

## **Congress, Teachers, and the Perils of Merit Pay**

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Congress recently proposed a bill ostensibly aimed at improving the quality of the teacher corps. Instead, the bill may very well complicate and endanger educational reform measures across the nation. House Resolution 949, or the "Measures to Encourage Results in Teaching Act of 2001," proposes to establish a system of national teacher testing and merit pay for all public school teachers. The bill has three aims:

- (1) To provide incentives for States to establish and administer periodic teacher testing and merit pay programs for elementary school and secondary school teachers.
- (2) To encourage States to establish merit pay programs that have a significant impact on teacher salary scales.
- (3) To encourage programs that recognize and reward the best teachers, and

encourage those teachers that need to do better.[1]

At first glance the bill appears to be well-intentioned, with its focus on improving weaker teachers and rewarding outstanding ones. Numerous problems, however, emerge once the content of the bill is examined against what is known about teacher testing and merit pay.

If implemented, the bill would impose a crushing fiscal burden on states and local communities, many of which are already facing overwhelming budgetary pressures. The bill might also greatly complicate labor relations between school districts and their teachers at a time when both sides are working more collaboratively and constructively to foster better educational outcomes for the nation's students. And finally, the bill has the potential to limit the decision-making power of states and local communities in recruiting, hiring, retaining, and rewarding teachers.

### **The Problems with Teacher Testing**

Currently, 41 states require candidates for teacher certification to achieve certain scores on either their own assessment, such as the controversial Massachusetts exam (MTT/MECS), or a set of national measures, such as Educational Testing Service's generally well-regarded Praxis series. Without a passing score on the test that a state designates, prospective teachers are barred from teaching in public schools. Yet entry-level teacher testing has been problematic. There are numerous historical examples of *biased test construction*. These tests have tended to eliminate competent teachers along lines of race, class and ethnicity. Additionally, issues of *poor test construction* have disqualified similarly competent teachers, regardless of background. Badly designed test questions have yielded a validity that is weak or non-existent. In other words, many of these tests haven't measured what they were supposed to measure. [2] These issues can be somewhat ameliorated with improved testing technology. But with policy makers and teachers heeding the intense political pressure for greater educational accountability, these entry-level tests have become the norm for initial teacher certification, notwithstanding their deficiencies.

Because of technical difficulties, costs of test development, and most importantly, possible legal liabilities, states have largely refrained from routinely testing teachers after their initial certification. As government employees, certified public school teachers who have earned tenure have due-process rights.[3] Decertifying a teacher presents significant legal complexities. Even when districts and the state have just cause (such as insubordination, gross incompetence, a danger to children, etc.), the process is daunting. The legal complexities of decertification, and the likely resulting litigation, would dramatically increase if maintaining certification were contingent upon passing a test every three to five years - especially a test that may very well be invalid. Consequently, as with other professionals (lawyers, doctors, social workers, etc.), states and communities

rely on continuing, and locally based, professional development, supervision and evaluation to enhance the skills of the teacher corps.

HR 949 concedes that extensive, comprehensive and periodic teacher testing may not be particularly popular with the states. Hence, the actual intent of the proposed legislation is found in the last section of the bill, which allows states to by-pass the testing plan and go directly to devising merit pay plans.

(a) IN GENERAL- Notwithstanding any other provision of law, a State may use Federal education funds—

- 1 to carry out a test of each elementary school or secondary school teacher in the State with respect to the subjects taught by the teacher; **or**
- 2 to establish a merit pay program for the teachers.

Here is where the real purpose of HR 949 is finally revealed: A national system of merit pay, whether local school authorities wish to implement it or not.

### **The Problems with Merit Pay**

In one form or another, merit pay plans have existed in the public sector for almost 20 years, and the research regarding their dubious efficacy is well established. [4]Merit pay is extremely common in business, yet it has it detractors, most notably the late W. Edwards Deming, the father of Total Quality Management. Deming called merit pay the "deadly disease" of management because it focused on individual performance, not on the quality of a work team. [5]

Nevertheless, would-be educational reformers have touted various merit pay plans as a means of boosting teacher performance, and ultimately, student achievement. Proponents of merit pay claim that the traditional salary schedule, which rewards teachers for graduate credits earned, extra duties such as coaching and advising, and years in service, punished high performing teachers while protecting teachers who are lazy, incompetent, or both. The argument is that the traditional salary schedule gives almost every teacher a boost in pay through sheer longevity. It is alleged that teachers have little incentive to improve their professional competence.

