

Rewarding Teaching Excellence

Blueprint Implementation Paper



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Ministerial Foreword

The 2008 *Blueprint for Education and Early Childhood Development* set out concrete actions to improve the education, development and wellbeing of all Victorian children and young people over the next five years. One of the three key strategies in the Blueprint is focused on workforce reform. The Victorian Government is committed to developing modern careers and workplaces as well as a culture of strong leadership and professional learning in schools.

This Blueprint Implementation Paper on *Rewarding Teaching Excellence* outlines how the Department has completed the twelve month Blueprint action to “investigate rewards and incentives for effective teaching”, the evidence from that investigation, and how we propose to build on our findings to deliver greater teaching excellence in Victoria. The quality of Victoria’s workforce is a major factor in driving improved learning outcomes for all students. We want to reward high-performing teachers who “add value” to students and share their skills with peers.

In 2010 the Department will commence a two-year trial of two models that were developed for the Victorian context following consultations with a wide range of stakeholders, including teachers and principals. One model will reward individual teachers and the other will reward whole schools for improving performance and raising student learning outcomes. Funding for the trials will be contributed by both the Victorian Government and the *Smarter Schools – Quality Teaching National Partnership*, which is comprised of both Commonwealth and state investment.

Rewarding teaching excellence is one component of the Department’s broader suite of teacher workforce reforms that will help to position the Victorian school system to attract, train, develop, place and retain the next generation of high quality teachers.

I look forward to the trials of rewarding teaching excellence and working with you as we strive to improve the quality of teaching practice in the Victorian education system.


Hon Bronwyn Pike MP
Minister for Education



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1 Purpose of Rewarding Teaching Excellence

Thirty per cent of the variance in student learning outcomes can be attributed to the quality of teaching.

Excellent teaching is a critical factor in lifting student achievement. A capable workforce is important to the continued success of the Victorian school system and achievement of the government's education and skills objectives. The Department is currently exploring how to provide career structures and working arrangements that are appealing and rewarding to current and prospective teachers. This goal is aligned with one of the reform directions in the Council of Australian Governments' National Education Agreement (NEA), which is to "attract, train, place, develop and retain quality teachers and school leaders and support schools working with their local community."¹

Australia faces a significant challenge to maintain the quality and quantity of its teaching workforce. These challenges include an aging workforce, the low appeal of teaching as a career relative to some other career pathways, pay dispersion which does not differentiate sufficiently for experience and performance, increasing demand for higher quality teacher education and professional development, many teaching in subject areas in which they are not specifically trained or qualified, and high attrition rates, particularly for early career teachers.

These challenges reflect the rapidly changing context of the profession. There are opportunities in other fields where the skills and aptitudes of teachers are highly valued. More generally, the workforce trend among early career professionals is to want to move on to other challenges after a few years in a particular job. The challenge for schools is how to retain these high quality teachers in the early stages of their career.

Empirical evidence suggests that 30 per cent of the variance in student learning outcomes can be attributed to the quality of teaching, making this the most important "in-school" influence on student learning outcomes.² Evidence also shows that teaching quality varies both between schools and within schools, beyond what could be expected based on the tenure and experience of teachers. Studies suggest that moving an average student from a low quality teaching environment to a high quality one could increase her or his achievement by 10 percentile points or the equivalent of 22 marks on the OECD's PISA maths test.³ If this was achieved in Australia, it would place us amongst the world's highest performing jurisdictions.

In recent years strategies and initiatives to enhance the quality of teaching have attracted national and international interest. Internationally, rewards and recognition for teaching excellence are increasingly seen as ways to improve teaching quality. They have been used at the federal, state and district levels across the United States, as well as in the United Kingdom, Sweden, Israel, India and Singapore. The models employed vary widely across jurisdictions, and have different objectives and implementation approaches.

¹ COAG NEA (2008)

² Hattie (2005). Student aptitude accounts for 50% of variation; the school accounts for 5–10%

³ Rockoff (2004), Rivkin et al. (2005), Leigh (2006), OECD PISA (2006)

Recognising and rewarding teaching excellence is designed to engage teachers in improving their schools.

Nationally, the *Smarter Schools – Quality Teaching National Partnership* aims to increase the quality and attractiveness of teaching. The range of reform areas include new and better pathways into teaching, improved mobility of the Australian teaching workforce, improved reward structures for teachers and leaders working in disadvantaged and hard-to-staff schools, and improved dispersion of pay to reward quality teaching. Victoria and other jurisdictions are currently developing approaches to these reforms including pay dispersion to reward quality teaching.

This paper explores the national and international evidence and outlines models for rewarding teaching excellence that have been developed for trial in Victorian schools, commencing in 2010.

