers, but it is not clear whether it has a positive return for the system as a whole, or that it will lead to sustained growth in student achievement unless the low performing teachers are managed out, so is categorized as "hard to quantify". In order to categorize the First Steps, we performed a quantitative analysis of each option, using the budget data from a fictional example district, and real student effect data from a study of teacher effectiveness in Fulton County, GA. We then calculated the effect on the district for 20 years to come.[8]

The table below categorizes the First Steps into these three groups, provides a brief description of how we assumed it would be implemented, and the estimated annual cost or savings level. For comparison, we also analyzed the return-on-investment of a strategy that has gained a lot of traction in school districts recently—performance bonuses. Our analysis found that that strategy is not expected to significantly improve student learning, so we have placed it in the "*Low or No Return*" category.

Action	How we assumed it was implemented	What drives the improvement?	Investment level
"Infinite Return" Actions			
Give strong teachers an additional class	5% of teachers overall (all in top 20% of performers) agree to teach an additional class[9]	More students receive instruction from best teachers	Savings

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[8] For our sample district, we assumed: 1) 2,000 teachers 2) Average teacher salary of $70,00 3) Average district turnover rate of 10%. We compared the effect of each strategy against the baseline assumption that the district kept its traditional "step and lane" compensation model. In order to quantify teacher effect on student achievement, we used the findings of Harvard's Strategic Data Project, which measured teacher effect size in Fulton County, GA.
Harvard Strategic Data Project, *Learning about Teacher Effectiveness: The SDP Human Capital Diagnostic* (Center for Education Policy Research at Harvard University), 2011.

[9] In this calculation, we assume that these high-performing teachers take on an additional class from an exiting teacher, and are given a salary increase for the additional class, at a discounted per-class rate (85% of the per-class cost, based on average salary)

Replace coaching positions with teacher leader roles	Eliminate coaching positions and replace each with 5 teacher leader positions (all in top quartile) at $10K stipend	Other teachers improve with leadership and coaching	Savings
Eliminate raises for unsatisfactory teachers	Flat salary for 2-3% of teachers, resulting in an increase in voluntary attrition	Fewer low-performing teachers	Savings
Manage out lowest performers	Manage out lowest 2-3% and replace with average quality teacher, 5 years less senior[10]	Fewer low performing teachers	Savings
Do not grant tenure to low performers	Release 15% of non-tenured teachers after year 3	Fewer low performing teachers	No cost
Limit COLA increases to actual cost of living	Reduce COLA by 0.5%	Student achievement remains the same while this action frees resources for other investments	Savings
High Return Actions			
Give strong teachers larger classes	10% of teachers overall (all in top 20%) agree to teach an extra 5 students for $5K stipend	More students receive instruction from best teachers	Low
Create teacher leader roles[11]	10% of teachers (all in top quartile) become teacher leaders and receive $5K stipend, 1 period release time	Other teachers improve with leadership and coaching	Medium
Invest more in recruiting and hiring	Increase recruiting budget by $5K per recruit	Improve quality of new hires by 20% on average	Low
Hard to Quantify Actions			
Match best teachers to highest needs students[12]	Move 5% of teachers (all in top 20%) to lowest performing schools and pay $5K stipend	Neediest students get more benefit from better teachers[13]	Low
Remediate lowest performers	Intensive remediation through 2 additional release periods for lowest 1% of teachers	Struggling teachers improve and teach fewer students	Medium

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[10] Accordingly to our model, districts will realize savings and student gains if they are able manage out just 3% of their workforce. However, this is only an approximation, and different districts may vary widely on this point, depending on the make-up and turnover of their current teaching force and the quality of their hiring pool.

[11] This calculation assumes that each teacher leads a team of 4 teachers (10% of all teachers), and that those teachers improve from average to anywhere from midway to one quarter of the gap between average and top quintile effectiveness

[12] For this strategy we measure the effect size only on students in the lowest performing schools to which affected teachers move. The effect size among students in all schools will depend entirely on how a district implements this strategy.

[13] While the positive impact of this action on the students in the low performing schools can be quantified, the impact on the students in the schools these teachers are leaving will depend on how those teachers are backfilled.

Low or No Return Actions			
Pay performance bonuses to high performing teachers	Highest 10% of teachers are paid $10K bonus but take on no additional responsibilities	No consistently documented evidence of incremental learning	Medium

These options can be implemented one at a time, or can be combined to provide more learning impact and/or so that the net result is budget neutral. For example, a district may choose to offer positions with additional responsibilities to 10 percent of teachers at an average stipend of $5,000 and could pay for this by replacing coaches with these new teacher leaders, managing out a small portion of underperforming senior teachers, and limiting COLA increases. Or districts could free up resources from other areas to fund these investments. Title II funds can be used for most of the actions outlined, as can Title I funds in some cases. District leaders can identify other sources of funding through ERS' School Budget Hold 'em game and DREAM tool. Especially given recent budget decreases, many districts have already made drastic cuts to teacher compensation, and adding funds back into that pool from other sources may make sense. These investments may be especially palatable if they are invested in ways that have direct student learning impact.

Prioritizing First Steps

Only specific context can determine which options are right for which district. In order to decide whether a particular strategy could actually work for a particular district, district leaders will need to look at the current distribution of teacher quality and seniority, the details of existing collective bargaining agreements, the strength of the relationship between teachers and the administration, and budget realities. These obstacles may feel daunting. But districts across the country are already beginning to accomplish many of these First Steps. Urban schools in Charlotte, Nashville, and Cleveland are taking steps to leverage their best teachers as coaches, limit the use of tenure, and take action against absenteeism.[14] Few districts (these pioneers included) are yet satisfied with the future of their teaching force. But if actions like these First Steps truly improve student outcomes and move districts towards a better vision of the teaching job—how can we not take them?

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[14] http://opportunityculture.org/our-initiative/participating-sites/cms-project-lift/
http://opportunityculture.org/our-initiative/participating-sites/mnps-innovation-zone/
Patrick O'Donnell, "Cleveland Teachers Union approves three-year contract with school district," *The Plain Dealer*, May 31, 2013.

SELF-ASSESSMENT

USING THE SELF-ASSESSMENT, you can begin to understand best practices for restructuring the job of teaching, and see how well your district matches resources with instructional priorities. After reviewing best practices, assess how your district compares by circling the answer that best describes your current practice.

Once you have an idea of your greatest resource allocation issues, dig deeper in this guide to explore the root causes of these issues and quantify the size of the problems in your district.

Instructions

For each best practice, circle the choice that is closest to current practice in your district. If you don't know the answer, leave it blank. Give yourself one point for every 1, two points for every 2, and three points for every 3.

Evaluating your score

First, take a look at all the areas in which you circled a 1. These are the areas on which you need to focus to restructure the job of teaching. Second, to get an overall sense of how your district compares to best practices, compute your score:

- **If your total score is between 70 and 87,** you're on the right track. Your district is likely doing a good job structuring the job of teaching to maximize effectiveness and contribution.

- **If your total score is between 45 and 69,** there are opportunities for improvement in your district. Look through the Self-Assessment to identify the areas in which you scored lower and turn to those sections of this guide for ideas on how to diagnose and address those issues.

- **If your total score is below 45,** you need to re-examine how teaching is structured in your district. Read the rest of this guide for direction on how to diagnose and address your teaching structure issues.

DEFINING AND MEASURING EFFECTIVENESS: Does your district define, measure, and report teaching effectiveness in a way that informs all other aspects of the human capital system?

Current practice in your district (circle best answer)

1. The district has clear practice standards defining good teaching that reflect current research and evidence on practices that improve student learning.

Why is this important?

The first step in measuring teaching effectiveness is having a clear picture of what good teaching is. You need to develop a definition of effective teaching that is grounded in evidence of what improves student learning. Practice standards should include not only instructional practice within the classroom but also classroom management, additional responsibilities that the teacher takes on within the school,[3] and softer factors such as connection with students and contribution to the overall school culture.

1. The district has no teaching practice standards.

2. The district has teaching practice standards, but they do not reflect the most current research and evidence.

3. The district has adopted clear teaching practice standards that are based on current research and evidence of practices that improve student learning.

POINTS: _____

2. Teaching effectiveness is measured by both adherence to practice standards and value-added student outcomes.

Why is this important?

Student outcomes are a critical part of measuring teaching effectiveness. Ideally these measures should look at value-added student outcomes across multiple years and adjust for factors such as student attendance and incoming proficiency. However, student outcomes are extremely difficult to measure in a way that reliably isolates only the results that are attributable to the teaching that students receive. Therefore it is critical that any teaching effectiveness measure includes both **student outcomes,** carefully defined, and **an assessment of practice** against the broad practice standards outlined in question 1.

1. Teaching effectiveness is not linked to practice standards or student outcomes.

2. Teaching effectiveness is linked to either practice standards or student outcomes.

3. Teaching effectiveness is linked to both practice standards and student outcomes.

POINTS: _____

3   Danielson, C. (2009). "Teacher Evaluation." In *A Grand Bargain for Education Reform.* Eds. T. Hershberg & C. Robertson-Kraft. Cambridge, MA: Harvard Education Press.

3. Principals and other teacher evaluators have easy access to teaching effectiveness data as well as contextual factors (e.g., teaching load, course assignment, and student measures that are not included in the outcomes calculation).

Why is this important?
   In addition to data on student outcomes and teacher practices, school leaders need access to other information when assessing teaching performance and making decisions around support, job assignment, promotion, remediation, and compensation. Many factors can influence an individual teacher's performance, including the mobility of the students she teaches, the types and number of courses she needs to prepare, the teaching team she is part of, her attitude and fit with school culture, and whether she is a novice teacher.

1. Teacher evaluations are paper-based; evaluators have limited and haphazard access to other data.

2. Teacher evaluations include an assessment of performance against standards and student outcomes and are stored electronically, but evaluators have limited and haphazard access to other contextual data.

3. Teacher evaluations include an assessment of performance against standards and student outcomes and are informed by rich, easily accessible data on effectiveness and other contextual factors.

POINTS: _____

4. All teachers are evaluated at least annually. Teachers who do not have tenure or are struggling are evaluated multiple times a year.

Why is this important?
   Teacher evaluation provides the foundation for giving teachers the support they need to succeed, matching teacher capability to student need, rewarding solid contributors, and managing out the worst performers. Without accurate, timely information on performance, school leaders cannot make effective decisions in these areas. Teachers without tenure and teachers who are struggling require more intense and frequent observation to finely tune support and intervention and maximize the probability of success.

1. No teachers receive annual evaluations.

2. All teachers, including new and struggling teachers, are evaluated annually.

3. All teachers receive annual evaluations. Teachers who do not have tenure, are on a support plan, or are in the lowest performance category are evaluated more frequently.

POINTS: _____

Current practice in your district (circle best answer)

5. Teacher evaluations include multiple performance categories that facilitate human capital decisions.

Why is this important?
Binary evaluation systems that categorize teachers only as "satisfactory" or "unsatisfactory" do not provide sufficiently nuanced information to make good decisions around teacher assignment, promotion, professional development, and support, remediation, and dismissal.

1. Evaluations are binary (satisfactory/ unsatisfactory).

2. Evaluations include more than two performance categories but categories are not clearly defined or useful in differentiating teacher effectiveness and leadership.

3. Evaluations include sufficient performance categories to allow districts to differentiate among teachers and inform human capital decisions.

POINTS: _____

6. The teacher evaluation process is structured to ensure accuracy and consistency.

Why is this important?
Standards that are not consistently applied have limited value. Without sufficient training and ongoing monitoring, reinforcement, and support, it is unlikely that principals and other evaluators will be able to maintain a consistent process and standards over time.[4]

1. Principals, other evaluators, and teachers have not received appropriate training to evaluate teachers accurately and consistently.

2. The district has trained principals and other evaluators and teachers but does not follow up to ensure consistency across schools.

3. The district has provided sufficient support to allow a common understanding of standards that is consistently applied across schools.

POINTS: _____

4   Danielson, C. (2009).

7. Principals and other evaluators are supported and held accountable for timely, accurate, and rigorous evaluations and for using evaluations to support teachers in improving practice.

Why is this important?

The best evaluation system in the world won't work if it is not used. Principals and evaluators need to be held accountable both for conducting the required evaluations and, more important, for using the information from those evaluations to improve teaching practice in their school.

1. Evaluations of principals and evaluators do not include measurements related to teacher evaluation and development.

2. Principals and other evaluators are held accountable for conducting teacher evaluations but not for using that information to develop teachers.

3. Principals and other evaluators are held accountable for conducting teacher evaluations and for supporting teachers in improving practice.

POINTS: _____

HIRING: Does your district recruit and hire talented individuals to work in teams that match experience and capability to the needs of the job?

Current practice in your district (circle best answer)

1. The district has an effective program to recruit and hire high-quality teachers, especially in high-need areas.

Why is this important?
Many districts underinvest in hiring and recruiting. Arguably, one of the most important strategies for having more effective teachers is to hire them in the first place, which can cut down on the need for remediation and ongoing support to help struggling teachers improve.

1. The district does not assess teacher hiring needs in a timely manner and does not have a proactive recruitment program to fill those needs.

2. The district is usually able to fill all open positions by the beginning of the school year, but not all new hires are at the desired level of quality.

3. The district is always able to fill all open positions with high-quality teachers.

POINTS: _____

2. Virtually all teaching positions are filled by June 1.

Why is this important?
If principals do not have a stable teaching team by June, it is difficult for them to effectively build school culture and make rational course assignments. Often, the lowest-performing schools are left with open positions and a smaller pool of candidates during the summer, so teachers who have not yet secured a position elsewhere end up in those schools.

1. Most schools still have a significant number of open positions in June.

2. Most schools have filled most or all positions by June, but the hardest-to-staff schools, subjects, and specialties still have a significant number of open positions.

3. All schools have filled their most critical positions by June 1.

POINTS: _____

3. Principals have the authority to choose teachers based on the fit of their skills and expertise with school and student needs.

Why is this important?
To effectively match teaching staff with school and student needs, principals need the ability to choose teachers that will best meet the needs of their student population, complement the skills and experience of current faculty members, and fit well within the school culture. Collective bargaining agreements with seniority as the primary driver of in-district transfer decisions, as well as other district practices, can limit principals' flexibility in hiring the right staff to meet their needs.

1. Principals must first fill open positions based on seniority or other transfer policies.

2. Principals have some flexibility in filling open positions.

3. Principals may choose teachers based on fit and need. They work closely with human resources to ensure they have access to the right candidates.

POINTS: _____

4. The district actively works to ensure that the lowest-performing schools attract high-quality teachers.

Why is this important?
Seniority, teacher preference, and precedent typically combine to concentrate high-quality teachers at higher-performing schools. Thus, struggling students most often are saddled with lower-performing teachers. Addressing this will require a variety of approaches and incentives, including bonuses for teachers who move to and stay at struggling schools, the opportunity to work with a highly effective principal and other high-performing teachers, career opportunities only available at struggling schools, and special recruitment efforts.

1. No attention is given to attracting high-performing teachers to struggling schools.

2. An attempt is made to attract high-performing teachers to struggling schools, but other factors often take precedence.

3. High-performing teachers are systematically attracted to high-need schools.

POINTS: _____

5. The district identifies schools with a high concentration of new or low-performing teachers and ensures additional support.

Why is this important?
Teachers are generally less effective in the first three years and need support to become comfortable with students, curriculum, and the job of teaching. Schools with high concentrations of new teachers are not necessarily at a disadvantage if they compensate by providing extra supervision, coaching, professional development, lower class sizes, or reduced student load/class preparations.

1. The district does not identify schools with high concentrations of new teachers or low-performing teachers.

2. The district identifies schools with high concentrations of new teachers or low-performing teachers but does not provide additional support.

3. The district systematically identifies schools with high concentrations of new teachers and provides additional resources or support to those schools and teachers.

POINTS: _____

INDIVIDUAL GROWTH: Does your district structure individual professional development and career opportunities to encourage professional growth and retain the most effective teachers and leaders?

Current practice in your district (circle best answer)

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1. **All teachers have individual professional development plans, informed by teacher evaluations, and are provided support and growth opportunities based on these plans.**

Why is this important?
An individualized professional development plan is key for each teacher to grow and improve throughout his or her career. Progress relative to this plan should be a consideration in a teacher's evaluation. Teachers who take advantage of development opportunities and take initiative to improve their teaching should be recognized and compensated as their performance improves.

1. Teachers do not have individual professional development plans; individual support is only provided to struggling teachers and all teachers have limited growth opportunities.

2. All teachers have individual professional development plans on paper, but they are not connected to support and growth opportunities.

3. All teachers have individual professional development plans that drive tailored support and growth opportunities.

POINTS: _____

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2. **The district offers teacher professional development and support at critical career junctures, including induction, remediation, and transition to leadership, as well as support for additional certification in high-need areas.**

Why is this important?
Most districts have invested in teacher induction programs that include training, mentors, or coaches and occasionally include reduced teaching or course loads. However, few districts systematically define what support is appropriate for teachers who want to take on leadership responsibilities, teachers who are seeking certification in additional subjects, or teachers who need remediation. Instead, they reimburse teachers for taking courses or workshops that are largely of the teachers' choice.

1. The district has no clear strategy for individual professional development.

2. The district invests primarily in teacher induction but does not have a targeted approach for support at other career junctures.

3. The district invests systematically to support teachers at all critical career junctures.

POINTS: _____

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3. The district rigorously evaluates teachers before making tenure decisions and promotes only those who are effective.

Why is this important?
In most districts, teachers are eligible to receive tenure or professional status after three years. Because choosing not to grant tenure is so much easier than managing out low performers once tenure is granted, it is critical that districts have an effective process for evaluating performance and identifying low performers early.

1. The district has no clear process for evaluating teachers eligible for tenure; more than 95% of eligible teachers receive tenure.

2. The district has a clear process for evaluating teachers eligible for tenure, but more than 95% of eligible teachers receive tenure.

3. The district has a clear process for evaluating teachers eligible for tenure and only effective teachers receive tenure.

POINTS: _____

4. Underperformers, as identified by teacher evaluations, are actively managed out of the district.

Why is this important?
Teachers who perform poorly, even after they are given support, guidance, and opportunities to improve, need to be removed from the school (and preferably the teaching profession). State and local provisions for removing the lowest-performing tenured teachers are often so cumbersome and strictly defined that it can take years to evaluate a teacher out and require an outsized commitment of time and money. Districts and schools need a fair but effective process for removing teachers who don't perform.

1. The state and/or district have a cumbersome process that makes it difficult to manage out underperformers, and principals tend to take advantage of the transfer process rather than manage out.

2. The state and/or district have a clearly defined process for identifying and managing out underperformers, but the district does not always provide principals adequate support or hold them accountable.

3. The state and district have a clearly defined process for identifying and managing out underperformers that is systematically used across all schools.

POINTS: _____

SCHOOL-BASED SUPPORT: Does your district ensure that teaching teams include expert coaching support and schedule time to collaborate to improve instruction in response to student needs?