Merit pay gained a policy foothold in U.S. public schools during the 1980s, when political pressure was brought to bear in the areas of teacher productivity and student academic performance. However, traditional merit pay plans have been poorly designed, and teachers have had little or no input regarding the process. Furthermore, merit plans do not recognize the cooperative and collegial aspects of teachers' work. The collaborative culture of teaching is critical for successful school reform, and merit pay plans tend to corrode this intrinsic feature of effective schooling. [6]Furthermore, merit pay plans can complicate and thwart

other educational reforms that depend upon teacher participation, involvement and enthusiasm.

Particularly problematic are merit pay plans that reward only a few individual teachers, pitting each teacher against every other teacher, in pursuit of a limited, and typically under-funded, bonus pool. In some of cases, merit pay can be a Trojan horse that carries and legitimizes widespread pay cuts.<sup>[7]</sup> Such plans can intensify friction between teachers and the school district and occasionally trigger job actions and teacher strikes.

Besides the corrosive effects of competition on teacher morale, teachers report that administrative evaluations are often inadequate and biased. In many areas, receiving merit pay depends more on the teacher's relationship with the individual evaluator (and the evaluator's own instructional competence) than on the teacher's actual pedagogical prowess. As teacher Jerry Jesness relates:

*A teacher of the deaf lost out because of a poor evaluation by an administrator who could not understand American Sign Language .A science teacher who later left teaching to become an engineer and now has several patents to his credit received a dismal evaluation from an ex-coach turned principal who had no idea what the science teacher was talking about. My poorest appraisal in recent years came from a monolingual speaker of English who observed me teaching a Spanish reading class in which neither my students nor I spoke any English.*<sup>[8]</sup>

Finally, there is virtually no evidence that merit pay plans actually improved student academic achievement. On the contrary, the clearest evidence indicates that merit pay is in fact detrimental to the workplace of teachers. One consequence of poor teacher morale is what is called "weak school culture" - a school that is not focused on student learning. This can be devastating for student achievement. <sup>[9]</sup>Traditional merit pay plans tend to interfere with alternative and simultaneous efforts aimed at boosting student performance, and so they may actually thwart educational reforms.

### **The flaws in HR 949**

The proponents of the "Measures to Encourage Results in Teaching Act of 2001" seem strangely naïve. They would appear to have ignored the failed record of merit pay. Also, their bill seems to be a striking case of federal overreach. The proposed bill has the potential to overturn or hopelessly complicate thousands of collective bargaining agreements between local school districts and their teachers.

Furthermore, it represents another under-funded federal mandate that shifts the fiscal and implementation burdens to the states and local communities. For a Congress that has consistently stressed the importance of local control in educational matters, this bill is an incongruous way of demonstrating that

commitment.

Moreover, the proposed merit pay system is not particularly viable when the costs for implementing and maintaining such an extensive regime of testing are considered. The bill allows for a maximum of \$600,000,000 to cover the costs of both the testing requirement and merit pay plan. This means that states and Washington, DC would each receive roughly \$11.7 million to implement merit pay (mandatory) and testing plans (optional). In the larger world of educational finance, this is small change indeed. By contrast, when the state of Iowa was debating a possible merit pay plan during December of 2000, the first year costs were projected to run between \$50 and \$60 million for that state alone. [10]

How could \$11.7 million in federal largesse play out at the state level? Continuing with the Iowa example, one could argue that given that state's long standing record of educational success, every single public school teacher is entitled to merit pay. Using the heroic assumption that there are no transaction or administrative costs in implementing the federal merit pay program, each Iowa public school teacher could expect to receive a whopping \$354.54 from Uncle Sam (before taxes) for their efforts.

For merit pay to be financially meaningful in states with larger teacher populations (Iowa is a small state), monies from both the state and local treasuries would be needed. In large states like Texas, California, and New York, HR 949 has the potential to dramatically raise educational costs while doing nothing to improve either teacher quality or student achievement. Additionally, the administrative and legal costs have the potential to be quite formidable, particularly in areas with strong labor unions that are willing to ensure that these plans adhere to long-established collective bargaining agreements.