Victorian workforce reform agenda

The *Blueprint for Education and Early Childhood Development*, released in 2008, outlined a suite of new programs and initiatives to support its reform agenda, with a strong focus on workforce reform. The Blueprint also committed the Department to the investigation of rewards and incentives for effective teaching. While rewarding teaching excellence will not, by itself, lift the overall quality of teaching in Victorian schools, it is a potentially attractive component of the Department's broader suite of proposed teacher workforce reforms (Figure 1).

Current performance and development arrangements in Victorian schools provide the mechanism for progressing employees through their respective salary ranges. Salary progression is not automatic and teachers are required to demonstrate that they have met all the relevant professional standards to receive salary progression. These arrangements enable the setting of clear expectations for teachers, the consideration of student, school and teacher performance and a focus on specific areas of strength and areas for improvement and appropriate professional development.

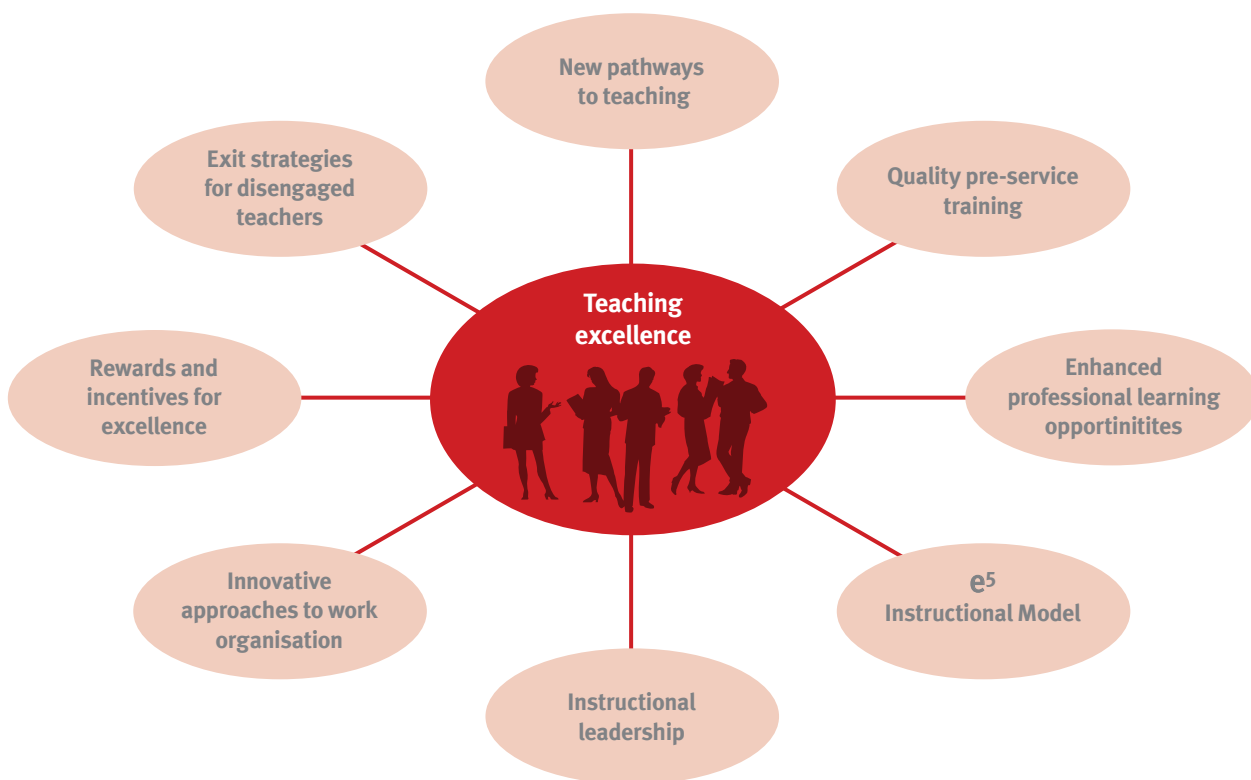
The existing arrangements do not provide capacity to directly reward those teachers, either individually or on a team basis, who improve student achievement. As a result there is currently no direct link to teachers' performance and the outcomes of their students.

Rewarding teaching excellence trials provide an opportunity to build on the existing performance and development framework and to explore a differentiated performance system that supports and extends the existing good practice, with a particular focus on the broad range of outcomes included within the current School Accountability and Improvement Framework.

In recent years, Performance and Development Culture accreditation has encouraged more and more Victorian teachers to seek feedback and use data relating to their performance and their school.

The development of the e⁵ Instructional Model provides a consistent framework to embed teaching excellence across the school system. The model is designed to assist school leaders and teachers to share an understanding of quality practice and to provide a focus for professional learning and growth. It is a framework to inform conversations and guide the observation, critique and reflection of classroom practice. The e⁵ Instructional Model demonstrates how levels of increasing proficiency in teacher practice can be empirically constructed and validated. This is an important development to inform future models to reward teaching excellence.