	Current practice in your district (circle best answer)
1. Teachers are deliberately organized into teams (e.g., subject or grade-level teams) with complementary skills and experience, shared content, and or/students. Why is this important? Assigning teachers to teams with complementary skills and experience allows them to work collaboratively around subject/course content and/or specific students and to learn from and support each other. For example, novice teachers might be teamed with more experienced teachers for their first several years; or teachers who excel at teaching struggling students could be teamed with other teachers who have less experience in that area.	1. Teachers are not organized into teams. 2. Teachers in some schools are organized into teams, but assignment is not deliberate and teams don't always work collaboratively around content or students. 3. All teachers in all schools are deliberately organized into teams with complementary skills and experience, and they work collaboratively around content and/or students.
POINTS: _____	
2. Teacher professional development is primarily job-embedded and supported by school-based lead teachers or instructional coaches. Why is this important? Traditional professional development involves teachers participating on an individual basis in coursework outside the school that may or may not be directly related to their subject area, their students, or their school's reform goals. There is little correlation between this kind of coursework and improved instruction that meets students' needs.[5] Job-embedded professional development under the guidance of an instructional expert that revolves around how students are performing and what they need to improve ensures that teachers can seek and get the information, support, and strategies they need to continuously improve their instruction to meet their students' needs.	1. Teacher professional development is primarily offered through district courses, with no connection to schools or follow-up. 2. Professional development is primarily school based, but schools do not have school-based lead teachers or coaches and/or times allotted during the school day for leaders or coaches to work with teaching teams or provide in-class modeling or coaching. 3. Professional development is primarily school based, using school-based experts (lead teachers or instructional coaches) to improve practice through teaching teams, coaching, modeling and observations.
POINTS: _____	

5   Walsh, K., & Tracy, C. (2004, October). *Increasing the Odds: How Good Policies Can Yield Better Teachers.* Washington, DC: National Council on Teaching Quality.

3. Teacher teams in all schools have at least 90 minutes of collaborative planning time per week.

Why is this important?
Research shows that collaborative planning time, when used well, is an important predictor of student achievement and one of the best uses of teacher time.[6] All core teachers (elementary school classroom teachers and secondary English language arts, math, social studies, science, and foreign language teachers) and their teams should have at least 90 minutes of collaborative planning time each week.

1. Teachers have limited time to meet beyond individual planning time.

2. Core subject teachers in some schools have additional collaborative planning time.

3. Core teachers in all schools have at least 90 minutes per week of collaborative planning time.

POINTS: _____

4. Collaborative planning is focused on improving practice by looking at student work and student performance data.

Why is this important?
Just time together is not enough — and it is costly to provide — but research is clear that teachers must spend time collaboratively working with formative student achievement data.[7] They also need support, particularly new teachers and teachers new to this kind of professional development, in using the time effectively and translating their collaborative discussion into concrete changes to their teaching, focused on meeting instructional goals, local standards, and student needs.

1. No guidelines or protocols exist for how collaborative planning time is used.

2. Limited guidelines or protocols exist, but teachers and lead teachers/coaches have not been trained and formative assessment data are not available in a timely manner.

3. Teaching teams and coaches have been trained in effective protocols for improving practice, and student formative assessment data are available.

POINTS: _____

6   Shields, R., & Miles, K. (2008). *Strategic Designs: Lessons from Leading Edge Small Urban High Schools.* Watertown, MA: Education Resource Strategies.

7   Shields, R., & Miles, K. (2008).

Current practice in your district (circle best answer)

5. School-based lead teachers or instructional coaches are selected from high-performing teachers, have clear job descriptions, and are given adequate time and training to effectively support the teachers for whom they are responsible.

Why is this important?

Coaching, if implemented well, is one of the most effective strategies for improving teaching.[8] The job of a coach must be clearly defined and well understood by coaches, the teachers they coach, and school leaders. Good coaches are school based and have reduced student loads or receive stipends for extra hours to ensure they have time to prepare adequately for coaching. They are trained in effective coaching. They know the subject areas in which they are coaching. They know the teachers and students well and work with the same teachers for a sustained period of time. And they are compensated for additional responsibilities and rewarded for helping teachers improve.

1. The district has no clear selection criteria or job descriptions for coaches or designated instructional leaders.

2. The district has clear selection criteria and job descriptions, but coaches and lead teachers do not receive appropriate training or have a mix of other responsibilities that interfere with the coaching function.

3. The district has clear selection criteria for coaches or designated lead teachers, and it provides sufficient time and training for them to be effective.

POINTS: _____

6. Principals are held specifically accountable for effective use of school-based support resources (staff, time, and budget).

Why is this important?

Principals need to understand the principles of effective school-based support around continuous instructional improvement. They need to clarify goals and expectations for teachers, teams, and coaches/lead teachers. They also need to be held accountable for supporting this process within their school.

1. Principals are not evaluated based on strategic use of resources, including school-based support resources.

2. Principals are evaluated based on use of school-based support resources, but they do not receive support or training on strategic use.

3. Principals are evaluated based on how they use resources strategically to develop teaching effectiveness, and they receive appropriate support and training around high-performing practices.

POINTS: _____

8   Miles, K., & Frank, S. (2009). *The Strategic School: Making the Most of People, Time, and Money.* Thousand Oaks, CA: Corwin Press.

	Current practice in your district (circle best answer)
1. Teacher salary adjusted for contracted time (e.g., length of day, personal days) is competitive with surrounding districts. Why is this important? To attract the highest-quality teachers, districts must offer salaries that are attractive relative to surrounding districts. Looking at salary alone without considering the number of days per year, the number of hours per day, and other factors can give districts a skewed view of how they compare.	1. Teacher salaries adjusted for contracted time are not competitive, and the district is unable to attract high-quality new hires and/or loses high-quality teachers to surrounding districts. 2. Teacher salaries are competitive overall, but when adjusted for contracted time, they are not sufficient to attract and retain high-quality teachers. 3. Teachers are paid a competitive salary relative to contracted time that attracts and retains high-quality teachers. POINTS: _____
2. Benefits levels and structures are in line with other local employers. Why is this important? Often, school districts provide more generous benefit packages than local employers, tying up huge amounts of resources in areas that may not be as highly valued by teachers or potential teachers as salary and other forms of compensation. Districts should consider bringing teachers' packages more in line locally as a strategy to free resources to reward effectiveness and leadership and to focus resources in areas that teachers most value.	1. Benefits are significantly more generous than other local employers. 2. Benefits are somewhat more generous than other local employers. 3. Benefits are aligned with and comparable to other local benefit packages. POINTS: _____

SELF-ASSESSMENT

3. Teachers receive differential compensation for teaching in hard-to-staff subjects.

Why is this important?
Districts often find it difficult to attract highly qualified teachers in some core subjects, especially math, science, technology, and special education. Teachers or potential teachers in these areas may have other career options that pay significantly more than teaching. Districts need to recognize this "supply and demand" dynamic and offer increased compensation for these subjects. These incentives must be large enough to be meaningful and be tied to teaching effectiveness to ensure high-quality instruction in these subjects. These strategies can help attract professionals in these fields into teaching and can provide incentives for teachers to get certified in these subjects.

POINTS: _____

1. There is no differentiation in teacher compensation by subject.

2. Teachers receive nominal additional compensation for teaching hard-to-staff subjects.

3. Teachers who can demonstrate effectiveness receive meaningfully higher compensation for teaching in hard-to-staff subjects.

4. Teachers receive differential compensation based on the school in which they teach.

Why is this important?
In many districts, transfer rules, working conditions, and other provisions may make it hard to staff low-performing schools. The result is that the highest-need schools may experience high turnover and high incidences of both new teachers and teachers who cannot find positions elsewhere. To ensure that the highest-need schools and students get the quality teachers they need, districts should consider offering increased compensation for teachers who teach at these schools. These incentives must be large enough to be meaningful and be tied to teaching effectiveness to prevent low-performing teachers from moving to low-performing schools to increase their compensation. Many teachers are eager for the opportunity to teach the students who need them most, and this approach affords them added incentive to do so.

POINTS: _____

1. There is no differentiation in teacher compensation by school.

2. Teachers receive nominal additional compensation for teaching in hard-to-staff schools.

3. Teachers who can demonstrate effectiveness receive meaningfully higher compensation for teaching in hard-to-staff schools.

	Current practice in your district (circle best answer)

5. Teachers receive salary increases primarily based on contribution and leadership responsibilities, rather than years of experience or accumulated course credits.

Why is this important?

The traditional salary structure in most districts rewards seniority and accumulated course credits almost exclusively. To keep the focus on improving student achievement, teachers should be compensated more if they contribute more to student outcomes and school success. This new compensation model is impossible without a robust system for evaluating teaching effectiveness.

1. The vast majority of teacher salary increases are based on education and seniority.

2. Most teacher salary increases are based on education and seniority, but there are also significant financial rewards for contribution and leadership.

3. The primary drivers of teacher salary increases are contribution and leadership responsibilities.

POINTS: _____

6. The district provides opportunities for strong teachers to pursue multiple leadership paths (e.g., administrative position or lead teacher).

Why is this important?

Traditionally, there are limited opportunities for strong teachers to take on significant additional responsibilities or make significantly more money other than becoming full-time administrators. Districts need to find other ways to provide growth and leadership opportunities for their strongest teachers, such as department head, teacher leader, and mentor positions so they can contribute in additional ways to school improvement while staying part-time in the classroom or leave temporarily and return.

1. Opportunities for advancement are limited to full-time administrative positions such as principal or assistant principal.

2. Limited opportunities exist for leadership positions that include both teaching and other responsibilities (e.g., teacher leader, department head).

3. The district offers a robust "career lattice" that includes a variety of opportunities for teachers to combine leadership roles with teaching and to take on increased responsibilities throughout their careers.

POINTS: _____

7. Teachers who demonstrate effectiveness have flexible options to work higher or lower workloads/hours and are compensated accordingly.

Why is this important?

Teachers may choose different workloads throughout their careers. At certain times they may prefer a reduced load in order to care for children or elderly parents or to pursue an advanced degree or additional certification. At other times they may wish to take on additional responsibilities beyond a standard, full-time position to increase their earning potential and/or develop new skills. Districts that can support effective teachers in adapting their schedules over their careers can increase teacher loyalty, satisfaction, and retention.

POINTS: _____

Current practice in your district (circle best answer)

1. The district does not offer flexible teaching schedules.

2. The district allows flexible teaching schedules but only on an exception basis where a full-time solution cannot be found.

3. The district provides a broad array of flexible teaching options for effective teachers, including both higher and lower workloads/hours.

Summary Sheet with Scores

ADD UP YOUR SCORE

DEFINING AND MEASURING EFFECTIVENESS	POINTS
1. Practice standards	_____
2. Teaching effectiveness measure	_____
3. Access to data and contextual factors	_____
4. Teacher evaluation: Frequency	_____
5. Teacher evaluation: Performance categories	_____
6. Teacher evaluation: Accuracy and consistency	_____
7. Evaluator support and accountability	_____
Total Section Score (Max 21)	_____

HIRING	POINTS
1. Program effectiveness	_____
2. Timing	_____
3. Principals' authority	_____
4. Low-performing schools	_____
5. Distribution of new teachers	_____
Total Section Score (Max 15)	_____

INDIVIDUAL GROWTH	POINTS
1. Individual professional development plans	_____
2. Support at critical career junctures	_____
3. Tenure decisions	_____
4. Dismissal process	_____
Total Section Score (Max 12)	_____

SCHOOL-BASED SUPPORT	POINTS
1. Team assignment	_____
2. Job-embedded professional development	_____
3. Collaborative planning time	_____
4. Focus on continuous improvement	_____
5. Coaching	_____
6. Principals' accountability	_____
Total Section Score (Max 18)	_____

COMPENSATION AND CAREER PATH	POINTS
1. Competitive salary	_____
2. Comparable benefits	_____
3. Differential compensation: Hard-to-staff subjects	_____
4. Differential compensation: Hard-to-staff schools	_____
5. Differential compensation: Effectiveness	_____
6. Multiple leadership paths	_____
7. Flexible teaching options	_____
Total Section Score (Max 21)	_____
TOTAL SCORE (Max 87)	_____

VISIONING TEMPLATE

SUMMARY

Purpose:

This is a **visioning** document for designing your differentiated pay plan. The template guides you through key compensation design elements, presenting an array of options as well as a template for articulating your ideas. This template works hand-in-hand with the *Quick Cost Checker*, which is designed to preliminarily estimate the cost of the new system.

This template is ***not*** an exhaustive inventory—in many cases, decision options have been simplified to allow you to draft plans relatively quickly. Please use the customizing options if you feel that the options provided do not resonate well in your districts. In Session 3, you will be provided a more flexible modeling tool to fully customize your differentiated pay plan, obtain more precise cost estimates, and consider long-term costs.

Instructions:

1. Complete each section of the *Visioning Template* in the order presented.
2. After completing each *Visioning Template* section, turn to the corresponding section of the *Quick Cost Checker* to obtain cost estimates. Feel free to toggle between these two documents as the information presented will continually inform your decisions.
3. After completing all sections of the *Visioning Template* and the *Quick Cost Checker*, see the last page of the *Quick Cost Checker* to calculate the total cost of the redesigned system.
4. If you already offer differentiated teacher roles, effectiveness pay, district priority incentives and/or bonuses, rewards & recognition, calculate your current investments using the methods outlined throughout the template.
   o Consider which investments you will maintain or repurpose, and use those values to inform the true net cost or cost reduction for your entire differentiated pay plan.

VISIONING TEMPLATE

COMPENSATION REDESIGN GOALS

Before beginning the template, list your district's primary goals for teacher compensation below.

Goals:

- _____

  _____

  _____

- _____

  _____

  _____

- _____

  _____

  _____

- _____

  _____

  _____

- _____

  _____

NOTES & TABLE OF CONTENTS

Notes:

- This template is designed as a guide to major compensation areas, but not every area will be relevant to every district's current situation and priorities.
- This tool focuses on compensation decisions that have major cost implications. Keep in mind that costs to improving many value proposition components are less quantifiable and have not been included.

#1 Where applicable, alternative flags indicate where a district may need to apply for the alternative salary schedule upon making certain decisions. The criterion for needing to apply for the alternative schedule is provided in an endnote section.

Table of Contents:

INVESTMENTS

DECISION 1: DISTRICT PRIORITY INCENTIVES

Definition

District Priority Incentives **attract** high-performing teachers to positions that **align** with current district priorities. These incentives are intended to compensate teachers for roles that match district priorities. Consider:
- Hard-to-Staff Schools: high-poverty schools or specific schools with more challenging working conditions
- Hard-to-Staff Subjects:
    - Special Education, English Language Learning, or other positions working with students with special or higher needs
    - Market incentives: teachers with subject skills that have more lucrative opportunities outside of teaching (ex. science and math)
- Hard-to-Staff Positions: specific grades, school levels, or subsets of students facing achievement challenges

Design Considerations

- To determine priority areas, consider staffing needs related to quantity, quality or both.
    - Quantity: Are there teacher shortages and ongoing vacancies? Too few applicants?
    - Quality: Are there lower-quality candidate pools for some positions? Disproportionate numbers of lower-performing teachers?
- Short vs. long-term needs: Should the incentive be offered as a one-time bonus, provided for multiple years, or in perpetuity?
- Incentives structured as stipends or one-time performance rewards allow flexibility to continuously respond to student needs.
- Consider the necessary improvements to the overall value proposition for these positions; financial incentives alone are unlikely to sustain an excellent teaching force in hard-to-staff areas.

❑ **Check this box if you will <u>not</u> offer district priority incentives, otherwise…**

Directions

Consider any area(s) where your district faces shortages or needs to attract more high-performing teachers. Then fill in the priority area, the number of stipends, and compensation in the following table.

Specific Priority Area : ❑ Hard-to-Staff School: _____ ❑ Hard-to-Staff Subject: _____ ❑ Hard-to-Staff Position: _____	# of Stipends:	Compensation (check all that apply): ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Specific Priority Area : ❑ Hard-to-Staff School: _____ ❑ Hard-to-Staff Subject: _____ ❑ Hard-to-Staff Position: _____	# of Stipends:	Compensation (check all that apply): ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period

Specific Priority Area : ❑ Hard-to-Staff School: _____ ❑ Hard-to-Staff Subject: _____ ❑ Hard-to-Staff Position: _____	# of Stipends:	Compensation (check all that apply): ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Specific Priority Area : ❑ Hard-to-Staff School: _____ ❑ Hard-to-Staff Subject: _____ ❑ Hard-to-Staff Position: _____	# of Stipends:	Compensation (check all that apply): ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Specific Priority Area : ❑ Hard-to-Staff School: _____ ❑ Hard-to-Staff Subject: _____ ❑ Hard-to-Staff Position: _____	# of Stipends:	Compensation (check all that apply): ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Specific Priority Area : ❑ Hard-to-Staff School: _____ ❑ Hard-to-Staff Subject: _____ ❑ Hard-to-Staff Position: _____	# of Stipends:	Compensation (check all that apply): ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Specific Priority Area : ❑ Hard-to-Staff School: _____ ❑ Hard-to-Staff Subject: _____ ❑ Hard-to-Staff Position: _____	# of Stipends:	Compensation (check all that apply): ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Specific Priority Area : ❑ Hard-to-Staff School: _____ ❑ Hard-to-Staff Subject: _____ ❑ Hard-to-Staff Position: _____	# of Stipends:	Compensation (check all that apply): ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period

➔ Refer to "District Priority Incentives" in *Quick Cost Checker*

INVESTMENTS

DECISION 2: SCHOOL ROLES

Definition	

Differentiated school roles and responsibilities help to **retain** and **leverage** excellent teachers by providing additional compensation, opportunities for professional growth and career advancement. These roles typically involve extending the reach of effective teachers to greater numbers of students, to higher-need students, or to support other teachers.

Design Considerations

- Districts typically provide teachers with additional stipends, release time (planning periods), or other perks.
- Consider the role's impact on student achievement in relation to monetary and non-monetary costs
- Also consider teachers' interest in these roles when determining compensation.
- New roles can be added and/or designed in ways that are "cost-neutral" (e.g. by reducing the number of instructional specialists needed across a district or enabling teams to employ paraprofessionals effectively).

❑   **Check this box if you will <u>not</u> offer differentiated school roles; otherwise…**

Directions

Select the roles that you would like to offer in your district, including roles you already offer that you would like to continue providing or modify. Use the list of typical roles or brainstorm alternative ones.

Instructional Leadership	**Content & Curriculum**	**Pedagogy & Coaching**	**Admin. & Leadership**
❑ Extended Reach Teacher	❑ Curriculum Writer	❑ Peer Evaluator	❑ Assistant Principal
❑ Multi-Classroom Leader	❑ Literacy/Math Facilitator	❑ Model (Demonstration) Classroom Teacher	❑ Principal Intern
❑ _____	❑ _____	❑ Instructional Coach	❑ _____
❑ _____	❑ _____	❑ Team Leader	❑ _____
		❑ _____	

Next, fill in the number of positions, compensation, responsibilities, and the selection criteria for each role in the following table.