## **Conclusion**

In the final analysis, the "Measures to Encourage Results in Teaching Act of 2001" is an odd and ill-conceived piece of educational legislation. It has the potential to involve the federal government in every local school districts' hiring, evaluating and rewarding of teachers, while sticking states and local communities with most of the bill and legal headaches. With its central focus on merit pay, this legislation could also undermine teacher morale, and thus thwart local and state educational reform efforts targeting greater student achievement. In an era of educational accountability, this proposed educational bill fails to make the grade.

## **Notes:**

[1.](#) This bill would amend Title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq)

[2.](#) See:

Walt Haney, Clarke Fowler, Anne Wheelock, Damian Bebell and Nicole Malec, "Less Truth Than Error? An independent study of the Massachusetts Teacher Tests," *Educational Policy Analysis*

Archives, Volume 7 Number 4, February 11, 1999. Available at: <http://epaa.asu.edu/epaa/v7n4/>;  
Richardson v. Lamar County Bd. of Educ. 729 F. Supp 806, M. D. Ala. 1989 Scott Baker, "An American Dilemma: Teachers Testing and School Desegregation in the South," in Wayne J. Urban ed., *Essays in Twentieth-century Southern Education: Exceptionalism and Its Limits*, New York: Garland, 1999, pp. 163-198

Janet Duff Carson, "Legal Issues in Standard Setting for Licensure and Certification," in Gregory J. Cizek, *Setting Performance Standards*, Mahwah, NJ: Erlbaum, 2001, pp. 427-444.

3. Mark C. Yudof, David L. Kirp, and Besty Levin, *Educational Policy and the Law*, 3rd edition. St. Paul, MN: West Publishing, 1992, 334-335.

4. See:

Helen F. Ladd, "Catalysts for learning: Recognition and reward programs in the public schools," *The Brookings Review*, Volume 14, Number 3, Summer 1996

John R Deckop and Carol C. Cirka, "The risk and reward of a double-edged sword: Effects of a merit pay program on intrinsic motivation," *Nonprofit and Voluntary Sector Quarterly*, Volume 29, Number 3, September 2000, pp. 400-418

James L. Perry, Beth Ann Petrakis, and Theodore K. Miller, "Federal Merit Pay, Round II: An Analysis Of The Performance," *Public Administration Review*, Volume 49, Number 1, Jan/Feb 1989, pp. 29-37.

5. Howard Rischer, "Merit pay can be a hard sell," *PM. Public Management*, Volume 81, Number 7, July/August 1999, pp. 8-13.

6. Carolyn Kelley and Allan Odden, *Reinventing Teacher Compensation Systems*, Washington, DC: CPRE, September 1995. Available at: <http://www.ed.gov/pubs/CPRE/fb6/index.html>.

See also:

Richard J. Murnane and David K. Cohen, "Merit pay and the evaluation problem: Why most merit pay plans fail and a few survive." *Harvard Educational Review*, Volume 56, Number 1, February 1986, pp. 1-17. Ladd, op. cit.

7. Joanna Richardson, "Va. District Kills Program Tying Teacher Pay to Merit," *Education Week*, March 24, 1993. Available at:

<http://www.edweek.com/ew/ewstory.cfm?slug=26merit.h12&keywords=Merit%20Pay>

8. Jerry Jesness, "Teacher Merit Pay," *Education Week*, April 4, 2001. Available at:

<http://www.edweek.com/ew/ewstory.cfm?slug=29jesness.h20&keywords=Merit%20Pay>

9. Stuart C Smith and Phillip K. Pile, *Educational Leadership: Handbook for Excellence*, 3rd ed. Oregon: ERIC, 1996

Terrence E. Deal and Kent D. Peterson, *Shaping School Culture: The Heart of Leadership*, San Francisco: Jossey-Bass, 1998

10. Jonathan Roos, "Teacher pay fight expected to last months," *The Des Moines Register*, December 26, 2000. Available at:

<http://www.desmoinesregister.com/news/stories/c4780934/13328161.html>