

EXECUTIVE SUMMARY

The Performance-based Compensation Pilot Program was created in 2009 by the Utah State Legislature (HB 328, codified as 53A-17A-163). The intent of the program is suggested by a separate resolution introduced in the same year (HJR 13), which called for teacher compensation systems that would support student achievement and quality instruction, be adequately funded, promote collaboration, be flexible in responding to local needs, use fair criteria, be open to all eligible parties, and align with existing programs and school improvement plans.

Background

Program Components. The program was designed to include performance in three areas: student learning gains (40%), instructional quality (40%) and parent satisfaction (20%).

Selection of Pilot Schools. In Spring 2009, Utah elementary schools were invited to apply for the program (State Board of Education R277-113). Out of 19 schools that applied, five schools—three district and two charter schools—were selected to participate. Collectively, the pilot schools were significantly different from other schools in the State on most student demographic and academic variables. For example, pilot schools had less racial diversity, a smaller concentration of students eligible for Free and Reduced Lunch, and students with higher average test scores. As a result, these differences limit the generalizability of the findings to other schools.

Evaluation Methods

The evaluation employed a mixed-methods approach that addressed how the compensation-based plans were developed and implemented and the associated student and teacher outcomes. The implementation process was primarily assessed through focus groups and individual interviews with 115 district administrators, principals, teachers, and parents across the schools, and open-ended responses to teacher surveys. Impact was primarily assessed through statistical analysis of student test scores and closed-ended responses to teacher and parent surveys. *It is imperative to note that individual school plans did not necessarily include analysis of CRT data in determining bonuses.* However, due to the variability in the school plans, this evaluation does not attempt to evaluate the level of fidelity of implementation to the accepted plans, as they were proposed.

Key Findings

The design of the program permitted each school to establish its own process, tailor its plan to its *unique* situation, and utilize different measures of the three components. In fact, each school did develop a unique approach. This contributed greatly to faculty ownership of the program, but also made it impossible to compare the effectiveness of plans or evaluate the impact across the pilot schools using the plans to establish comparable measures.

Planning. Although planning roles and teacher input varied across schools, 80% of all teachers reported being involved with the planning process. Plans were typically aligned with programs that already existed in the schools, which reduced the burden of implementation on teachers. However, the lack of technical assistance made the planning process more difficult. All plans included individual measures to ensure differentiation of bonus pay (as required), and some plans incorporated a tiered approach that provided a portion of the bonuses on the basis of team and/or school-wide goals. All plans promoted collaboration

over competition. Interestingly, no school thought that its plan could be replicated in its entirety by another school.

Implementation. Principals played a key role in implementation, and both principals and teachers found that the process of collaboratively planning and implementing the program brought about positive changes in their professional practice. Teachers expressed appreciation of the bonuses received as recognition for a job well done. The average bonus paid to a teacher during the implementation year was \$1786. When asked whether the rewards offered were of sufficient value, only half of teachers (51%) agreed that they were. There was uncertainty as to whether the size of bonuses in the pilot would be sufficient to motivate action in the long-run and whether positive changes introduced during the program would be able to continue in the absence of continued funding. From interviews and focus groups, it was apparent that a number of teachers saw the requirements of the program, however fair and transparent, as taking away from their teaching responsibilities.

Student Achievement. *Except for the schools that used Criterion Referenced Test (CRT) as a measurement, school participation in the program was not associated with changes in average CRT scores.* However, schools did report improvement on the measures that they included in their plans. Schools also increased the formative use of data. Although not all teachers perceived the program as being related to improvement, 51% of teachers agreed that the program improved the learning experience for students.

Instructional Quality. Peer and principal observation of classroom teaching as well as self-reflection were among the most commonly used measures of instructional quality. Both teachers and principals reported that building mutual trust was essential in obtaining the intended professional development benefits of classroom observation. Of the teachers who taught math or language arts, 56% of them said that they modified their instruction for one or both of these topics as a result of the program. Of the teachers that did modify their instruction, 74% agreed that the program had a positive impact on students. Just less than half (48%) of teachers agreed that the program improved the school experience for teachers.