Role Name:	**# of Positions:**	**Compensation (check all that apply):** ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Primary Responsibilities: ❑ Instructional Leadership ❑ Content & Curriculum ❑ Pedagogy & Coaching ❑ Administration & Leadership ❑ Other:		**Selection Criteria:** ❑ Curriculum/content expertise: _____ ❑ Management skills ❑ Teaching effectiveness: _____ ❑ Special degree/certification:_____ ❑ Other:

Role Name:	# of Positions:	Compensation (check all that apply): ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Primary Responsibilities: ❑ Instructional Leadership ❑ Content & Curriculum ❑ Pedagogy & Coaching ❑ Administration & Leadership ❑ Other:		**Selection Criteria:** ❑ Curriculum/content expertise: _____ ❑ Management skills ❑ Teaching effectiveness: _____ ❑ Special degree/certification:_____ ❑ Other:
Role Name:	**# of Positions:**	**Compensation (check all that apply):** ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Primary Responsibilities: ❑ Instructional Leadership ❑ Content & Curriculum ❑ Pedagogy & Coaching ❑ Administration & Leadership ❑ Other:		**Selection Criteria:** ❑ Curriculum/content expertise: _____ ❑ Management skills ❑ Teaching effectiveness: _____ ❑ Special degree/certification:_____ ❑ Other:
Role Name:	**# of Positions:**	**Compensation (check all that apply):** ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Primary Responsibilities: ❑ Instructional Leadership ❑ Content & Curriculum ❑ Pedagogy & Coaching ❑ Administration & Leadership ❑ Other:		**Selection Criteria:** ❑ Curriculum/content expertise: _____ ❑ Management skills ❑ Teaching effectiveness: _____ ❑ Special degree/certification:_____ ❑ Other:
Role Name:	**# of Positions:**	**Compensation (check all that apply):** ❑ Stipend – amount: $ _____ ❑ Release time – 1 planning period
Primary Responsibilities: ❑ Instructional Leadership ❑ Content & Curriculum ❑ Pedagogy & Coaching ❑ Administration & Leadership ❑ Other:		**Selection Criteria:** ❑ Curriculum/content expertise: _____ ❑ Management skills ❑ Teaching effectiveness: _____ ❑ Special degree/certification:_____ ❑ Other:

➔ Refer to "School Roles" in *Quick Cost Checker*

INVESTMENTS

DECISION 3: EFFECTIVENESS PAY

Description

Effectiveness Pay is used to provide additional compensation to teachers based on measurable performance. This pay can take many forms, ex:

- **Effectiveness Steps** – Small, permanent, yearly salary increases for teachers who meet a set performance target. Teachers' step levels may change from year to year depending on performance. Systems typically replace experience pay when adopting effectiveness steps.
- **Effectiveness Bands** – Career levels associated with increased responsibilities and/or pay that teachers achieve after meeting rigorous eligibility criteria. Bands are "sticky" in that they remain in place for multiple years, until teachers achieve the criteria for the next band or, in exceptional cases, are demoted for multiple years of low performance.

Note: TN law prevents any reduction in salary. This demotion would result in the teacher moving down in a band, but no change in pay.

Design Considerations

- Districts in the past have typically linked bands with large increases in pay, but bands do not need to be linked to pay increases.
- Consider how bands can help dictate which differentiated roles and responsibilities are made available to teachers, so that districts can allocate more funds to creating meaningful career pathways and opportunities.

❑ **Check this box if you will not implement effectiveness pay; otherwise…**

❑ **Effectiveness Steps Based on Current Step Structure** **ALT.**

❑ Cost Neutral	❑ Increase Spending	❑ Decrease Spending
Steps will not be given to level 1, 2 teachers and the savings generated will be used as a raise pool.	*Repurpose experience steps and an additional 20% to effectiveness steps.*	*Repurpose 80% of experience steps % to effectiveness steps. Use the 20% cost reduction elsewhere in compensation.*

❑ **Customized Effectiveness Steps** *Use the table below to outline your steps system.* **ALT.**

Level	Receives Steps?	Estimated % of Teachers	$ Amount per Step (if no to receiving steps, leave blanks)	Differentiated Step Cap by Group (if applicable)		
1	❑ Yes ❑ No		❑ $ _____ raise	❑ At Step 11	❑ At Step 15	❑ At Step 20
2	❑ Yes ❑ No		❑ $ _____ raise	❑ At Step 11	❑ At Step 15	❑ At Step 20
3	❑ Yes ❑ No		❑ $ _____ raise	❑ At Step 11	❑ At Step 15	❑ At Step 20
4	❑ Yes ❑ No		❑ $ _____ raise	❑ At Step 11	❑ At Step 15	❑ At Step 20
5	❑ Yes ❑ No		❑ $ _____ raise	❑ At Step 11	❑ At Step 15	❑ At Step 20

| **Effectiveness Bands** | Use the table below to outline your bands system; use as many bands as you see fit. | | | | **ALT.** |

Band Name	Criteria	% of Teachers eligible	Target % of Teachers in band	Additional pay per band (if applicable)	Non-Monetary Incentives (if applicable)
	❑ TEAM score of ____ for _____ years ❑ Other criteria:			❑ No increase ❑ $ _____ raise	❑ Additional Roles/Responsibilities ❑ Release time: _____ periods ❑ Other (specify):
	❑ TEAM score of ____ for _____ years ❑ Other criteria:			❑ No increase ❑ $ _____ raise	❑ Additional Roles/Responsibilities ❑ Release time: _____ periods ❑ Other (specify):
	❑ TEAM score of ____ for _____ years ❑ Other criteria:			❑ No increase ❑ $ _____ raise	❑ Additional Roles/Responsibilities ❑ Release time: _____ periods ❑ Other (specify):
	❑ TEAM score of ____ for _____ years ❑ Other criteria:			❑ No increase ❑ $ _____ raise	❑ Additional Roles/Responsibilities ❑ Release time: _____ periods ❑ Other (specify):
	❑ TEAM score of ____ for _____ years ❑ Other criteria:			❑ No increase ❑ $ _____ raise	❑ Additional Roles/Responsibilities ❑ Release time: _____ periods ❑ Other (specify):
	❑ TEAM score of ____ for _____ years ❑ Other criteria:			❑ No increase ❑ $ _____ raise	❑ Additional Roles/Responsibilities ❑ Release time: _____ periods ❑ Other (specify):

❑ **Other Effectiveness Options** *Use the space provided to specify any other effectiveness options you would like to include, keeping in mind that bonuses, rewards and recognition will be covered in the next section.*

Description:

ALT.

➔ Refer to "Effectiveness Pay" in *Quick Cost Checker*

INVESTMENTS

DECISION 4: BONUSES, REWARDS & RECOGNITION

Definition

In addition to offering annual raises, differentiated roles, or opportunities to advance along effectiveness bands, some districts offer teachers monetary and non-monetary rewards on a one-time basis. These rewards generally fall into two categories:

- **Bonuses and Rewards**: one-time payments that are not incorporated into a teacher's base salary and used to motivate an individual, group and/or school to achieve a pre-defined goal that is either instructional (e.g. higher growth on end-of-year assessments) or non-instructional (e.g. higher attendance)
- **Recognition**: non-monetary means of publically recognizing and appreciating individual or team teacher success

Design Considerations

- In research, traditional bonuses do not appear to change teachers' behaviors, instructional practices, or improve student outcomes.
- Public recognition and appreciation of individual teacher success with students may be more efficient for motivating excellent teachers.
- Evidence suggests that focus should be on incorporating increased pay for consistently strong student outcomes into base pay, and that one-time rewards should be small.

Financial rewards can be structured in two ways:
- **Bonus pool:** the total amount of money available for bonuses is fixed, but the number of teachers eligible is unlimited. This limits individual competition and provides financial predictability, but the individual bonus amount will vary depending on the number of qualifying teachers.
- **Set reward amount:** a one-time payment amount for meeting a set of criteria. This keeps the individual bonus amounts constant but the total costs can be harder to predict.

❑ **Check this box if you will not offer bonuses, rewards or recognition; otherwise...**

Directions

Fill in the recognition criteria, type and financial structure for each reward in the following table.

Award/Bonus/Recognition for:	Reward Type (check all that apply):	IF FINANCIAL - Reward Structure:
❑ Student Achievement ❑ Leadership ❑ Individual Success ❑ Other (team success, graduation rates, etc.): _____	❑ Financial ❑ Recognition (e.g. Teacher of the Year, award ceremony, etc.)	❑ **Option 1**: Set pool amount per year: $ _____ ❑ **Option 2:** Set reward amount to $_____ per teacher Estimated % teachers to receive reward: _____ %

Award/Bonus/Recognition for:	Reward Type (check all that apply):	IF FINANCIAL - Reward Structure:

❑ Student Achievement
❑ Leadership
❑ Individual Success
❑ Other (team success, graduation rates, etc.):
 	
_____
	❑ Financial
	❑ Recognition (e.g. Teacher of the Year, award ceremony, etc.)
		❑ **Option 1**: Set pool amount per year: $ _____
		
		❑ **Option 2:**
		   Set reward amount to $_____ per teacher
		   Estimated % teachers to receive reward: _____ %

❑ Student Achievement
❑ Leadership
❑ Individual Success
❑ Other (team success, graduation rates, etc.):
 	
_____
	❑ Financial
	❑ Recognition (e.g. Teacher of the Year, award ceremony, etc.)
		❑ **Option 1**: Set pool amount per year: $ _____
		
		❑ **Option 2:**
		   Set reward amount to $_____ per teacher
		   Estimated % teachers to receive reward: _____ %

❑ Student Achievement
❑ Leadership
❑ Individual Success
❑ Other (team success, graduation rates, etc.):
 	
_____
	❑ Financial
	❑ Recognition (e.g. Teacher of the Year, award ceremony, etc.)
		❑ **Option 1**: Set pool amount per year: $ _____
		
		❑ **Option 2:**
		   Set reward amount to $_____ per teacher
		   Estimated % teachers to receive reward: _____ %

❑ Student Achievement
❑ Leadership
❑ Individual Success
❑ Other (team success, graduation rates, etc.):
 	
_____
	❑ Financial
	❑ Recognition (e.g. Teacher of the Year, award ceremony, etc.)
		❑ **Option 1**: Set pool amount per year: $ _____
		
		❑ **Option 2:**
		   Set reward amount to $_____ per teacher
		   Estimated % teachers to receive reward: _____ %

❑ Student Achievement
❑ Leadership
❑ Individual Success
❑ Other (team success, graduation rates, etc.):
 	
_____
	❑ Financial
	❑ Recognition (e.g. Teacher of the Year, award ceremony, etc.)
		❑ **Option 1**: Set pool amount per year: $ _____
		
		❑ **Option 2:**
		   Set reward amount to $_____ per teacher
		   Estimated % teachers to receive reward: _____ %

DECISIONS 5-7: BASE SALARY

Description

Base salary is the permanent salary that a teacher earns on a yearly basis. This salary traditionally includes three main components:
- **Starting Salary** – Pay for teachers with zero years of experience and a BA degree. This represents the baseline salary provided to teachers.
- **Experience Pay** – Automatic annual salary increase or steps for additional years of experience
- **Education Pay** – Permanent increases in base salary for attaining set numbers of educational credits, or "lane change."

In a redesigned compensation system, teachers can also receive base salary increases for effectiveness.

Design Considerations

- The decision options in this section will be described in reference to your current step & lane structure.
- You will have the opportunity to further customize changes in Session 3, using the customizable modeling tool.

Directions

Complete starting salary, experience pay, and education pay sections in order, beginning with step 1 and skipping steps as directed.

STARTING SALARY

1) Will you change your starting salary?	❑ **Yes** ❑ **No**

If no, skip to step 2, as there is no change to current starting salary. Otherwise, continue.

a) Will you increase starting salary?

❑ **+$2K**   ❑ **+$5K**   ❑ **No increase**

If an increase was selected, skip to step 2. Otherwise, continue.

(#1) **b) Will you decrease starting salary?**

❑ **-$2K**   ❑ **-$5K**   ❑ **No decrease**

➔ Refer to "Starting Salary" in *Quick Cost Checker*

EDUCATION PAY

2) Will you continue to pay for education? - <u>Yes</u>: Teachers will receive some form of education pay, regardless of their effectiveness level. - <u>No</u>: Teachers will be frozen at current education pay levels.	❑ **Yes** ❑ **No** **(#2)**

If no, skip to step 4. Otherwise, continue.

3) Will you reduce your education pay going forward?	**(#3)** ❑ **Yes** ❑ **No**

If no, skip the remaining questions in this section. There is no change to current education pay. Otherwise, continue.

a) Pay for education at 50%* of previous level *Note: The value indicated here is not a suggested amount, but one used for exercise simplicity.	❑ **Yes** ❑ **No**

b) Consolidate to 2 lanes: BA and Advanced Degree for future lane changes *Note: This does not remove pay from current teachers with PhD, EdS or MA+ pay*	❑ **Yes**	❑ **No**
c) Will you provide tuition reimbursements?	❑ **Yes**	❑ **No**
❑ **$4K per year for 5 years** ❑ **$5K per year for 5 years**		
4) Who would you like this change to apply to? *Note: Checking "All Teachers" does not take pay from current teachers, but freezes teachers in their current place on the education schedule.*	❑ **New Teachers Only** ❑ **All Teachers**	
❑ **Other Education Options** *Use the space provided to include any other education options you would like to include.* **Consider only paying for certain degrees (science, math, etc.)**		
Description:		

➔ Refer to "Education Pay" in *Quick Cost Checker*

EXPERIENCE PAY

❑	If you are implementing: - Effectiveness steps based on current experience pay ➔ *check this box and skip to the end.* - Customized effectiveness steps ➔ *check "No" in question 5 and skip to the end.* - Effectiveness bands or no effectiveness pay ➔ *Proceed to answer question 5 as you wish.*	
5) Will you continue to pay for experience? - <u>Yes</u>: Teachers will receive some form of annual increases, not tied to effectiveness - <u>No</u>: Teachers will be frozen at current experience pay levels.	❑ **Yes** ❑ **No** **#4**	
If no, skip to the end. If yes, continue.		
6) Will you reduce your current experience pay going forward?	**#5 Yes** ❑ **No**	
If no, skip to step 5, as there is no change to current experience pay. Otherwise, continue.		
a) Cap step increases?		
❑ **At Step 11** ❑ **At Step 15** ❑ **At Step 20** ❑ **No Cap**		
b) Pay for experience at 50%* of its previous level: *Note: The value indicated here is not a suggested amount, but one used for exercise simplicity. You will be able to customize this in Session 3, if desired.*	❑ **Yes** ❑ **No**	
7) Who would you like this change to apply to? *Note: Checking all teachers does not take pay from current teachers, but will impact future increments for current teachers.*	❑ **New Teachers Only** ❑ **All Teachers**	
❑ **Other Experience Pay Options** *Use the space provided to include any other experience pay options you would like to include.*		
Description:		

➔ Refer to "Experience Pay" & Complete the "Total Cost Checker" section in the *Quick Cost Checker*

ALTERNATIVE FLAGS	
An alternative schedule may be necessary if…	
ALT	…tying any portion of base salary to effectiveness or performance measures.
#1	…a decrease in starting salary results in a salary less than the state minimum of $30,876.
#2	…the district BA lane is less than the state minimum salary requirement for advanced degrees.
#3	…resulting pay for teachers with advanced degrees is less than the state advanced degree pay requirement
#4	…the district starting salary is less than the state minimum salary requirement at steps 6 and 11.
#5	…resulting pay for teachers with 6 and 11 years of experience is less than the state minimum salary requirement for experience.
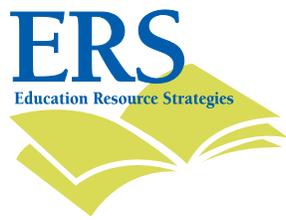
Strategic Design of
Teacher Compensation

Education Resource Srategies   *October 2012*

Acknowledgements

Contents

Introduction

Spurred by the national focus on revitalizing the teacher evaluation and support/development process, as well as the current economic downturn, many school districts are reviewing how teachers are compensated. While a few courageous districts have completely upended current structures, most districts are undertaking changes that leave the most prevalent structure—experience steps and educational attainment lanes—untouched, with modest tweaks at the margin to recognize performance and contribution. However, layering new structures on top of old ignores research that shows experience (after the first five years) and educational attainment have little impact in improving student achievement. Further, the incremental approach perpetuates incentives embedded in step-and-lane structures that impede districts' ability to optimize resources to create the strong teaching force our students need.

As districts consider new compensation structures, they are moving into mostly uncharted territory. The majority of the school systems across the country implement the basic elements of the step-and-lane compensation structure that treats all teachers the same, regardless of performance or responsibility. As a result, there are few proof points that districts can draw from as they undertake a design process to link teacher compensation with performance and contribution.

The road ahead is not without guideposts, however. In the current wave of compensation reform, one school district—Denver, Colorado—has had a comprehensive structure in place for a sufficient length of time to adequately evaluate the effectiveness of specific performance and contribution components. In addition, there are a handful of formal evaluations on the various performance bonus structures that school districts and states have

put into place over the last 10 years. School districts can also draw from lessons learned in other professions, both private and public sector. Finally, they can look abroad to practices of high-performing education systems in other nations, as well as emerging and established research on employee motivation for the marketplace in general and for the teaching profession.

> **The incremental approach perpetuates incentives embedded in step-and-lane structures that impede districts' ability to optimize resources to create the strong teaching force our students need.**

The series of guidance memos that follow are intended to provide teachers, districts, Charter Management Organizations (CMOs), and states with a starting point on this journey of reinvention. They provide a high-level summary of how the <u>salary</u> component of a teacher-compensation structure can integrate performance and contribution. We focus on the salary component for two reasons. First, it represents the largest share of teacher compensation both from the perspective of the employer and the employee. Second, it is the primary—and, unfortunately, usually the sole—focus of nearly all districts currently contemplating compensation reform.

The Context for Compensation/ Career Pathway Design

As you engage with these guidance memos and explore compensation and career pathway design,

please bear in mind an important caveat: Salary is only one component of teacher compensation that districts should consider as part of an integrated, coherent package as they seek to attract, retain, and leverage a highly effective teaching force. Other important elements include not only retirement and health benefits, but also professional growth opportunities, working conditions, fringe benefits, career pathways, and non-monetary rewards. The specific combination of these elements, plus salary, is the "Value Proposition" —what an employer must *give* to get the working force it needs to accomplish its articulated goals.[1]

> **Salary is only one component of teacher compensation that districts should consider as part of an integrated, coherent package as they seek to attract, retain and deploy a highly effective teaching force.**

Introducing new organizational structures such as a revised salary schedule or teacher evaluation system, requires that districts adopt a set of complementary human resource management practices that support the new structures and the district's overall strategy. New structures adopted in isolation are more likely to fail because existing human resource practices likely will not support or reinforce the intended change. For example, if workers are offered the opportunity to earn performance bonuses but not provided with clear information, support, and training to be able to perform the job at the quality expected, performance is less likely to improve.

> **Introducing new organizational structures such as a revised salary schedule or teacher evaluation system, requires that districts adopt a set of complementary human resource management practices that support the new structures and the district's overall strategy.**

The Intent of Compensation Design

These guidance memos must also be viewed through the lens of the employer's specific intent: What does the school district hope to achieve through its compensation/career pathway structure? Without clear goals in mind at the outset of the design process, chances of achieving these goals are greatly reduced. Although the step-and-lane salary structure may have been adequate to meet recruitment and retention goals in the past, it is woefully insufficient to attract and retain teachers with the skill and knowledge required to reach current student achievement goals.

The table on the next page provides a potential set of goals that a district may hope to accomplish with its compensation/career pathway structure. Note that structures enacted under these goals or similar sets of goals will not all look the same; they may vary due to each district's available revenues, legal context, community norms, and district needs and priorities. The series of guidance memos on salary components that follow do not prescribe a specific structure but intend to provide research, evidence, and principles that school districts should consider as they design a compensation/career pathway structure that will achieve their clearly articulated goals within their particular context.

