Merit Pay

Educators and administrators should bargain compensation locally.

The Issue

Professional compensation systems for educators are important in meeting the demands of modern students, classrooms and communities. Recruiting, retaining and rewarding high quality educators are key goals of any legitimate education compensation system. Schools and school employees need to collaborate in designing professional compensation structures that meet the needs of the students, the staff and the district or institution through a collective bargaining process.

A professional compensation system may be based solely on a single salary schedule. However, many education reformers say they favor “merit pay.” Further examination shows little agreement in exactly what constitutes “merit pay.” The term may refer to paying bonuses based on student scores on state tests. Some people use the term “merit pay” for market-based pay, which is higher pay for teachers in shortage areas, like math and science, or in hard-to-staff schools. “Merit pay” can also refer to bonuses resulting from evaluations based on observations, work product and reflection.

“Merit pay” always requires additional funding. Such systems often require large expenditures for personnel time to administer the program, collect data and make evaluations. A strong, single salary schedule avoids many of the pitfalls that are found in a differentiated staffing plan. A strong, single salary schedule contains no quotas, supports collaboration and treats teaching as a profession.

MNEA’s Position

Missouri NEA believes that educators and administrators should bargain compensation systems locally. Funding for compensation systems needs to be sustainable, not based on short-term grants. Funding must allow every educator who meets the criteria to receive the reward, and all educators must be eligible.

MNEA supports financial incentives for National Board Certification. Independent studies show that students of National Board Certified teachers learn more than students of non-NBCTs and that the National Board process has a positive impact on teacher retention and professional development.

MNEA’s Representative Assembly adopted “Professional Compensation in Missouri” in April 2010. This document sets out guidelines for merit pay systems. Find the document at www.mnea.org under “Issues & Action” and then “Issues & Positions.”

What This Means to Educators

Any compensation system needs to preserve and encourage collaboration, not foster competition, among educators. When the top 20 percent of educators receive awards, collaboration becomes scarce. If one educator develops a great way to teach fractions by connecting fractions to the lives of students in that school, he or she won’t share it with colleagues for fear that someone might outperform him or her to get the bonus. This dynamic deprives students of the best instruction. Frequent collaboration among staff is one of the most constant features found in high performing schools.

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Several ways of analyzing student scores on state tests are related to average performance. By definition, this means there will always be 49.9 percent of students “below average,” no matter how much test scores improve. A principal won’t share with other principals how his building improved math scores for fear that he and his staff won’t get rewarded. Effective innovations won’t spread.

**Challenges**

Paying teachers for student performance has not improved student scores. A controlled study by Vanderbilt University showed that even potential bonuses as high as $15,000 did not raise middle school student math scores above those of students whose teachers were not offered the bonus incentive. A total of $1.3 million in bonuses was paid out, but teachers who were not offered a bonus produced the same student score increases.

Several school districts around the country have tried merit pay systems, only to end them. Student test scores proved to be an unstable way to identify effective teachers. School systems find rigorous evaluation systems require funding. Districts keeping such systems use private foundation funds or increased community taxes to support the additional expense.

**Resources**

To learn more about professional compensation in Missouri, visit www.mnea.org/Missouri/ProfessionalCompensation.aspx

You’ll also find links to the following:
- Review of MET Study by Rothstein
- Vanderbilt study (finds performance pay does not raise test scores)

**What You Can Do**

- **Go to www.mnea.org and sign up for the MNEA Legislative Update** to receive updates each week during the legislative session. When legislation comes up that affects you and your classroom, you’ll receive the information you need and learn when you need to contact your state legislators.

- **Get involved with your local NEA.** Attend a meeting, offer to join a committee or assist your building representative. Encourage others to join your local NEA. The more active members you have, the more you can influence local policy. Get involved in electing and informing school board members.

- **Read Something Better and NEA Today for information on current education issues.** Sign into Members Only at www.mnea.org with your home email address to receive “In the Loop,” a monthly email newsletter.