Parent Satisfaction. Teachers agreed that they had increased communication with parents as a result of this program. However, teachers ranked parent satisfaction as the least important factor on which to base performance-based compensation. Virtually all parents (99%) who responded to the survey reported at least quarterly contact with their child's teacher, and two-thirds (68%) reported at least monthly contact. Parents gave equally high grades to both schools and teachers. A factor analysis showed satisfaction with the teacher and satisfaction with the school to be distinct factors. Approximately 44% of the parents who responded to the survey knew about performance-based compensation program. Of the parents who were aware of the program, 44% (approximately 20% of all parents who responded) gave positive comments when asked about the impact on their child's learning.

CONSIDERATIONS

The five schools that participated in Utah's Performance-Based Compensation Program—Ashman, Canyon Rim, Manila, Midway, and Wasatch Peak Elementary Schools—were intricately involved throughout the planning and implementation process. From their experience and the analysis of the implementation process and associated outcomes, we provide the following considerations for future planning and development of a strategic compensation program.

Pre-Implementation

- Plan for sustainability (e.g. sufficient resources, including amount and longevity), including allocation of funding for multiple years to support a planning year and at least three years of implementation.
- Provide guidance for implementation, including general framework (e.g., instructional quality, student achievement, and student, parent, and community satisfaction) for the program.
- Consider a menu of potential measures for schools and districts to select from for instructional quality, student achievement, and student, parent, and community satisfaction.
- Ensure availability of program to diverse schools.
- Establish a network of program participants with regular communication, dissemination of information and success, and opportunities to convene participants, including administrators and teachers.

School and District Planning

- Provide leadership for the vision for school and definition of the purpose of the school's involvement in the initiative.
- Ensure and/or develop a climate of trust and collaboration.
- Develop a planning team and process that is inclusive and representative of the school staff (e.g., teachers, specialists, paraprofessionals) and community (e.g., parents, school community council members, district administrators).
- Provide compensation for those engaged in development of plan.
- Support for the development of multiple measures appropriate for school context within the instructional quality, student achievement, and student, parent, and community satisfaction.
- Use data to inform selection of measures and indicators for success.
- Provide technical assistance for the development and use of the common assessment tools.
- Develop tiered plan that acknowledge the individual's contribution, a team's contributions, the overall school's progress.
- Utilize external resources (e.g., district and state staff, consultants) to support planning process and development of plan.
- Plan for alignment with other key initiatives.
- Allow schools to create plans that are customized to the individual school but require at least one common assessment for each of the areas of evaluation.
- Communicate consistently with all stakeholders regarding process, timelines, expectations, and anticipated outcomes.
- Expend time and effort to develop buy-in among all stakeholders in the process.
- Use all measures formatively.

Implementation

- Maintain communication consistently with all stakeholders regarding process, timelines, expectations, and anticipated outcomes.
- Focus on instruction and instructional quality.
- Provide support for school leadership to administer the program.
- Use data to utilize the lessons learned from the implementation year.
- Build capacity (e.g., professional development, training, shared learning, networks) to develop, implement, and refine plans.
- Provide professional development to support staff (e.g., improving instructional quality, increasing student achievement, improve student and/or parent satisfaction, development of

common and/or formative assessments, use of assessment data, data analysis, structured improvement based on data).

- Monitor implementation for plan improvement and fair application of the plan.
- Utilize annual results for school improvement efforts.

ACKNOWLEDGEMENTS

The Utah Education Policy Center would like to thank the schools and districts, including the administrators, teachers, and parents for their assistance in facilitating data collection and providing feedback about the performance-based compensation pilot program. Their time and participation in this evaluation are greatly valued. We also appreciate the Utah State Office of Education for their guidance in the development of the evaluation.