THE GOALS OF A TEACHER COMPENSATION/ CAREER PATHWAY SYSTEM

THE WHY

A teacher compensation system should support the district's efforts to…

ATTRACT a high-potential teaching force

RETAIN a high-performing teaching force and encourage low performers to leave the system

LEVERAGE the highest performers for continuous improvement in district-wide teaching effectiveness

ALIGN a high-performing teaching force to support district strategies and performance goals

Compensate a high-performing teaching force in a **FINANCIALLY SUSTAINABLE** way

The table on the facing page describes the components of compensation including the base salary, benefits, and "district priority incentives," which is a term we use to describe extra pay a district or school might add to attract teachers in specific priority areas like shortage subjects or high needs schools, and bonuses. The memos that follow cover each of these components with the exception of benefits.

What does the school district/ CMO hope to achieve through its compensation/career pathway structure? Without clear goals in mind at the outset of the design process, chances of achieving these goals are greatly reduced.

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[1] For more details on the Value Proposition, please refer to "Rethinking the Value Proposition to Improve Teaching Effectiveness," a forthcoming publication by Regis Anne Shields and Christopher Lewis.

THE COMPONENTS OF COMPENSATION DESIGN

BONUS PAY

CAREER PATHS
(ROLES & RESPONSIBILITIES)

DISTRICT PRIORITY
INCENTIVES

BENEFITS*

BASE SALARY

The components of compensation must be considered as a
whole package and not in isolation.

*Benefits are briefly explored in the section, "Creating a Financially Sustainable Compensation System" of this publication.

HOW TO READ THE MEMOS ON THE FOLLOWING PAGES

Each guidance memo is organized to meet the needs of users with various levels of knowledge about teacher-salary structure basics:

THE BOTTOM LINE:
A summary of the key message or take-away for users who may already be grounded in the topic.

DEFINITION:
The specific definition of the salary component to ensure all users are on the same page.

CURRENT CONDITIONS:
The current state of teacher salary structures and the specific impact of the structure in terms of teacher demographics and behavior.

WHAT WE KNOW:
Evidence and research to inform new designs.

CROSS-SECTOR COMPARISONS:
A high-level summary of structures of other relevant public- and private-sector professions.

IMPLICATIONS FOR DESIGN:
Specific salary-structure recommendations based on the accumulated knowledge and research.

ESSENTIAL READINGS:
One or two key readings for those who wish to explore the topic in greater depth.

Base Salary

The Bottom Line

To **attract** candidates with strong academic backgrounds and relevant skills and to **retain** only those teachers who perform effectively, base salary must incorporate labor market dynamics by:

1. **Being competitive with other professions that attract top academic candidates.**

2. **Increasing based on proven performance and contribution.**

3. **Differentiating so that individuals with skills and knowledge that demand higher pay in the labor market will consider teaching an attractive option.**

Definition: Base salary is the foundation of a salary structure. It is the pay received for a given work period for a particular set of responsibilities and skills. It does not include additional pay for overtime or additional roles, or performance bonuses. Base salary generally increases over time based on employee performance and responsibilities.

Current Conditions

- The majority of the school systems across the country implement the basic elements of the step-and-lane compensation structure that treats all teachers the same, regardless of performance, skill or responsibility. In this structure, teachers receive an automatic annual salary increase—step—for an additional year of experience. Teachers may also earn a permanent increase in base salary for attaining set numbers of educational credits—a lane. Teacher performance, skill, and responsibility are not considerations in determining salary levels or increases.

- In addition to these increases, teachers receive cost of living increases and adjustments to reflect the growing cost of living. Often these perecent increases are pre-negotiated into the contracts and may not actually reflect economic reality.

- In the United States, teachers generally come from the lower performance ranks of college graduates. Only 23% of teachers come from the top third of graduates; just 14% in high poverty schools.[1] Teachers in the top quartile of performance distribution on teacher entrance exams are twice as likely to leave the profession as those in the lowest quartile.[2]

What We Know

- Research has shown that years of teaching experience have little effect on student performance after the first three to five years[3], and there is no demonstrated correlation between teaching effectiveness and educational attainment beyond a bachelor's degree, except for a slight impact in the case of high school math and science.[4]

- An international study by McKinsey & Company showed that high performing school systems implement deliberate strategies to recruit candidates from the top third of college graduates. A competitive compensation and career pathway structure that takes labor market factors into consideration is one critical component of a multi-faceted recruitment strategy.

> **In the United States, teachers generally come from the lower performance ranks of college graduates. Only 23% of teachers come from the top third of graduates.**

- The same international study revealed that high-performing education systems make labor market comparisons by looking to other professions that attract the top academic talent, such as law or medicine.

- The most significant differences between teaching and the chosen careers of top-third college graduates are rooted in compensation and career pathway opportunities. With regard to attracting and retaining top-third students, both starting salary and maximum potential salary have been identified as critical factors in compensation structures.[5]

- McKinsey's market research shows that only 10 to 18% of top-third students say teaching offers a competitive starting salary, pays appropriately for the skills and effort they would bring, or offers a salary that would increase substantially over the next seven to 10 years. Only one in three think teaching pays enough to support a family, and more than half believe they could earn more as a garbage collector.[6]

> **Salaries for American teachers with 15 years' experience are, on average, 60% or below of full-time earnings for 25- to 64-year-olds with tertiary education in the United States.**

- The annual salary of teachers in the United States tends to be lower than the annual salary of college graduates employed in other occupations. While teachers typically work a shorter year and receive a higher level of benefits relative to their counterparts in the private sector, teachers with 15

years of experience also receive salaries that are 60% or below that of full-time earnings for 25- to 64-year-olds with tertiary education in the United States.[7] This salary gap is significantly wider than the wage differential that exists between teachers and non-teachers in most other countries of The International Organisation for Economic Co-operation and Development (OECD).

- Teacher salaries typically grow more slowly in years 3-10 than other professions. Four years out of college, the gap in salary between teachers and non-teachers with technical (math and science) training is $13,469 and $6,811 for their non-technical peers.[8] Ten years out of college, the salary gap between teachers and non-teachers with a technical degree is $27,890. For those without a technical degree, the salary gap is $18,904.[9]

- This growing salary gap may make it more difficult to attract and retain teachers with technical skills and knowledge. Data from the National Center for Education Statistics' Schools and Staffing Survey, which examined characteristics of teachers who exited the K-12 profession, showed that math and science teachers who left the profession were almost twice as likely as other teachers to rate better salary or benefits as very important or extremely important reasons for leaving.[10]

- Researchers found that teachers with high ACT scores leave hard-to-staff schools for higher pay and remove themselves from work environments with colleagues they perceive as less academically successful.[11] While small increases in pay reduce attrition among elementary school teachers, larger increases are required to retain female math and science teachers.

Cross-Sector Connections

- Private sector compensation reflects individual attributes (including performance on the job and selectivity of one's college) and the attributes of a particular job (supply and demand for particular fields and occupations). Differential pay by field within professions is quite common. Public Impact's review of industry-specific surveys found that 35% to 86% offered financial incentives to recruit and retain employees.[12]

> **Math and science teachers who left the profession were almost twice as likely as other teachers to rate better salary or benefits as very important or extremely important reasons for leaving.**

- Officers and enlisted members of the military undergo regular performance evaluations, and demotions for failure to meet standards result in salary reduction. Evidence from across military branches shows that flat base salaries that are not linked to performance tend not to provide sufficient incentives for performance improvement.[13]

- Military personnel may move up salary schedules relatively quickly; base salary has the potential to double within the first five years from $38,500 to $80,000.[14]

- Registered nurses' median salaries are 25% higher than that of elementary and middle school teachers.[15]

Implications for Design

Linking compensation to performance depends on evaluation systems that teachers believe and that link to student impact or organizational contribution.

The greater salary difference between performance levels, the more critical this accuracy and reliable implementation become. As most districts are just beginning to experiment with new compensation designs, it's important not to overstate what we know or to lock in new compensation structures for the long-term when they may need revision. At the same time, leaders can move more quickly to eliminate or reduce step and lanes in favor of paying teachers more for taking on more challenging or leadership roles.

- Differentiated base salary has the potential to influence who enters and stays in the teaching profession.

- Much debate surrounds how to best reflect in wage comparisons the fact that teachers' required work day and days per year are typically less than the average full-time employee in other professions. Regardless of actual hours worked, the lower contracted hours do create challenges for finding collaborative planning time and extending the student day and should be reflected in salary comparisons in some way.

- To attract and retain top-third candidates, districts must make salaries competitive. This may require raising salaries for teachers earlier in their careers.[16] The amount of this raise may depend on local market dynamics.

- To compete for top-third candidates, districts should look to the entire value proposition (salary and projected earnings over time; health, retirement, and fringe benefits; professional growth opportunities; working conditions and recognition), especially if competing on salary level alone is not possible. Districts should communicate the full extent of compensation packages to potential and current teachers.

> **Base salary structures should reflect differences in opportunities in the labor market at the outset of the career and over time.**

- Structures should not include financial incentives that keep low-performing individuals in the profession. To encourage low performers to leave, districts could eliminate automatic cost of living and step increases unless performance meets rigorous standards. Salary freezes for low performance ensure that the salary of a consistently low-performing teacher does not keep pace with the cost of living and may provide incentive for those individuals to leave the profession for other opportunities.

- Base salary structures should differentiate salary based on performance, with higher-performing individuals earning larger salaries than lower-performing individuals and at sufficient differentials to reflect this performance.

- Base salary structures should reflect differences in opportunities in the labor market at the outset of the career and over time. These differences will vary by labor market, but in general this applies to positions that require technical skills and knowledge such as math and science.

- Base salary structures can also differentiate salary based on responsibilities, with higher salaries demanding additional or more challenging responsibilities. This structure must be aligned with any additional salary provided for other roles. (See: What You Need to Know About: Roles and Responsibilities.)

Essential Readings

This memo relied on the following, which are recommended as essential reading:

Byron Auguste, Paul Kihn and Matt Miller. (September 2010). "Closing the talent gap: Attracting and retaining top-third graduates to careers in teaching." McKinsey & Company. Retrieved February 17, 2012 from http://mckinseyonsociety.com/closing-the-talent-gap/

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End Notes *Base Salary for Educators*

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13 Ibid.

14 Estimates were pulled from *Today's Military: Compensation*, n.d. Retrieved March 2, 2012 from http://www.todaysmilitary.com/military-benefits/military-compensation

15 *All Nursing Schools: Your Guide to Nursing Education and Careers*, n.d. "Nursing Salaries." Retrieved March 2, 2012 from http://www.allnursing-schools.com/nursing-careers/article/nursing-salaries

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District Priority Incentives

The Bottom Line

Compensation incentives used to attract and retain excellent teachers to positions that directly support the highest-priority students, such as students in schools with high concentrations of poverty or special needs students, must be of sufficient magnitude to reflect the additional degree of difficulty of the position. Financial incentives alone are unlikely to sustain an excellent teaching force at a school with a high-needs student population. To attract and retain high-performing teachers to these schools, districts must also invest in school leadership, teacher professional growth, time for teachers to plan and work together, and other factors that make the school a more desirable place to practice.

> **The amount of pay required to attract excellent teachers to hard-to-staff schools and subject areas depends largely on the context of the incentive and what other forms of compensation are available. Some estimates range between 15% and 50% of base salary.**

Definition: A District Priority Incentive refers to extra compensation aimed at attracting teachers to more challenging positions that align with current district priorities. District Priority Incentives are generally not in the form of a permanent increase to base salary but rather a stipend or performance reward available while the teacher is serving in the specific role. District Priority Incentives are different than salary increases awarded to attract and retain those with skills and knowledge in high demand (e.g., math and science).

Current Conditions

- Schools in the lowest-income districts employ almost twice the proportion of teachers with fewer than three years of experience as higher-income schools.[17]

- Few districts offer sufficient financial incentives for positions that will be more difficult to staff because the conditions or nature of the job are more challenging.

- Special education is frequently cited as a critical shortage area, and teachers in this field are particularly vulnerable to job dissatisfaction and attrition.[18]

- The federal government's turnaround designation has altered the landscape. It is still too early to know if the turnaround strategy, which includes both compensation incentives and improvement of working conditions, has been successful in attracting and retaining high-performing teachers to high-needs schools.

What We Know

- The amount of additional compensation needed to attract excellent teachers to hard-to-staff schools and subject areas depends largely on the difficulty of the position and what other forms of compensation are available. Some estimates of additional compensation needed range between 15% and 50% of standard base salary.[19] Public Impact concluded that although no specific formula exists to determine the ideal financial incentive, comparable hard-to-staff recruitment and retention pay for teachers constitutes between $4,440 and $11,100 in addition to base salary.[20] Determining the best amount and type of financial incentives, however, will require experimentation and re-adjustment.[21]

- Teachers who leave hard-to-staff schools are typically more effective than those who remain. Teachers who are judged to be better have greater bargaining power and tend to move toward less demanding settings. This results in less-effective educators working with the highest-need students.[22] Traditional single "step-and-lane" salary schedules do not address these patterns of teacher sorting, and thus reinforce inequitable distributions of teachers.

- Compensation is not the only factor in attracting and retaining high-performing teachers to hard-to-staff positions. Teachers' perceptions of their school administrators is the most important factor affecting whether or not they decide to stay at a school, trumping concerns about base salary.[23]

- Concerns about poor working conditions and inadequate pay contribute to turnover at hard-to-staff schools and deter candidates from applying for positions. Relative to other teachers, those employed at hard-to-staff schools report lower satisfaction with school leadership, less personal empowerment, and fewer opportunities for professional development.[24] They also report perceiving limited opportunities for career advancement.[25]

> **Compensation structures in the private sector routinely include incentives for more challenging positions in the same field.**

- There have been few evaluated instances of the use of District Priority Incentives. Successful programs like the Teach Plus T3 Initiative have had a strong working conditions component.

  – Both Massachusetts and North Carolina have experimented with District Priority Incentives

for teachers to work in hard-to-staff schools. Massachusetts offered teachers a $20,000 signing bonus spread over four years plus accelerated certification, while North Carolina offered an annual bonus of $1,800 to math, science, and special education teachers in low-income or low-performing schools. In both cases, the nature of the incentives offered was not enough to retain teachers at these hard-to-staff schools. Researchers found that perceptions of poor working conditions and a lack of support, neither of which were meaningfully addressed under the incentive initiatives, ultimately resulted in teachers' decisions to leave.[26]

– In contrast, the Teach Plus T3 Initiative successfully attracts and retains high-performing teachers in low-income, low-performing schools by providing mentorship, specialized training, timely access to student data, and access to strong school leadership. Teachers in this program receive an additional $6,000 on top of base pay for the extra time they put into fulfilling their responsibilities at the school.[27]

Cross-Sector Connections

- Compensation structures in the private sector routinely include incentives for more challenging positions in the same field.[28]

- Service members of the military may receive "special pay" for working in unique conditions or for applying specific skills. Employment in an "imminent danger" position, for example, results in an additional $2,700 per year. Research on differentiated pay for hard-to-staff fields in the military revealed that every additional $1,000 in pay resulted in a retention increase of 0.6% to 1%.[29]

- In the medical field, payments to physicians in underserved areas are typically matched to the

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amount of incoming debt they carry, which results in additional annual payments of $10,000 to $20,000.

- Retention programs in the nursing sector include loan repayment contracts, retention bonuses, and workplace amenities such as flexible scheduling, on-site child care, and mentorship opportunities.[30]

> **Significant improvements in working conditions, including professional growth opportunities and a team of similarly highly effective teachers, will be required in addition to financial incentives.**

Implications for Design

- Districts will likely need to offer compensation incentives to attract and retain high-performing teachers in high-need areas that align with district priorities. Districts should carefully define these areas with the understanding that financial incentives alone may not constitute the most cost-effective compensation structure, and that investments to improve working conditions such as teacher teams, creating time for teacher

planning and lowering work loads, may have higher and longer-lasting payback.

- The cost of non-monetary incentives to the district should be taken into account when analyzing the cost-effectiveness of various incentive packages. Improvements in working conditions may reduce the salary differential needed to serve as an adequate incentive.[31]

- Districts should review high-need areas annually to ensure that financial incentives are aligned with the current reality of the district's needs and other non-monetary incentives. Because high-needs areas may shift from year to year as needs change, it is important that this incentive not be included as a permanent salary addition.

- The amount of the required incentive will depend on local factors, and districts should carry out a thorough analysis of teacher preferences prior to establishing an amount.

- Rigorous selection criteria are required to ensure both a good match between teacher and teaching assignment and that teachers taking advantage of the incentive are of sufficiently high quality.

Essential Readings

This memo relied on the following, which are recommended as essential reading:

Kowal, J.; Hassel, B.; Hassel, E. (2008). "Financial Incentives for Hard-To-Staff Positions: Cross-Sector Lessons for Public Education." Published by the Center for American Progress. Retrieved February 28, 2012 from http://www.americanprogress.org/issues/2008/11/pdf/hard_to_staff.pdf

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What You Need To Know About:
Differentiating School Roles and Responsibilities

The Bottom Line

Enabling educators to move into differentiated school roles and responsibilities helps **retain** excellent teachers and **leverage their skills**. Leverage may be accomplished through jobs that involve taking on more students or more challenging groups of students, through working with other teachers to improve teaching effectiveness, or through taking on a greater role in school or district decision-making. The concept of leverage suggests that expert teachers playing these roles often accomplish more for less, enabling increased investment in such roles. How much districts should invest in these roles—through a combination of extra compensation, release time, or other perks—should take into account the role's economic value as well as its impact on student achievement. Roles and responsibilities should align with the district's Instructional Theory of Action, and school designs (i.e., staffing plans and schedules) must be structured to incorporate and leverage these different roles.

Definition: School roles may take a variety of forms, but all capitalize on what Public Impact calls a "reach effect": the increased percentage of students that excellent teachers reach in the course of their work. Possible models include:[32]

1. **Excellent teachers taking on increased class sizes.**

2. **Excellent teachers specializing in high-priority subjects or instructional tasks that have the greatest impact on student learning.**

3. **Excellent teachers taking on the highest-priority students.**

> **School roles may take a variety of forms, but all capitalize on what Public Impact calls a "reach effect": the increased percentage of students that excellent teachers reach in the course of their work.**

4. **Time-technology swaps that rely on students' rotation between personalized digital learning and exposure to an excellent teacher.**

5. **Excellent teachers assuming instructional leadership roles that allow them to manage a team of other teachers.**

6. **Excellent teachers taking on the mentorship of novice teachers.**

7. **Excellent teachers taking on responsibilities that allow them to capitalize on specific content knowledge or expertise that may be non-instructional (e.g., curriculum development).**

8. **Excellent teachers taking on a greater role in school or district decision-making.**

A combination of the above models might be considered to achieve maximum leverage.

Current Conditions

- Districts across the country have implemented specialized roles for teachers to varying degrees in the form of mentors, department heads, and team leaders. The structure of compensation varies across districts. Often, though, these

opportunities have not been fully integrated into the district's overall career-path approach or strategies for delivering instruction and improving teaching effectiveness. Without integration, some of the challenges that arise include:

– **Lack of diversity of roles.** Contrary to the multiplicity of possibilities suggested above, in most districts, the only career path available to a teacher is the role of supporting other teachers.

– **Lack of authority and accountability.** Districts do not place teachers in positions where they are truly able to influence and be accountable for student learning.

– **Non-selectivity.** New roles are allocated based on self-nomination or seniority, rather than on teaching expertise and real competencies needed to be effective.

– **Lack of sustainability.** Not enough attention is given to how new roles can be economically sustained by reallocating resources as advancing teachers take on roles played by other teachers, specialists, or administrators.

- Examples of innovative initiatives that systematically rely on compensation to attract and retain excellent teachers in school roles, and that have strong evidence of student learning gains, include:

  – *Teach Plus T3 program* —This program is focused in schools where teams of highly effective teachers work together at priority schools and comprise at least one quarter of the total faculty. Over 50% of the team works with high-priority students at the school, such as those with special education needs. These teachers take on specialized roles to extend their reach in the school, receiving ongoing

training and expert coaching. Additional school-level factors, such as a successful and experienced principal and timely access to student data, help these teacher teams work effectively. Each T3 teacher's base salary is supplemented by an additional $6,000 per year in recognition of the additional time and responsibility the role requires, and they receive high recognition as well as professional development.[33]

> **Creating opportunities for higher-leverage roles could improve retention, as cross-sector workplace research shows a positive relationship between an employee's ability to advance within a career and personal motivation to improve the quality of his or her work.**

– *Teacher Advancement Program (TAP)* — Schools implementing TAP recruit mentor teachers (earning an additional $5,000 to $12,000) and master teachers (earning $10,000 to $12,000) who support teams of teachers throughout their schools. They take on additional responsibility and authority, work an extended school year, and are held to a higher performance standard.[34]

– *Rocketship Education* —This charter school network of seven schools in California has implemented a hybrid-learning model where students spend part of the day learning digitally in labs monitored by paraprofessionals. This frees up teachers' time to work with students exclusively as subject specialists in one-on-one or small-group settings. This

model capitalizes on teachers' focused areas of expertise and reaches more students with a smaller teaching staff. Rocketship consistently offers teachers above-market salaries, enhancing their ability to attract and retain effective teachers.[35]

What We Know

- Creating opportunities for higher-leverage roles could improve retention, as cross-sector workplace research shows a positive relationship between an employee's ability to advance within a career and personal motivation to improve the quality of his or her work.[36] What's more, the 2006 Towers Perrin Global Workforce Study found that career advancement opportunity is one of the top drivers that attract employees in 15 out of 16 countries surveyed.[37]

- Research shows that successful teacher teaming is directly linked to higher student achievement: "Students showed higher gains in math achievement when their teachers reported frequent conversations with their peers that centered on math, and when there was a feeling of trust or closeness among teachers…Even low-ability teachers can perform as well as teachers of average ability if they have strong social capital."[38]

- Teachers who take on roles of specialized expertise in a grade and/or subject may increase their effectiveness. Recent studies have found that elementary educators who teach both English and math are not equally effective in both subjects. If those teachers specialize in the stronger subject, they would substantially increase student achievement.[39]

- Teachers who act as effective coaches and managers of teacher teams have an important impact on student learning. Research shows that effective coaches facilitate professional collaboration and regularly inform school leaders on teacher and student progress; student outcomes improve through the course of their support to other teachers.[40] Quality classroom observation-based evaluation, made possible through coaching, has also been shown to help mid-career teachers improve their instructional practice and improve student learning gains.[41]

- Accountability is central to the successful implementation of school roles. These roles should be designed to ensure that teachers who fill them meet rigorous selection criteria specific to the role. While these selection criteria will often include performance level as a teacher, in most cases teachers will need additional skill sets, such as leadership competencies, to play the leveraged role. Missouri's Career Ladder Program, the longest standing career pathways program in the country, has taken teacher seniority and strictly observation-based evaluations into account in advancement decisions since 1987. Based on analyses of 10 years of student achievement data, a district's participation in the program has not resulted in meaningful increases in student achievement.[42] In contrast, the inclusion of student achievement data in a teacher's eligibility for Arizona's Career Ladder Program has resulted in significantly higher performance among participating schools.[43]

Cross-Sector Connections

- Career advancement in the military is rooted in specialized roles, which come with higher compensation. Base salary for a First Lieutenant, for example, is $38,500. Advancement to Captain, possible during one's third year, increases salary to $54,100.[44]

- Specialized career pathways in nursing involve applying specific skill sets and taking on additional responsibilities. For example, a Certified

Nurse Anesthetist may earn $156,032 and a Certified Nurse Midwife may earn $91,242—both significant increases over a registered nurse's average annual salary of $68,610.[45]

> **Effective school roles depend on the right person taking on additional responsibilities. Rigorous selection criteria should exist to ensure the best match between the teacher and the nature of the role.**

Implications for Design

- School roles that emphasize instructional leadership will assist schools in creating the working conditions needed to support teacher teams and novice teachers, and will further extend the influence of excellent educators.[46]

- Districts should design a variety of roles that enable teachers with diverse strengths and interests to contribute.

- Effective school roles depend on the right person taking on additional responsibilities. Rigorous selection criteria should exist to ensure the best match between the teacher and the nature of the role.

- The right amount of funding to direct toward specialized roles and responsibilities is difficult to determine because it may take several forms and vary from role to role. Teachers who take on these types of roles may be compensated with additional pay or through non-monetary means such as reduced class load.

- The total cost of all monetary and non-monetary rewards should be taken into account when determining the fiscal sustainability of the compensation structure. Ideally, new roles are designed in ways that generate enough savings

to pay for their costs (e.g., by reducing the number of instructional specialists needed across a district, redirecting dollars from fall-time administrative or coaching positins, or enabling teams to employ paraprofessionals).

- Accountability for improved student outcomes should guide decisions about whether teachers maintain their advanced standing and elevated pay and whether or not to continue funding a particular school role. Rather than removing excellent teachers from accountability for individual student outcomes, roles should be designed to increase their responsibilities in return for added authority, compensation, and non-monetary rewards.

- Roles and responsibilities may be structured in a way that distributes school leadership beyond the principal and the APs, and may allow for the principal to relinquish some responsibilities so as to focus more on others. This could lead to the district refining the strengths or characteristics that it looks for in a principal.

Essential Readings

This memo relied heavily on Public Impact's research on extending the reach of excellent educators:

Public Impact's Opportunity Culture: http://opportunityculture.org/reach

Examples of successful implementation of specialized school roles include the following:

Teach Plus' T3 program: http://www.teach-plus.org/page/t3-8.html

The Teacher Advancement Program: http://www.tapsystem.org/policyresearch/policyresearch.taf?page=outcomes

32 Public Impact. n.d. "Extending the Reach of Excellent Teachers to More Students: School Models." Retrieved February 24, 2012 from http://opportunityculture.org/reach

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Washington, D.C. Retrieved February 22, 2012 from http://www.policyarchive.org/handle/10207/bitstreams/20587.pdf

43 Dowling, J.; Murply, S.; Wang, B. (2007). "Evaluation Report: The Effects of the Career Ladder Program on Student Achievement." Presented to the Arizona Department of Education. Retrieved February 22, 2012 from http://www.ade.az.gov/asd/CareerLadder/SummaryofResearchontheCLprogram.pdf

44 Estimates were pulled from Today's Military: Compensation, n.d. Retrieved March 2, 2012 from http://www.todaysmilitary.com/military-benefits/military-compensation

45 All Nursing Schools: Your Guide to Nursing Education and Careers, n.d. "Nursing Salaries." Retrieved March 2, 2012 from http://www.allnursing-schools.com/nursing-careers/article/nursing-salaries

46 Public Impact. n.d. "Extending the Reach of Excellent Teachers to More Students: School Models." Retrieved February 24, 2012 from http://opportunityculture.org/reach

What You Need To Know About:
Bonus Pay

The Bottom Line

Traditional bonuses, used to financially reward teachers for students' improvements on standardized assessments, do not appear to change teachers' behaviors, instructional practices, or improve student outcomes. Instead, public recognition and appreciation of individual teacher success with students may be more effecient for motivating and retaining excellent teachers. Evidence suggests that focus should be on incorporating increased pay for consistently strong student outcomes into base pay, and one-time rewards should be small.

Definition: A bonus is a one-time additional payment that is not incorporated into a teacher's base salary. Its use is intended to motivate an individual, group and/or school to achieve a pre-defined goal that is either instructional (e.g., higher growth on end-of-year assessments) or non-instructional (e.g., higher attendance).

Current Conditions

Financial bonuses are more frequently being used as an incentive to teachers to increase student achievement. Bonus plans are used by both states and districts to reward individuals, teams, the entire school, or some combination of these. Current bonus plans rely primarily on student performance goals based on state assessments. Very often these bonuses are based on one-year changes in scores.

What We Know

- Limited formal evidence exists on how best to utilize performance bonuses in educator compensation.

- Research on motivation in the workplace indicates that jobs involving creativity and the exercise of judgment, such as teaching, require nuanced performance incentives.[47] Such jobs are not well suited to traditional "carrot and stick" approaches to motivation.

- Traditional bonuses often attempted to incentivize teachers without meaningful accompanying changes in evaluation and supervision, professional development, or base salary structure. Randomized, controlled studies on these scenarios show that eligibility for a bonus does not influence teacher behavior or student outcomes.[48]

- Even relatively large bonuses, such as those incorporated into the Metropolitan Nashville Public Schools' Project on Incentives in Teaching (POINT), had no demonstrable effect on student performance. This incentive system included three thresholds for bonuses based on students' value-added measures: a $5,000 bonus was available for meeting the 80th percentile, a $10,000 bonus for meeting the 85th percentile, and a $15,000 bonus for meeting the 95th percentile. Teachers perceived the thresholds as realistic, yet there was no evidence that teaching practice changed in response to the availability of these bonuses.[49]

- Denver's ProComp system makes one-time payments available to teachers who are successful across four general categories, including the attainment of specific knowledge or skills, positive performance evaluations, assignment in a hard-to-staff school or subject area, and individual or school-based student learning growth. Teachers whose students exceed expectations on the Colorado State Assessment Program are eligible for a 6.4% bonus, and bonuses are also available for high school–wide growth. Research on ProComp has not identified any specific links between eligibility for a bonus based on high student growth and improved student outcomes.[50]

> **To incentivize behaviors and reward performance, districts should consider comprehensive reward and recognition programs that combine financial with other kinds of rewards and recognition**

Cross-Sector Connections

- Examples of successful bonus incentives from the private sector typically involve production processes that are far more simplified than teaching, such as tree-planting and windshield-making.[51]

- There is no evidence of the military or the nursing profession using bonuses to achieve quantifiable, measurable outputs. Typically, "bonuses" in these fields come in the form of one-time signing or recruitment bonuses and less frequently in the form of retention pay. Financial incentives are also typically tied to performance-based salary and market incentives that aim to compensate for challenging working conditions.[52]

Implications for Design

- Since limited formal evidence exists on how to best use one-time bonuses in educator compensation, and some degree of experimentation will be required, school districts must rigorously evaluate programs for effectiveness and identify any unintended incentives. Plans should be designed to allow the flexibility to change with new learnings.

- Because the evidence is not conclusive and there is some disagreement over the reliability of certain performance measures, districts should be cautious in employing a bonus component as a large percentage of an individual's potential compensation.

- If the goal of a bonus plan is to incentivize specific behaviors among teachers, districts should include those behaviors as a component of teachers' performance evaluation, which is relied upon to determine increases in base salary.

- To incentivize specific behaviors and reward performance, districts should consider comprehensive reward and recognition programs that combine financial with other kinds of rewards and recognition.

Essential Readings

This memo relied on the following, which are recommended as essential reading:

Pink, D. (2009). "Drive: The Surprising Truth About What Motivates Us." Riverhead Books: New York.

Center for Educator Compensation Reform. "Does evidence suggest that teachers prefer one type of performance-based compensation system over another, such as group-based performance awards or individual performance awards?" Retrieved February 17, 2012 from http://cecr.ed.gov/researchSyntheses/Research%20Synthesis_Q_C14.pdf

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End Notes *Bonuses, Rewards and Recognition*

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Paarsch, H. and Shearer B. (2000). "Piece Rates, Fixed Wages, and Incentive Effects: Statistical Evidence from Payroll Records." *International Economic Review*, 41(1), pp. 59-92.

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Creating a Financially Sustainable Compensation System

The Bottom Line

Redesigning compensation structures to **attract, retain,** and **leverage** highly proficient teachers also creates a critical opportunity to stop the automatic escalation of spending embedded in current compensation structures. In this time of limited resources, creating affordable systems will require redistributing the 45%–55% of district operating budgets currently devoted to teacher compensation, freeing dollars from other uses and, in some cases, raising new revenues.

Current Conditions[53]

Most compensation structures misalign resources in three ways:

1. Overinvesting in course credits and longevity instead of contribution and results

The recent reform literature highlights the reliance on accumulating years of experience and course credits as the main way for teachers to increase their salary levels over time. Education Resource Strategies' analysis of 10 urban districts finds that a typical district awards more than 80% of a teacher's potential career salary increase for adding experience and education and only about 10% of the total possible increase for taking on extra responsibilities or demonstrating strong results. Research has shown weak links between student performance and experience after a teacher's first 3 to 5 years, and there is no evidence that additional course credits improve teaching practice, except for a slight impact in the case of high school math and science.[54]

After accounting for salary increases based on years of experience and course credits, it is not surprising that most districts do not have additional funds left over to reward teachers who perform at high levels or take on additional responsibilities. Of the total dollars a typical district spends on teacher compensation, about 40% pays for starting base salary, 25% for teacher longevity, 24% on benefits, 8% for education credits, and only 3% for responsibility and results.

2. Hiding total compensation levels

While districts routinely report average teacher salaries, they rarely include a complete picture that adjusts for **required hours worked** and accumulated benefits, including health, pension, and fringe. Requirements for teacher hours certainly do not represent actual hours devoted by most hard-working, conscientious teachers. They do, however, represent the hours available for instruction, team collaboration, professional development, and other important school activities. Identifying total hours covered under a district's budget, including both instructional and non-instructional time, becomes especially important as more districts attempt to extend student hours and time for teacher growth and collaboration.

Much of the national conversation on budget shortfalls has already focused on rising health-care and pension costs. Still, districts have an opportunity to look more carefully at whether the **benefits packages** they offer best align resources with improving teaching effectiveness. Teacher benefits have traditionally been

generous in comparison to private sector jobs, in part due to the perception that teachers have a lower salary scale than other professionals. But these investments may not be well spent if top-quality candidates do not value the benefits as highly as they value salary. A recent analysis of public school teachers in Illinois revealed that teachers preferred a $2 increase in current wages over a $10 increase in deferred compensation at retirement.[55]

> **Compensation systems should be flexible enough to respond to unexpected changes in available funding. This likely means that some portion of annual performance raises might depend on financial viability.**

Providing cafeteria-style benefits, tailored to each employee's needs, may be one way to better align resources.[56] Pension benefits that are also more generous than those in the private sector are more difficult for most districts to control, but must be part of the conversation about total compensation spending and, ultimately, part of the redistribution equation.[57]

Finally, **paid leave and absences** should also factor into overall compensation benefits and costs. District policies vary widely, as reported by the National Center for Teaching Quality in their TR3 database.[58]

3. Causing automatic escalation of spending

Several less widely understood phenomena consistently drive large investments in experience and education. Annual increases in salary are automatic, regardless of a teacher's impact or deliberate choices by school leaders. Payments for years of experience accumulate as teachers stay, and course credits leading to salary increase credits can be earned at the teacher's initiative. Once a teacher takes enough courses to move to the next lane, she keeps this increase for the rest of her career, regardless of whether her increased knowledge serves her students or is aligned with district priorities. In many districts, teachers receive negotiated cost of living increases on top of annual step increases for experience, creating a double increase.

Implications for Design

To avoid the challenges highlighted above, compensation systems should be:

Affordable in the short and long term, including the cost of administration. This may require districts to create a transition plan that builds to the vision by focusing on the highest-leverage areas, while freeing resources from the existing compensation structure and from other categories of spending.

Flexible enough to respond to unexpected changes in available funding. This likely means that some portion of annual performance raises might depend on financial viability.

Predictable within feasible ranges, so that performance-based pay-outs and bonuses do not exceed available resources.

Justifiable long-term so that permanent increases in compensation link to rigorously defined results and proficiency, and not to temporary assignments or activities.

Finding the Money

Finding the resources to create transformative compensation structures will require a combination of redistributing current compensation spending in different ways, freeing resources from other uses and, in some cases, finding new revenue sources. How much is derived from each source will depend on each district's specific context. The largest drivers of opportunity will likely include:

- Differences in distribution of seniority and how long and how much the district rewards extra years of service. For example, districts that have a relatively junior teaching force may find it easier to implement new structures, but they have less spending to reallocate to increased compensation over time than districts with a more senior work force.

- The ability to reallocate spending on benefits and pensions.

- The ability to leverage more effective and highly paid teachers through new delivery models. Simply framed, if schools and districts can find ways to deliver instruction with fewer teachers or through a more differentiated workforce where some are paid less for different roles, then they can afford to pay highly proficient teachers more.

- The opportunity to free resources from non-instructional spending by improving efficiency or rethinking delivery models.

End Notes *Creating a Financially Sustainable Compensation System*

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A Compensation Glossary

Base Salary

Pay received for a given work period for a particular set of responsibilities. It does not include additional pay for overtime, extra responsibilities, or bonuses for performance. Base salary generally increases over time for each employee based on performance and labor market dynamics.

Bonus

A bonus is a one-time additional payment that is not incorporated into a teacher's base salary. It is intended to motivate an individual, group, and/or school to achieve a predefined goal that is either instructional (e.g., higher growth on end-of-year assessments) or non-instructional (e.g., higher attendance).

Bonus Pool

The total amount of money available for bonuses is fixed, but the number of teachers eligible for bonuses is unlimited. This scenario limits individual competition and provides financial predictability; however the individual bonus amount will vary depending on the number of teachers qualifying for the reward.

Building-wide or School-wide Performance Awards

(See Group or Team Incentives)

Career Ladder or Pathways

(See School Roles and Responsibilities)

Competitive Wage

This type of wage or salary is set in relation to the opportunities that teachers or potential teachers could achieve outside of the teaching profession. It typically varies according to a teacher's content expertise (e.g., math or science).

Deferred Compensation

The proportion of a teacher's lifetime earnings deferred to his or her retirement.

Differentiated Pay or Differential Pay

Most often used to describe levels of compensation given to teachers based on performance, knowledge or skills, and challenge of position, including serving in hard-to-serve or hard-to-fill positions.

District Priority Incentives

A District Priority Incentive is a mechanism employed to attract high-performing teachers to more challenging positions that align with current district priorities. These incentives are intended to compensate teachers for more challenging working conditions or responsibilities. District Priority Incentives are generally not in the form of an increase to base salary but as a stipend or performance reward available while the teacher is serving in the specific role. District Priority Incentives are different than increases to base salary for in-demand skills and knowledge (e.g., math and science).

Family Wage

A wage that allows a teacher to support his or her family, taking into account local cost of living.

Fiscal Sustainability

Predictability in the amount of funding required to keep a district's compensation structure viable and the ability of the district to implement its compensation structure over time within projected revenues.

Fixed Performance Contract

A contract stipulating that teachers meeting a pre-defined threshold of success receive a predefined reward. This minimizes competition among teachers but leaves the total amount of money required to fulfill awards unpredictable.

Group or Team Incentives

Group or team incentives, often given as a bonus, are rewards given to individual employees who are members of a larger group that achieves a specific objective or goal. Groups typically consist of teachers in a specific department, grade level, or school.

Hard-to-Staff Schools

Schools that struggle to attract and retain excellent educators, typically because of difficult working conditions. They are often located in rural or urban areas and serve low-income student populations.

Hard-to-Staff or Shortage Subject Areas

Subject areas where the demand for teacher expertise is often higher than supply; typically math, science, and special education.

Knowledge and Skills Pay

Increased pay given to teachers who acquire new skills that improve their performance; also referred to as knowledge-based pay, competency-based pay, or skill-based pay.

Organizational Transformation

A process of introducing new organizational practices—such as human resource management (HRM) practices pertaining to hiring, pay, training, job design, evaluation, information sharing, job security, and teamwork—to improve school or district performance.

Pay for Performance

Includes base salary that provides differentials contingent on performance, including but not limited to increased student performance, observable teacher performance, or increased knowledge or skills.

Performance Categories or Bands

Categories that differentiate teachers based on performance and are linked to salary levels.

Raise Pool

A fixed funding amount available for all salary increases. While the number of teachers receiving a raise is not limited, the amount of individual pay provided to each teacher varies depending on the number of teachers who qualify for raises, as well as the distribution of teachers across performance categories or bands.

Rank Order Tournament Incentive Structure

An incentive structure wherein a limited number of teachers can earn a reward, and these teachers are knowingly competing against each other. The total amount of incentive pay is fixed, allowing for greater predictability.

Retention Pay

Significant one-time pay increases at specific points in a teacher's career, designed to retain higher performers.

School-based Performance Awards

See Group or Team Incentives

School Roles and Responsibilities

School roles may take a variety of forms, but all capitalize on what Public Impact calls a "reach effect": the increased percentage of students that excellent teachers reach in the course of their work.

Single Salary Schedule

A salary grid with *lanes* that reward advanced education and training and *steps* that reward years of experience. The single salary schedule does not differentiate salary among teachers in any other way, including performance, roles, and responsibilities.

Teacher Incentives or Incentive Pay

Another general term for providing teachers with additional compensation beyond the traditional single salary schedule. Incentive pay can be based on a variety of indicators and is often used as a tool to recruit teachers for particular schools or subject areas.

Information about the above terms was adapted from a variety of sources, including:

Center for Educator Compensation Reform: http://cecr.ed.gov/compensation/

Educator Compensation Institute: http://www.edcomp.org/OneColumn.aspx?id=312

Public Impact: http://opportunityculture.org/reach

REDESIGNING SCHOOLS

MODELS TO REACH EVERY STUDENT WITH EXCELLENT TEACHERS

MODEL SUMMARIES
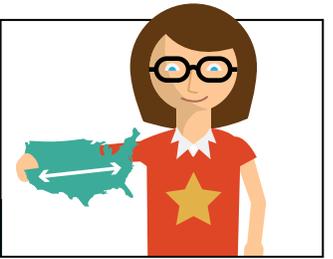
In the schoolhouse, nothing matters more to students' learning than their teachers. But only about one of every four U.S. classrooms has an "excellent teacher"—one who produces enough learning progress to close achievement gaps quickly and help all students leap ahead to higher-order learning.

What can schools do, now, to reach many more students with excellent teachers year after year *and* help all teachers improve and contribute to excellence? Schools can "extend the reach" of the top 25 percent of U.S. teachers to more students.

Here we provide brief descriptions of more than 20 school models that extend excellent teachers' reach by using **job redesign, technology, or both.** By making the right changes, schools can provide all teachers with **career advancement opportunities,** and promote collaboration, development, and excellence for every professional.

Detailed models, including job descriptions and tools for selection and evaluation, are available online at http://opportunityculture.org/reach/school-models/.

We have five Reach Extension Principles for these school models, whether they are used for whole schools or single courses:

1. **Reach more children successfully** with excellent teachers.
2. **Pay excellent teachers more** for reaching more children successfully.
3. **Achieve permanent financial sustainability,** keeping post-transition costs within the budgets available from regular per-pupil funding sources.
4. **Include roles for other educators** that enable solid performers both to learn from excellent peers and to contribute to excellent outcomes for children.
5. **Identify the adult who is accountable for each student's outcomes,** and clarify what people, technology, and other resources (s)he is empowered to choose and manage.

The models are organized around two key dimensions:

1. **Where is the teacher?** Teachers can work in person, teaching in a school and/or leading other teachers. Or they may be remotely located, with on-site monitors' help.
2. **How is the teacher's reach extended to more students? Through:**
   - **Class-Size Changes,** with larger classes (within reason, by choice);
   - **Specialization** in the most crucial subjects and most difficult teaching roles;
   - **Time-Technology Swaps** that have students use digital instruction for some of their learning time—enough time that excellent teachers can teach more students;
   - **Multi-Classroom Leadership,** by leading other teachers,

and co-teaching with them, with authority to select, assign roles, develop, and evaluate the team;
   - **Combination** models to make the best use of excellent teachers' time.

Changing schools this way sets up a **virtuous cycle** of career advancement opportunities for teachers, excellent outcomes for students, and financially sustainable excellence for schools.

THE REACH EXTENSION PRINCIPLES

1. **Reach more children successfully** with excellent teachers.
2. **Pay excellent teachers more** for reaching more children successfully.
3. **Achieve permanent financial sustainability,** keeping post-transition costs within the budgets available from regular per-pupil funding sources.
4. **Include roles for other educators** that enable solid performers both to learn from excellent peers and to contribute to excellent outcomes for children.
5. **Identify the adult who is accountable for each student's outcomes,** and clarify what people, technology, and other resources (s)he is empowered to choose and manage.

MODEL OVERVIEW: HOW DO EXCELLENT TEACHERS REACH MORE STUDENTS?

Where is the Excellent Teacher?	**In-Person** *The teacher accountable for learning is in the school, teaching face to face, and may lead others.*	**Remote** *The teacher accountable for learning uses technology to teach and connect with students, and may lead others. An in-person monitor is required.*
CLASS-SIZE CHANGES		
Excellent teachers teach larger classes, within limits and by choice.	**Class-Size Increases | Class-Size Shifting**	**Class-Size Increases | Class-Size Shifting**
SPECIALIZATION		
Excellent teachers specialize in high-priority subjects and roles.	**Subject Specialization | Role Specialization**	**Subject Specialization | Role Specialization**
MULTI-CLASSROOM LEADERSHIP		
School-based or remote instructional teams report to an excellent teacher.	**Multi-Classroom Leadership** (In-Person Pods)	**Multi-Teacher Leadership** (Remote Pods)
TIME-TECHNOLOGY SWAPS		
Digital instruction replaces enough top-teacher time that they can teach more students. Students have digital instruction for 25% or more of learning time.	**In-Person Swaps** **Rotation*** Alternating digital instruction and in-person teacher on a fixed schedule **Flex*** Digital, small-group, and large-group learning time individualized	**Remote Swaps** **Rotation*** Alternating digital instruction and remote teacher on a fixed schedule **Flex*** Digital, small-group, and large-group learning time individualized

LIKELY COMBINATIONS

✻ Any of the models combined with **Homework Flipping, Specialization** or **Multi-Classroom Leadership**

✻ Schools committed to reaching every student in every valued subject with the excellent teachers will use **Multi-Combinations**

Note: Shaded items may require new technology. Students are in school buildings in all models in this table.

*The terms Rotation and Flex are widely used to describe "blended learning" models. See **Innosight Institute's** *The Rise of K-12 Blended Learning.*

WHEN LEARNING IS OUTSIDE THE SCHOOL: COMMUNITY-BASED ORGANIZATIONS AND HOME

In the table above, all of the models assume that students are physically located in schools. But in other cases, students may be located elsewhere. Community-based organizations may host dropout recovery and other programs. And more students every year are learning at home. These students need excellent teachers in charge of their learning, too. So, on pages 8 and 9 we also include brief descriptions of **four models** for combining excellent remote teachers, digital instruction, and parents or community organization staff members as monitors.

MODEL DESCRIPTIONS

We have included with most model descriptions an **estimate of the additional percentage of students that excellent teachers may reach** within our five principles, expressed as a "Reach Effect." For

example, if a calculus teacher reaches double the number of students by having students learn online during class time every other day while she works with another group of students on personalized and enriched learning, the Reach Effect is 100%. If an elementary teacher agrees to take 30 students in a class, rather than the U.S. average of 24, then the Reach Effect is 25%, or ((30 − 24) ÷ 24).

Estimates of how many more students can be reached effectively are based on analysis of teacher time data from the National Center for Education Statistics, consideration of planning time required, feasible student loads, and class sizes in educationally high-performing nations.

These estimates are to provide ranges, and they do not apply equally to all teachers or schools. School design teams will need to make choices about the group, class, and total student load sizes to fit the teachers and students involved.

CLASS-SIZE CHANGES

Excellent teachers choose to teach larger classes, within limits appropriate for each teacher, the students, and each school.

Educationally high-performing nations' class sizes vary from averages of about 19 to 35 students. OECD-reporting nations with graduation rates over 90% have average class sizes of 27 students. Current U.S. classrooms average 24 students. In these models, we limit class sizes to 35. Many schools would choose different limits, depending on the teachers and students involved.
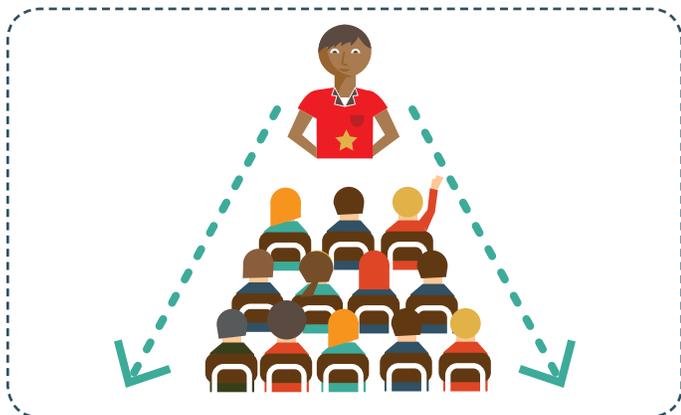
IN-PERSON MODELS:

✻ **Class-Size Increases.** Schools increase the size of all classes for which willing, excellent in-person teachers are available, without reducing other class sizes. Over time, or immediately in new schools, one out of every four or more classes is eliminated, through attrition or other means, and pay is increased for remaining teachers. In some schools, accepting more students may allow immediate pay raises for excellent teachers with larger classes, funded through existing per-pupil funds. Reach Effect: approximately 10%–40% more students reached with excellent teachers.

✻ **Class-Size Shifting.** In selected subjects and classrooms, students shift into classes of teachers who have consistently achieved excellent outcomes. These teachers agree to increase their class sizes in exchange for higher pay. Students shift from solid teachers and novice teachers, who have not yet demonstrated consistent excellence. These teachers earn less but have proportionally smaller classes in which they may produce better student outcomes and continue to develop. Some teachers might *choose* smaller classes for lower pay. The extended reach of excellent teachers and smaller classes for some other teachers will lessen the need for non-classroom instructional specialists, freeing funds to pay excellent teachers more. Class sizes stay within limits indicated by educationally high-performing nations. Reach Effect: approximately 10%–40% more students reached with excellent teachers.

REMOTE MODELS:

✻ **Remote Class-Size Increases.** In schools without enough excellent teachers working in person, excellent remote teachers teach students in larger-than-usual group sizes (staying within reasonable class-size limits), and schools pay these excellent teachers more. Students may be co-located (e.g., interacting as a group with a live teacher on large screen with two-way cameras) or not (e.g., interacting from multiple schools with a live teacher using webcams or online whiteboards). In-person monitors are required. Reach Effect: approximately 10%–40% more students reached with excellent teachers.

✻ **Remote Class-Size Shifting.** In schools without enough excellent teachers working in person, students shift from other teachers' classrooms into classes of willing excellent teachers who are teaching remotely (staying within reasonable class-size limits), and schools pay these excellent teachers more. Other teachers, whether teaching on site or remotely, have proportionally smaller classes and, as new people enter under new employment arrangements, lower pay. This model can be used to induct newer in-person or remote teachers with smaller classes, or simply to maximize the number of students benefiting from available, excellent remote teachers. In-person monitors are required. Reach Effect: approximately 10%–40% more students reached with excellent teachers.

SPECIALIZATION

Excellent teachers specialize in high-priority subjects and the most crucial, challenging roles, focusing on the subjects and instructional roles in which each excels.

IN-PERSON MODELS:

✻ **Subject Specialization (Elementary).** The best teachers teach one or two priority subjects, leaving other subjects and many noninstructional tasks to teammates. A likely combination would be subject pairs: 1) math/science and 2) language arts/ social studies. A third set of adults—learning coaches, teaching assistants, or other designated adults—supervise students during homeroom, other unstructured time, and transitions, and they cover most administrative work and other noninstructional tasks. All collaborate as a team to ensure student learning and development. For example, elementary teachers now spend about 8 of their nearly 32 instructional hours weekly on math and science combined. An excellent teacher could teach three times the current student load and retain up to 8 school-day planning hours weekly. A second set of teachers could teach language arts and social studies, on which teachers now spend about 14 hours weekly, retaining up to 4 planning hours weekly. Higher pay for excellent teachers can be funded by lower pay
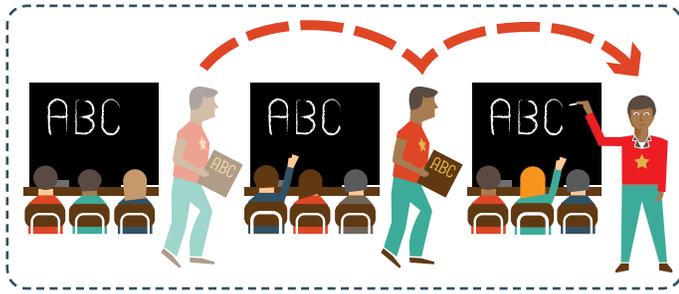
for the learning coaches/assistants and the elimination of some non-classroom instructional specialist positions. Reach Effect: approximately 100%–300% more students reached with excellent teachers. Note: Subjects for specialization will vary based on school priorities and available teachers; the math/science and language arts/social studies pairs are just one example.

✱ **Role Specialization.** Role specialization can take several forms. The goal is to focus excellent teachers' time on the instructional roles that are most challenging and critical for student success, and on high-value noninstructional work related to student outcomes. In addition, focusing excellent teachers' time on the instructional roles in which each excels may magnify their effectiveness. All of these role changes require that other staff members or technological tools perform the instructional and noninstructional roles that excellent teachers no longer play. If enough excellent teacher time is saved, then these teachers can teach more students. Role specialization is already incorporated into other reach models, including Multi-Classroom Leadership, Time-Technology Swaps, and Subject Specialization. In these models, different teacher and paraprofessional team members play differing roles—not just teaching different subjects—to produce the best outcomes for the most students. Reach Effects: will vary widely. Examples include:

- Excellent teachers use their time exclusively for academic instruction and planning. This is enabled by having other team members cover noninstructional duties that do not affect student learning, and by using time-saving technology.
- Excellent teachers focus on the most critical, challenging instructional roles in which each excels. Other team members perform remaining instructional duties. Instructional roles include (among others): planning instruction, lecturing, motivating, monitoring student progress, reviewing student work, providing feedback, diagnosing next-step student needs, monitoring students' independent work, leading individual and small-group instruction, grading, providing instructional administrative work, addressing social/emotional/ behavioral learning barriers, and communicating with parents.

REMOTE MODELS:

✱ **Remote Subject Specialization.** Remotely located excellent teachers teach priority subjects, leaving other subjects and many noninstructional tasks to other teachers and staff. On-site monitors selected for their classroom management and social/emotional development skills manage student time and behavior, supervise recess and lunch, and perform all in-person supervisory and administrative duties; they may provide academic support, and they provide vital information about students' social, emotional, and behavioral concerns to the remote teachers.

- **Elementary.** A likely approach would be having the best remote teachers teach one of two core subject pairs: math/science or language arts/social studies. For example, excellent remote math teachers relieved of on-site duties could teach four times the current student load within standard work hours, using all noninstructional time for the planning and follow-up that are essential to instruction.
- **Secondary.** Excellent single-course remote teachers may teach students in multiple locations, using a combination of synchronous instruction (e.g., using webcams, online whiteboards) and asynchronous, personalized communications (e.g., email for feedback on student work, answering students' questions).

Higher pay for the excellent remote teachers is funded by lower pay for the on-site paraprofessional monitors and the elimination of some non-classroom instructional specialist positions in subjects taught by the excellent remote teachers. Reach Effect: approximately 100%–400% more students reached with excellent teachers. Note: Subjects for specialization will vary based on school priorities and available teachers; the math/science and language arts/social studies pairs are just one example.

✱ **Remote Role Specialization.** Remote role specialization is the same as in-person, except that the excellent remote teachers collaborate with in-person staff (or other remote instructors). An in-person adult is responsible for all activities unrelated to instruction and for monitoring student time and behavior.

Role specialization can take several forms, and the goal is to focus excellent teachers' time on the instructional roles that are most challenging and critical for success, and on high-value noninstructional work related to student outcomes. In addition, focusing excellent teachers' time on the instructional roles in which each excels may magnify their effectiveness. All of these role changes require that other staff members or technological tools perform the instructional and noninstructional roles that excellent teachers no longer play. If enough excellent teacher time is saved, then these teachers can teach more students.

Role specialization is already incorporated into other reach models (with both in-person and remotely located teachers), including Multi-Classroom Leadership, Time-Technology Swaps, and Subject Specialization. In these models, different teacher and paraprofessional team members play differing roles—not just teaching different subjects—to produce the best outcomes for the most students. Reach Effects: will vary widely. Examples include:

- Excellent teachers use their time exclusively for academic instruction and planning. This is enabled by having other team members cover noninstructional duties that do not affect student learning, and by using time-saving technology.
- Excellent teachers focus on the most critical, challenging instructional roles in which each excels. Other team members perform remaining instructional duties. Instructional roles include (among others): planning instruction, lecturing, motivating, monitoring student progress, reviewing student work, providing feedback, diagnosing next-step student needs, monitoring students' independent work, leading individual and small-group instruction, grading, providing instructional administrative work, addressing social/emotional/behavioral learning barriers, and communicating with parents.

MULTI-CLASSROOM LEADERSHIP

School-based or remotely located instructional teams report to excellent teachers with leadership skills. The teacher-leaders are fully accountable for multiple classrooms, and they both teach and lead other team members, who use the leader's methods and tools in varying roles the leader assigns.

IN-PERSON MODELS:

✱ **Multi-Classroom Leadership (Pods).** Excellent teachers with leadership competencies lead teams of other teachers to meet the leaders' standards of excellence. Teachers, including the

teacher-leader, play instructional roles assigned by the leader and use the leader's methods and tools. The teacher-leader chooses, evaluates, and develops team members, establishing each person's roles and goals at least annually. The leader facilitates team collaboration and planning. (S)he, with the principal, dismisses team members when necessary. The leader earns more than the others—funded by the reduction of non-classroom specialists, lower pay for others with narrower instructional roles and fewer work hours, and in some cases a reduction of team size. The leader is accountable for team success and all students' learning. Reach Effect: approximately 100%–400% more students reached by excellent teachers in charge; more with larger spans.

REMOTE MODELS:

✱ **Multi-Teacher Leadership (Remote Pods).** Excellent teachers with leadership competencies lead teams of other teachers to meet the leaders' standards of excellence. Team members may be co-located or remote. In-person and remote teachers (using webcams or similar tools), including the teacher-leader, play instructional roles assigned by the leader and use the leader's methods and tools. The teacher-leader chooses, evaluates, and develops team members, establishing each person's roles and goals at least annually. The leader facilitates team collaboration and planning. A remote teacher-leader may direct multiple teams at different sites. The leader earns more than the others—funded by the reduction of non-classroom specialists, lower pay for others with narrower instructional roles and fewer work hours, and in some cases a reduction of team size. The leader is accountable for team success and all students' learning. Reach Effect: up to approximately 400% more students reached with excellent teachers in charge.
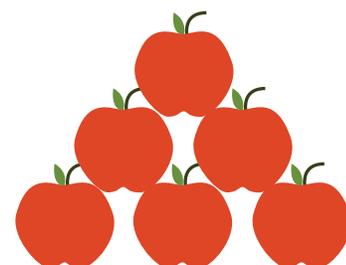
TIME-TECHNOLOGY SWAPS

Digital instruction replaces enough excellent in-person or remotely located teacher time that these teachers can teach more students. Students are likely to use digital instruction for 25% or more of learning time. The swap may be on a fixed schedule (Rotation) or a flexible one (Flex) determined by students' changing needs:

- *Rotation: Alternating digital and live-teacher learning time (with teacher in-person or remote) on a fixed schedule. Digital learning time is likely to be 25%–50% of in-school learning time.*
- *Flex: Digital, small-group, and large-group learning time individualized for each student and frequently changing. Digital learning time may be 50% or more of in-school learning time.*

IN-PERSON TIME-TECHNOLOGY SWAPS:

✱ **Rotation:** Students spend approximately 25%–50% of their in-school time engaged in personalized digital learning, replacing a portion of excellent, in-person teachers' whole-group and lecture instruction chosen by the teachers. Students rotate on a fixed schedule between digital instruction and face-to-face learning with the teacher. To extend their reach, excellent teachers use freed time to teach additional classes, focusing primarily on personalized and enriched portions of instruction. During digital learning time, lab monitors supervise students, and tutors may work with students individually and in small groups. Teachers, monitors, and others collaborate as a team. Reach Effects: Excellent elementary teachers reach approximately 25%–100% more students, varying with the percentage of digital instruction time. Excellent secondary teachers reach up to 100% more students. Secondary teachers may extend their reach in any number of class periods, ranging from just one class to all of their classes, with limits based on the feasible student load and the percentage of students' digital time.

✱ **Flex:** Most students spend half or more of their in-school time
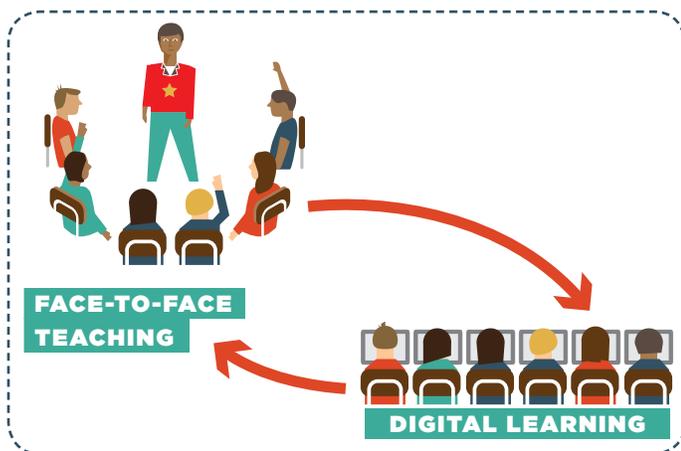
FACE-TO-FACE TEACHING

DIGITAL LEARNING

engaged with digital learning, replacing a portion of excellent, in-person teachers' whole-group and other instruction chosen by the teacher. Excellent teachers pull out students in frequently changing, flexible groupings for project-based learning, seminars, small-group instruction, and tutoring. The amount and type of face-to-face instruction varies by day and student. Teachers differentiate pull-out instruction based on individual student needs, which they assess through reviewing both student work and data generated from digital assessments. Teachers may be assisted by tutors and paraprofessional lab monitors. Teachers collaborate with other teachers, tutors, and paraprofessional teammates across classes, subjects, and grades. This model may be most useful at the secondary level, when more students are self-directed, and more screen time is developmentally appropriate. Reach Effect: approximately 50%–100% more students reached per excellent teacher; far more if combined with subject specialization at the elementary level. Models with lower reach effects may reserve extra planning time for teachers who increase their student loads.

REMOTE TIME-TECHNOLOGY SWAPS:

✱ **Remote Rotation:** When not enough excellent teachers are available in person for a school or specific subjects, excellent, remotely located teachers interact directly with students, though not in person, and are fully responsible for student learning in designated subjects. Students alternate between learning with the remotely located teachers and digital learning on a prescribed schedule. Students spend about 25%–50% of their instructional time learning through personalized digital instruction, enabling fewer, more-effective remote teachers to reach a greater number of students with personalized and enriched portions of their instruction. Excellent teachers design their live lessons based on student needs determined in part by using data generated from digital assessments. Remote teachers may teach students located down the hall or across the na-

tion. On-site monitors manage student time and behavior, supervise recess and lunch, and perform all in-person supervisory and administrative duties; they may provide academic support, and they provide vital information about students' social, emotional, and behavioral concerns to the remote teachers. Schools can use these models for single courses, subjects, grades, or whole schools. Specific uses may differ in elementary and secondary schools. Reach Effect: approximately 33%–500% more students per excellent teacher, and teachers can teach students in any location.

✳ **Remote Flex:** When not enough excellent teachers are available in person for a school or specific subjects, excellent, remotely located teachers interact directly with students, though not in person, and are fully responsible for student learning in designated subjects. Students alternate between learning with the remotely located teachers and digital learning on a varying schedule according to the needs of each student, who may be in one school or various schools. Most students spend 50% or more of their instructional time learning through personalized digital instruction, enabling fewer, more-effective remote teachers to reach a greater number of students with personalized and enriched portions of their instruction. Teachers also vary student groupings for teacher-led instruction—such as seminars, whole-group, small-group, or individual instruction, and project facilitation—based on individual student needs determined in part by using data generated from digital assessments. Remotely located teachers are accountable for learning outcomes in designated subjects. Remote teachers are assisted by on-site monitors who manage student time and behavior and perform all in-person supervisory and administrative duties; they may provide academic support, and they provide vital information about students' social, emotional, and behavioral concerns to the remote teachers. Reach Effect: approximately 50%–200% increase, if digital learning time is limited to two-thirds of student time.

LIKELY COMBINATIONS

Likely combinations include:

✳ Any of the models combined with **Homework Flipping**
✳ Any other models combined with **Specialization or Multi-Class Leadership**
✳ Schools committed to reaching every student in every valued subject with excellent teachers will use **Multi-Combinations**

ADDITIONAL TERMS:

✳ **Homework Flipping:** Knowledge and skill-focused digital instruction is given as homework. Data reports inform teachers about students' at-home learning. At school, teachers may then
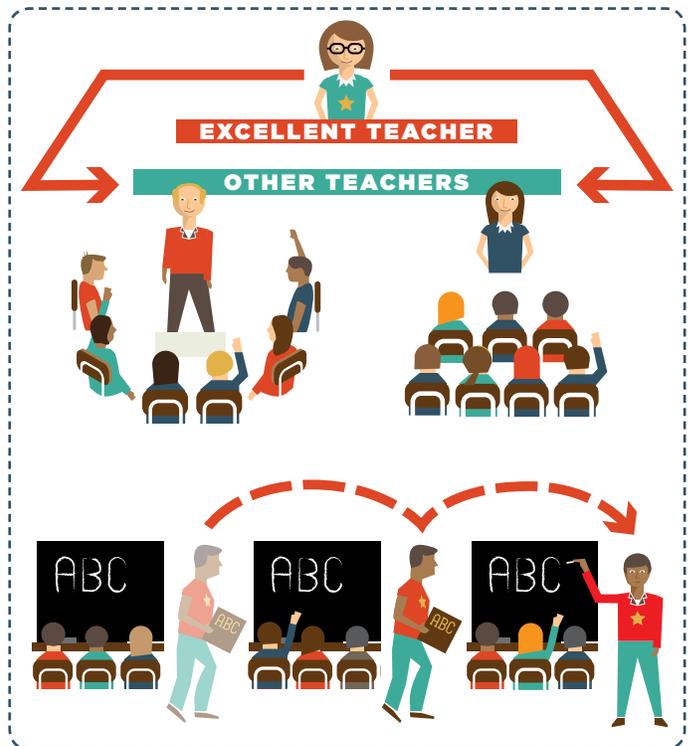
focus more time on personalized, enriched portions of instruction. Note: Flipping models today are not necessarily used to help already-excellent teachers reach more students, as described here.

✳ **Multi-Combinations:** Multi-Combination reach models use multiple models (Class-Size Changes, Specialization, Time-Technology Swaps, and Multi-Classroom Leadership) and modes (in-person, remote, and digital) to extend the reach of excellent teachers to larger numbers of students. Multi-Combinations are best for schools with severe shortages of excellent in-person teachers and/or a high commitment to reaching every student with excellent teachers in every grade and subject by any means possible.

EXAMPLES:

✳ **Flipping + Time-Technology Swaps.** Excellent teachers assign digital instruction on basic knowledge and skills as homework. At school, students spend 25% or more of their day on digital instruction, projects, and tutoring with paraprofessionals. As a result, the time excellent teachers spend with students can be focused largely on personalized, enriched in-person instruction on a fixed, rotating schedule (Rotation) or frequently changing, flexible groupings (Flex). Reach Effects: approximately 33%–200% more students reached by excellent in-person teachers (up to 400% more, with subject specialization). Note: Flipping models today are not necessarily used to help already-excellent teachers reach more students, as described here.

* **Specialization + Time-Technology Swaps.** Combining Subject Specialization with Rotation or Flex models, excellent teachers focusing on subject specialties (math/science; language arts/ social studies) teach students on a fixed, rotating schedule (Rotation) or frequently changing, flexible groupings (Flex). Students spend 25% or more of in-school time engaged in a combination of digital learning, project-based learning, and tutoring with paraprofessionals. Reach Effects: approximately 100%–400% more students reached by excellent teachers.

* **Remote Specialization + Time-Technology Swaps.** Excellent remote teachers focusing on subject specialties (math/science; language arts/social studies) teach students on a fixed, rotating schedule (Rotation) or frequently changing, flexible groupings (Flex). The teachers teach live, using large-screen video, computer screen webcams, or online whiteboards, and may have personalized follow-up with students via email or other means. Students may be in one school location or many. Students also spend 25% or more of their in-school time engaged in a combination of digital learning, project-based learning, and tutoring with on-site paraprofessionals. On-site staff members also manage student time and behavior, supervise recess and lunch, and perform all in-person supervisory and administrative duties. They also provide vital information about students' social, emotional, and behavioral concerns to the remote teachers. Reach Effects: Combining remote specialization with time-technology swaps lets excellent teachers reach approximately 100%–500% more students.

* **Multi-Classroom Leadership ("Pods") + Time-Technology Swaps.** Using either a Rotation or Flex model, one excellent teacher-leader who has leadership competencies leads a team of multiple classroom teachers and paraprofessionals. Digital instruction (supervised by a monitor) replaces a portion of in-person teachers' instructional time, such as whole-group instruction and lectures, to enable fewer, more effective in-person teachers to reach a greater number of students with the personalized and enriched portions of their instruction. This model enables paying the teacher-leader more, and/or saving more money, and/or reserving more time for collaborative planning or extended learning time than a multi-class leadership model alone, because the wages of digital lab monitors are less than that of most other instructional staff. Reach Effect: Up to approximately 400% more students reached per excellent teacher.

* **Remote Flipping + Time-Technology Swaps.** Remote excellent teachers assign digital instruction on basic knowledge and skills as homework. At school, students spend 25% or more of their day on digital instruction, projects, and tutoring with para-professionals. As a result, the time remote excellent teachers spend with students can be focused largely on personalized, enriched instruction on a fixed, rotating schedule (Rotation) or frequently changing, flexible groupings (Flex). The teachers teach live, using large-screen video, computer screen webcams, or online whiteboards, and may have personalized follow-up with students via email or other means. On-site paraprofessionals monitor remote and digital instruction. They manage student time and behavior, supervise recess and lunch, and perform all in-person supervisory and administrative duties. They also provide vital information about students' social, emotional, and behavioral concerns to the remote teachers. Reach Effects: approximately 33%–300% more students reached by excellent teachers remotely (up to 500% more, with subject specialization). Note: Flipping models today are not necessarily used to help already-excellent teachers reach more students, as described here.

* **Multi-Combination Example:** Excellent teachers with leadership competencies lead teams of subject and role specialists, replace a portion of teaching time with digital instruction, and provide excellent remote teachers in subjects for which an excellent in-person teacher is unavailable, while also using time-saving technology tools for grouping students, grading, and the like. Reach Effect: Potentially coverage of all students by excellent teachers in all chosen subjects—approximately a 400% increase in reach, or more in some grade levels and subjects.

COMMUNITY-BASED ORGANIZATION (CBO)-MONITORED AND PARENT-MONITORED

CBO-MONITORED

Students spend the school day at the facility of a community-based organization, receiving instruction from remote, excellent teachers.

* **CBO-Monitored Remote.** Students receive instruction from excellent remote teachers on a schedule determined and monitored by staff at a community-based organization. Remote teachers teach at scheduled times, using webcams, online whiteboards, or similar technology. They may teach students in one or multiple locations simultaneously, and they may assign, review, and discuss work with individuals or groups of students, synchronously or asynchronously (e.g., via email). The remote teachers are the adults accountable for learning outcomes in each subject they teach. On-site CBO monitors manage student time and behavior, supervise recess and lunch, and perform all

in-person supervisory and administrative duties; they may provide academic support, and they share vital information about students' social, emotional, and behavioral concerns with the accountable, remote teachers. Informal educators who are nonetheless experts may provide instruction in some subjects best taught on-site, such as art and music. The CBO as an organization is accountable for overall learning outcomes, just as a school would be, and thus bears responsibility for choosing excellent remote teachers.

✱ **CBO-Monitored Remote + Digital Instruction.** Students receive instruction from excellent remote teachers on a schedule determined and monitored by staff at a community-based organization. The remote teachers teach at scheduled times, using webcams, online whiteboards, or similar technology. They may teach students in one or multiple locations simultaneously, and they may assign, review, and discuss work with individuals or groups of students, synchronously or asynchronously (e.g., via email). In addition, digital instruction replaces a substantial portion (at least 25%) of instructional time, such as basic knowledge and skill instruction, enabling fewer, better remote teachers to reach more students with personalized and enriched portions of their instruction. The remote teachers are the adults accountable for learning outcomes in each subject they teach. On-site CBO monitors manage student time and behavior, supervise recess and lunch, and perform all in-person supervisory and administrative duties; they may provide academic support, and they share vital information about students' social, emotional, and behavioral concerns with the accountable, remote teachers. Informal educators who are nonetheless experts may provide instruction in some subjects best taught on-site, such as art and music. Reach Effect: 33%–500% more students per excellent teacher; teachers can teach students in any location, while students may spend their days in environments suitable to their individual needs.

✱ **Parent-Monitored Remote.** Students receive instruction from excellent, remote teachers on a schedule determined and monitored by a parent, using webcams, online whiteboards, or similar technology. Teachers teach at times as scheduled to one or many students in multiple locations simultaneously, or they asynchronously assign, review, and discuss work with individuals or groups of students. Parents are the adults accountable for choosing and changing remote (and complementary digital) instruction to meet their children's needs. Parents are also responsible for other aspects of each child's development and time-management. Remote teachers are able to teach more students than in a site-based position, because they do not have as many administrative duties and can teach outside of typical school hours. Teachers can reach students living anywhere.

✱ **Parent-Monitored Remote + Digital Instruction.** Students use digital instruction on a schedule determined and monitored by an excellent, remotely located teacher, who schedules in cooperation with the parent. The remote teachers are the adults accountable for choosing and changing digital instruction in each assigned subject to meet their students' needs. Parents are responsible for managing behavior, time-management, and other aspects of each child's development. The remote teachers are able to teach more students because of the time freed when students are using digital instruction and their reduced administrative duties because they are not on site.

Note: Parent-monitored models fit Public Impact's reach extension guidelines only loosely, because parents are not part of an employed team that can be held accountable to remote teachers or an organization that is accountable for learning outcomes. We include these models here because of the growing use of digital learning in homeschooling, to elevate the potential of pairing excellent, remotely located teachers with parents as monitors.

BUILDING AN OPPORTUNITY CULTURE FOR AMERICA'S TEACHERS

PUBLIC IMPACT

5D Design Tool Questionnaire

The 5D Design Tool Questionnaire supports district leaders and key stakeholders in the design and implementation of a strategic compensation model that best aligns with the districts' direction and focus. This questionnaire includes critical questions for administrators to consider as they navigate the 5-step process of creating a district-wide model as part of a comprehensive educational-improvement strategy.

1 **Developing** a Compensation Strategy

2 **Designing** a Compensation Plan

3 **Determining** Compensation Measures

4 **Defining** Forms of Compensation

5 **Delivering** the Compensation Model

1. Organizational Strategy and Goals

What are your district's current goals?

2. Model Objectives

What challenges are you trying to address in your district (e.g., low test scores, absenteeism)?

What goals do you wish to achieve with your strategic compensation model (e.g., teacher attendance, improved student test scores)? How do these align with your district's current goals?

Market Competitiveness

Are you exploring the outside job market and referencing market data to influence your strategic compensation model?

Attraction/Retention

Will your strategic compensation model attract or retain individuals—or both?

3. Design Method

Who will design your strategic compensation model: district leaders or a collaborative team of stakeholders?

Team Framework

If using a collaborative design team, who will you involve (politically, technically)?

Does your design team have the authority to make final decisions, or are they making recommendations to another group?

How frequently will your design team meet?

4. Communication

How will information pertaining to the strategic compensation model design be disseminated to stakeholders?

Open/Closed Communication

Will meetings on the design of your model be open to stakeholders or only for the group designing the model?

Will the channels of communication be open or closed? Will staff not included in the meetings be welcome to ask questions?

5. Sustainability

How will your district ensure model sustainability?

6. Model Improvement

Will you revisit your model annually to analyze and potentially revise it?

If so, which group/individual will be responsible for making model revisions?

1. Models: Centralized/Decentralized

Will you design one model for all participants, separate models for each group involved (principals, teachers, central office staff, etc.) or a model for each participating school?

2. Bonus/Blended Pay System

Will your design provide incentives and/or rewards strictly as bonuses, or will it also involve changing base pay (in addition to providing bonuses)?

If you plan to implement a blended system that involves adjusting base pay, how do you plan to manipulate it (e.g., add increases based on evaluation to current base pay amount, adjust base pay to a predetermined amount)?

3. Participation

Who will be included in the strategic compensation system (e.g., teachers [core and non-core], instructional support staff, operational support staff, principals, central office personnel)?

Will only full-time staff be included, or will part-time staff also be eligible?

Can staff "opt-out" of the program?

Will you run a program pilot? If so, who is included in the pilot?

4. Eligibility

Will there be employment date requirements? If so, what are they?

Will there be attendance requirements? If so, what are they?

Must staff be in "good standing" or classified in another fashion? If so, what are the details?

5. Legal/Compliance

Are there any state laws pertaining to pay that affect the individuals involved? How will you inform the group about these?

Are there any union/association bargaining rules that affect the individuals involved? How will you inform the group about these?

1. Seniority/Years of Service

Do you currently compensate individuals for seniority and/or years of service? If so, who do you compensate in this manner?

Do you plan to continue this compensation practice? If so, how?

2. Education

Do you currently compensate individuals for their level of education (Bachelor's, Master's, Doctorate, etc.)?

Do you plan to continue this compensation practice? If so, how?

3. Skills/Duties

Do you currently compensate individuals for specific skills or duties? If so, what skills or duties do you reward?

Do you plan to continue this compensation practice? If so, how?

If you do not compensate individuals based on skills or duties, do you wish to? For which skills or duties do you wish to provide compensation?

Are the skills and duties you identified important to the organization strategically? Do they align with its goals?

4. Objective/Goal-Based

Do you currently compensate individuals for completing specific goals or objectives set by the district? If so, who receives compensation in this manner?

Do you plan to continue this compensation practice? If so, how?

Do you currently compensate individuals for completing specific goals or objectives they set themselves?

Do you plan to continue this compensation practice? If so, how?

5. Task Completion

Do you currently compensate individuals for completing tasks (e.g., professional development workshops)? If so, what are these tasks?

Do you plan to continue this compensation practice? If so, how?

If you do not compensate individuals for completing specific tasks, do you wish to? For which tasks do you wish to provide compensation?

Are the tasks you identified important to the organization strategically? Are they aligned with your goals?

6. Hard-to-Staff Subject-Areas and Schools

Do you currently compensate individuals for serving in hard-to-staff subject-areas or schools? If so, how are they compensated?

Do you plan to continue this compensation practice? If so, how?

If you do not compensate individuals for working in hard-to-staff subject-areas or schools, do you wish to?

Which schools or subjects do you consider hard-to-staff?

Does the provision of compensation for working in the schools or subject-areas you identified align with the organization's goals?

7. High Needs Schools

Do you currently compensate individuals for working in high needs schools? If so, how are they compensated?

Do you plan to continue this compensation practice? If so, how?

If you do not compensate individuals for working in high needs schools, do you wish to?

Which schools do you consider high needs?

Does the provision of compensation for working in the schools you identified align with the organization's goals?

8. Initiative-Based Measures

Do you currently compensate individuals for participating in specific initiatives (e.g., pilot programs for new curricula)? If so, who is compensated in this manner?

Do you plan to continue this compensation practice? If so, how?

If you do not compensate individuals for participating in specific initiatives, do you wish to?

9. Input Measures

What input measures (e.g., employee evaluations, attendance) do you currently use to gauge *district* success or failure?

What input measures do you currently use to gauge *team* success or failure? Note: "Team" refers to horizontal (e.g., all grade 7 teachers) and vertical (e.g., all math teachers) groupings.

What input measures do you currently use to gauge *individual* success or failure?

Do the measures differentiate one individual from another?

What is your data collection strategy (e.g., electronic, paper)? Where is it kept? Who manages it?

Is the data accurate and reliable? How do you know?

What input measures do you plan to use in your strategic compensation model?

- At which level (individual, team, school, district)?
- For whom (teachers, administrators, etc.)?

10. Output Measures

What output measures do you currently use (value-added data, graduation rates) to gauge *district* success or failure?

What output measures do you currently use to gauge *team* success or failure?

What output measures do you currently use to gauge *individual* success or failure?

Do the measures differentiate one individual from another?

What is your data collection strategy (electronic, paper)? Where is it kept? Who manages it?

Is the data accurate and reliable? How do you know?

What output measures do you plan to use in your strategic compensation model?

■ At which level (individual, team, school, district)?

■ For whom (teachers, administrators, etc.)?

11. Process Measures

What process measures (e.g., formative instruction, time to complete certain tasks) do you currently use to gauge *district* success or failure?

What process measures do you currently use to gauge *team* success or failure?

What process measures do you currently use to gauge *individual* success or failure?

Do the measures differentiate one individual from another?

What is your data collection strategy (electronic, paper)? Where is it kept? Who manages it?

Is the data accurate and reliable? How do you know?

What process measures do you plan to use in your strategic compensation model?

- At which level (individual, team, school, district)?
- For whom (teachers, administrators, etc.)?

12. Behavioral Measures

What behavioral measures (e.g., parent satisfaction survey results, student wellness survey results) do you currently use to gauge *district* success or failure?

What behavioral measures do you currently use to gauge *team* success or failure?

What behavioral measures do you currently use to gauge *individual* success or failure?

Do the measures differentiate one individual from another?

What is your data collection strategy (electronic, paper)? Where is it kept? Who manages it?

Is the data accurate and reliable? How do you know?

What behavioral measures do you plan to use in your strategic compensation model?

- At which level (individual, team, school, district)?
- For whom (teachers, administrators, etc.)?

1. Incentives/Rewards

Between incentives and rewards, which is more important—or are they equally important?

Incentives

Do you plan to use your strategic compensation model to attract new hires to your district through the use of incentives? How?

Do you plan to use your strategic compensation model to incent current employees to perform certain actions (attend trainings, move to high needs schools, etc.)? How?

Rewards

Do you plan to use your strategic compensation model to retain individuals through the use of rewards? How?

Do you plan to use your strategic compensation model to reward current employees for performing actions (yielding high value-added results, meeting attendance requirements, etc.)? How?

2. Direct vs. Indirect Compensation

Do you plan to award staff through direct cash compensation, indirect compensation (classroom supplies, gym memberships, student loan payments, etc.)—or both?

Direct Compensation

What is the monetary range of direct compensation you feel a staff member should be able to earn through your strategic compensation system?

Indirect Compensation

What types of indirect compensation do you feel employees of your district would utilize and enjoy?

1. Delivery Technology

How will the data used in the strategic compensation model be managed?

How will the data used in the strategic compensation model be checked for reliability?

Do you plan to create a system or purchase a product that calculates awards?

2. Delivery Form

How do you plan to deliver rewards: in the form of a paper check, direct deposit separate from pay check, a direct deposit with pay check, or another method?

3. Delivery Timing

When do you plan to deliver awards—spring, summer, fall, winter? In what year (for example, reward 2011 success during 2012 school year, or 2011 success in 2011)?

4. Delivery Frequency

How do you plan to deliver awards—in one lump sum, rewarded each quarter, divided among each paycheck, or another method?

5. Transition to New Model

When will the new strategic compensation program start?

Will people have the ability to not participate in the new strategic compensation program? If so, does this decision to not participate have an expiration date?

How will staff be transitioned from the old compensation model to the new strategic compensation model?

Will new hires have an option to "opt-in," or will they all be part of the new strategic compensation model?

6. Delivery Transparency

How clear will it be to everyone involved in the new strategic compensation model how their awards were calculated?

How clear will it be to everyone involved in the new strategic compensation system how their eligibility was determined?

7. Model Communications

How do you plan to reach out to individuals being compensated under the new strategic compensation model?

How do you plan to reach out to individuals who are not eligible, or who choose not to participate in the new compensation model?

How do you plan to communicate to the public and community about the new model?

Who is responsible for communicating with the public and community on the new model (answer questions, create press releases, etc.)?

8. Issue Resolution

Who is responsible for responding to and/or resolving eligibility problems and questions?

Who is responsible for responding to and/or resolving questions or problems pertaining to the awards prior to pay out of awards?

Who is responsible for responding to resolving questions or problems pertaining to the awards after the pay out of awards?

9. Delivery Ownership

Who owns the management responsibility for the new strategic compensation system (e.g., human resources, payroll, research and accountability, grant-funded position, superintendent, etc.)?

Who is responsible for calculating and approving award payments?

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provides strategic counsel and innovative solutions for today's
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communications and business professionals partners
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nationwide to improve teaching and learning and
maximize opportunities for all students to thrive
in college, in their careers and in life.

Hollow Rock - Bruceton School District

C.L.A.S.S – Compensating Leaders & Accelerating Student Success

General Eligibility Requirements

To be eligible to participate in the award program employees must meet all of the following general eligibility requirements:

1. Due to grant rules, central office staff, substitute, and non-certified positions are *not* eligible for C.L.A.S.S..

2. Employees must be employed in a position within 20 calendar days of the 1st day of school to be eligible for a C.L.A.S.S. award for that schools year. Employees must be continuously employed in an eligible position through the last day of school.

3. Employees must be in attendance 95% or 171 days or of the 180 instructional days (including staff development days) identified as the "instructional school year." This means that employees cannot be absent for more than 9 days. The following types of leave will be held harmless (not count as days absent) and match the Board's current policies and term definitions: *military leave, FMLA - family medical leave (must be authorized through Human Resources), assault leave, jury duty, and off-campus duty (such as professional development opportunities or activities approved by the District).*

4. Employees must have credentials for the position in which they function to be eligible under that category.
   For example: A teacher teaching ninth-grade math must be certified or on wavier to teach ninth-grade math to be eligible as a core foundation 9–12 teacher.

5. Employees must be in "good standing". "Good standing" means that all paperwork/certifications are up-to-date.

6. Employees must be supervised and evaluated by the principal or supervisor of the campus where they are serving students. (This does not apply to Principals)

7. Employees must complete the instructional-linkage and assignment-verification process through TVAAS®. It is recommended that employees review instructional-linkage and assignment-verification information for accuracy. Likewise, CTE teachers are recommended to complete instructional-linkage and assignment-verification information as required by eTiger.

8. The C.L.A.S.S. Award for an employee who transfers from one C.L.A.S.S. Award-eligible position to another C.L.A.S.S. Award-eligible position during the eligibility period, the award will be determined on the basis of the C.L.A.S.S. Award-eligible position the employee held the greatest percentage of the school year (based on 180 instructional days).

   For example: From the first day of school an employee teaches fourth-grade math (Category 1). On February 5, the employee transfers to a Principal position on the same campus (Category 3). Both assignments are C.L.A.S.S. Award eligible, however, the award model and eligibility requirements differ. In this case, the greater percentage of the "school year" was spent as a fourth-grade, TCAP tested teacher. Therefore, the award amount would be determined on the basis of the job of a fouth-grade, TCAP Tested Teacher with value-added.

9. The C.L.A.S.S. Award for employees who transfers from a C.L.A.S.S. Award eligible position to a non-eligible position during the eligibility period, he or she will not be eligible for an award (see Rule 1).

10. The C.L.A.S.S. Award for employees who work on multiple campuses in the same participation category will be determined on the basis of the percentage of time in which they function at each campus. *For example: If an ELL teachers is at Campus A ¾'s of the day and Campus B for ¼ of the day, their school level award will be based ¾'s on Campus A's results and ¼ of Campus B's results.*

11. Employees must be continuously employed in an eligible position through the last day of school and at the time of payout unless the individual retires. Retiree's will receive full payment.

12. For employees who have contracts that are non-renewed, they not eligible to receive their award.

13. For educators who receive a score of a "1" (out of 5) on their final (summative) TAP evaluation, they are not eligible to receive any Awards.

Lexington City School System
S.T.R.I.V.E. Eligibility Rules

To be eligible to participate in the STRIVE program, employees must meet all of the following general eligibility requirements. Requirements may change from year to year. All educator inquiries in regard to requirements will be reviewed by the Lexington City School System (LCSS) Design Team Committee which is made up of teachers, principals, board members, and central office staff.

Important Facts to Note for ALL Employees:
1. STRIVE has 2 components, a base pay component and a bonus pay component. Both components are awarded due to multiple measures of an individual or team's performance. Bonuses are not insured to occur every year. Bonuses are contingent upon program funding.

2. All certified staff have the ability to participate in STRIVE. Central office staff, substitute teachers, or student teachers are *not* eligible. Hourly employees are not eligible to participate in the award program. Hereafter, the term "employee" references eligible certified staff who qualify to participate in the STRIVE model for strategic compensation.

3. Employees have the ability to "opt-in" or "opt-out" of the program. Employees who "opt-out" ARE NOT eligible to earn any performance based compensation, which includes the base increase and/or the bonus payment.

4. Once the STRIVE program has been approved by the State Board and Commissioner of Education, Lexington's 2011-2012 Step and Level Salary Schedule (with the 1.6% increase from 2010-2011) will serve as the district's FINAL salary schedule the district will have. Thus, in future years, if the state awards a 2% increase to all teachers, this WILL NOT be made to the 2011-2012 LCSS Step and Level Salary Schedule. For example, if the state decides to implement a 1% increase in 2012-2013, 2011-2012 LCSS Step and Level Salary Schedule will NOT be updated or changed. If the state then in 2015-2016 decides to implement a 2% increase, the 2011-2012 LCSS Step and Level Salary Schedule will not be changed.

5. Due to "important fact #4", this means that all employees who "opt-out" of the STRIVE program will reference the 2011-2012 LCSS Step and Level Salary Schedule to determine their base pay. *Example: If an employee opts-out for 2011-2012 school year and has a B.S. and 3 years of experience, the next year (2012-2013) the employee would make whatever an employee with a B.S. and 4 years of experience would make according to the 2011-2012 LCSS Step and Level Salary Schedule.*

6. For employees who "opt-in" to the STRIVE program, their starting base pay will be their current step/level base pay. Once an employee has "opted-in", the employee understands that they will NO LONGER receive base pay increases due to years of service and degrees as defined on the LCSS Step and Level Salary System, but they will receive base pay increase IF they perform at appropriate levels. Base-pay increases will not be the same from one person to the other as they are based on data detailed below.

Enrollment Rules:

ALL New LCSS Certified Teaching Staff - All employees who are new or returning to LCSS on or any date AFTER July 1, 2011, will be part of the STRIVE Alternative Compensation System. They do not have "opt-out" abilities.

Current Certified Teaching Staff as of June 30, 2011 - All employees who are CURRENT employees of the district (current – hired on or before June 30, 2011) have the ability to "opt-in" or "opt-out" of the LCSS Alternative Compensation System, STRIVE. The "opt-in"/"opt-out" window will be announced to all employees. Employees who "opt-out" will remain on the 2011-2012 LCSS Step and Level Salary Schedule that corresponds to their position and are not eligible to earn a bonus. **If an employee does not make a selection by not completing the "opt-in"/"opt-out" process, the employee will be considered as included or "opting-in".** In year 2, unless a change is made to the enrollment selection, employees will have the same enrollment status as year 1. Employees who have in the past "opted-in" to the program have the ability to "opt-out" of the system ONE time. There can and will be no switching from year to year of an individual's "opt-in"/"opt-out" status.

Enrollment Examples-
For example (#1): John C. Doe was hired in 1974 as a 7th grade Math Teacher. In year one of the program John C. Doe "opts-in" to the program. In year 3 he decides to "opt-out" as he is unsure if he wants to participate. In year 4 John "opts-(back)-in" to the program. John is now permanently enrolled in the new Alternative Compensation System and can no longer move back to the step and level system or "opt-out".

For example (#2): Suzanne Jobe was hired on June 30th 2010. Due to current rules, she has the ability to "opt-in" or "opt-out" of the program. In years 1 – 3 she does not participate (opted-out) in the program but decided to "opt-in" in year 4. Suzanne is now permanently part of the STRIVE program.

For example (#3): Shauna Williams was hired on July 5, 2011. Due to rules, she missed the deadline to be considered a "current staff" and is thus considered a "new staff" member.   She is now part of the STRIVE program and has no ability to "opt-out" at later time.

For example: (#4): Timothy Douglas worked for the district from 1982-2008 and then left to work for the County School District. He is then re-hired to teach 6th grade math at LCSS on July 10th, 2011. While Timothy had worked in the district in the past, his hire date is July 10th, 2011 making him part of the STRIVE program with no "opt-out" abilities in the future.

COMPONENT 1 – BASE PAY

Requirements:

1. Employees hired as on or prior to June 30, 2011, must have "opted -in" to the system OR be employed ON or AFTER July 1, 2011 to receive increases on their base pay.

2. There are no attendance requirements for the base-performance increase. Yet, note that typically, poor or sub-par attendance MAY result in a poor summative observation score.

3. Employees must be employed in a campus-assigned position within the first 20 days of school.

4. Base calculations are configured using the State's Educator Evaluation Formula (also referred to as the Educator Performance Index or EPI). LCSS will follow all suggestions, rules, and regulations set-forth by the State's TEAC Committee as well as written in legislation.

   a. For the 2011-2012 school year the formula will be as follows:
      35% TVAAS + 15% Other Measures as identified by the state + 50% summative

evaluation score (TIGER).

5. Base increases are made after evaluation scores are received and the school year is complete. Base pay increases are limited to employees with evaluation scores of three (3) or more. The full schedule of salary increases is found in the STRIVE Base Pay Percent Increases chart.

6. Employees must be supervised and evaluated by the principal or his/her designee of the campus where they are serving students. (This does not apply to Principals.)

7. For applicable employees, it is required that employees review instructional-linkage and assignment-verification information for accuracy (applicable employees are responsible for claiming their students' individual scores).

8. Any 2010-2011 LCSS employee enrolled in an approved advanced degree program as of January 1, 2011 and completes his/her degree by December 31, 2013 will receive a degree base-pay adjustment.

    a. *Susie started her degree in the fall of 2010 and worked on it for two years. She completed her degree in December 2013. Her salary increase will reflect her degree completion.*

9. Employees must have credentials for the position in which they function.

10. Employees must be in "good standing". "Good standing" means that all paperwork/certifications are up-to-date.

COMPONENT 2 – BONUS MODEL

Requirements:

1. Bonuses are not insured to occur every year and are contingent upon program funding.

2. Employees hired as of or prior to June 30, 2011, must have "opted-in" to the system OR be an employee hired ON or AFTER July 1, 2011 to receive bonus pay.

3. Employees must be employed in a position within 20 calendar days of the 1st day of school to be eligible for a bonus award for that school year.

4. Employees must be in attendance 95% of days identified as the "instructional school year". This means that employees cannot be absent for more than **95 percent of days identified as the instructional school year**. The following types of leave will be held harmless (not count as days absent) and match the Board's current policies and term definitions: *employees who have been called to military leave, jury duty, FMLA, or off-campus duties approved by the district will be held harmless.*

5. Employees must be continuously employed in an eligible position through the last day of school and at the time of payout unless the individual retires. Retirees will receive full payment.

6. Employees who have contracts that are non-renewed are ineligible to receive bonuses.

7. Employees must have credentials for the position in which they function.

8. Employees must be in "good standing". "Good standing" means that all paperwork/certifications are up-to-date.

9. For applicable employees, it is required that employees review instructional-linkage and assignment-verification information for accuracy. Applicable employees are responsible for claiming their students' individual scores.

10. Employees who transfer from one eligible position to another eligible position will receive a bonus based on the position he or she held the greatest percentage of the school year.

    a. *For example: From the first day of school an employee teaches seventh-grade math. On February 5, the employee transfers to a Principal position on the same campus. Both assignments are bonus eligible; however, the eligibility requirements for the two positions differ. In this case, the greater percentage of the "school year" was spent as a seventh-grade, TCAP-tested teacher with Value-Added. Therefore, the award amount would be determined on the basis of the job of a seventh grade, TCAP-tested teacher with Value-Added.*

11. There will be no bonuses for employees who transfer from a bonus eligible position to a non-eligible position.

    a. *For example: A Principal transfers to Central Office. Central Office staff is not eligible due to grant funding requirements and not able to earn a bonus.*

12. The bonus for employees who work on multiple campuses in the same participation category will be determined on the basis of the percentage of time in which they function at each campus.

    a. *For example: If an 6th Grade Math Teachers is at Campus A ¾ of the day and Campus B for ¼ of the day, their school level bonus will be based ¾ on Campus A's results and ¼ of Campus B's results.*

13. Employees must be supervised and evaluated by the principal or his/her designee of the campus where they are serving students. This does not apply to Principals. Educators who receive a score of a 2 or less (out of 5) on their final (summative) TIGER evaluation are not eligible for a bonus.