Figure 1: Suite of DEECD initiatives for enhancing teaching excellence



The Victorian education system is committed to raise student learning outcomes. The models for rewarding teaching excellence provide an opportunity to build on existing performance and development processes and will need to make explicit the connection between high quality teaching and work to improve professional practice.

2 National and International Evidence

Rewards for teaching excellence can be effective in attracting and retaining high quality teachers and improving the performance of all staff.

Research suggests that rewards for teaching excellence can be effective in attracting and retaining high quality teachers and improving the performance of all staff. Multi-dimensional “pay for contribution” schemes are being devised around the world as a means of addressing a variety of system-level objectives including making teaching more attractive to graduates, relieving teacher shortages in “difficult to staff” schools and subjects, retaining high quality teachers, and improving the overall quality of teaching and learning. Pay for contribution schemes have the potential to offer benefits in a range of areas.

Evidence from the United States indicates that to be successful, any new pay for contribution system must be strategic, quality focused, fair, flexible, feasible, and affordable. These attributes are elaborated below.

- *Strategic.* Bonuses need to be weighted in ways that recognise those teachers who are contributing the most to the success of students, their peers and the school, and motivate all teachers to improve.
- *Quality focused.* Schemes should relentlessly pursue the goal of improving and rewarding teacher quality, since the aim of introducing performance pay is to improve the quality of teaching and to reward teachers for improving student outcomes beyond the levels that would be expected of them.
- *Fair.* Schemes are seen as fair when value-added measurements that are valid, easily understood and able to be applied widely are combined with principal evaluations; when individual and group performance is rewarded; when there is a range of components that generate a bonus payment; and when bonuses are available to all teachers.
- *Flexible.* Schemes that have several components with different weightings and which allow teachers to opt in appear to be most supported and effective.
- *Feasible.* The processes for evaluating teachers, teams and/or schools should not place significant additional burden on the schools or system. State or national data systems need to have credible assessment tools and processes, and the capacity to track students if bonus payments are to be tied to student performance.
- *Affordable.* Most schemes are built on a base salary that recognises different levels of competency and contribution to the school (e.g. graduate, accomplished, expert and leading level teachers) and provides a career ladder for the profession. Additional funds are needed to design, implement, and sustain a reward scheme for teaching excellence.

Several different models for evaluating and rewarding teacher excellence are used around the world. Some reward individual teachers while others reward schools. Some involve monetary rewards of annual bonuses, salary increases or new “career steps” while others involve prizes or scholarships. Some assess performance against a comprehensive set of measures while others tie assessment to student test results. The most common model appears to be either individual and school- or team-focused rewards or a combined model.

Empirical studies of schemes for rewarding teaching excellence, including evidence of two programs in Israel and a large randomised control trial in India⁴, have attempted to evaluate the impact of rewards for teaching excellence on student learning outcomes. These studies have identified gains equivalent to a 3–19 mark improvement on OECD PISA maths test scores (Figure 2). The effects appear to be positive whether the rewards go to individual teachers or to schools. However, given the small number and limited duration so far of programs underway, some caution is required. At this point in time there is no emerging consensus in the international literature on a single, optimal model for assessing and rewarding teaching excellence.

Figure 2: Observed impact of programs to reward teaching excellence

Study	Model type	Country	School type	Average size of reward (% salary)	Standard deviation improvement per annum	Equivalent increase in PISA test scores
Winters, Ritter, Barnett, and Green (2008)	Teacher	US (Little Rock)	Primary	5–20	0.15–0.22	+13–19
Muralidharan and Sundararaman (2006)	Teacher	India	Primary (rural)	~5	0.15	+13
Muralidharan and Sundararaman (2006)	School	India	Primary (rural)	~4	0.08	+7
Figlio and Kenny (2006)	Teacher	US	High schools	10–20	0.04–0.06	+3–6
Angrist and Lavy (2004)	School	Israel	High schools	1–2	0.1 (approx)	+9
Lavy (2002)	Teacher	Israel	High schools (Grade 10 & 12)	6–25	0.2 (approx)	+17
CTAC (2004)	Teacher	US (Denver)	High Schools	~2 per objective met	0.03–0.08	+3–7

Note: All programs were evaluated using standard testing of students in math and languages

⁴ Podgursky and Springer (2006), Muralidharan and Sundararaman (2006), Lavy (2002), Angrist and Lavy (2004), Figlio and Kenny (2006), Winters et al. (2008), CTAC (2004)

Israel

In 84 high schools in Israel an evaluation was conducted on the effect of schools' and teachers' performance-based incentives programs on student achievement. The two interventions were designed to improve the performance of high school graduates in their matriculation exams and to reduce drop-out rates at different grades in high school. The results suggest the teachers' monetary incentives led to significant gains in achievement measures of high school graduates and an increase in the proportion of matriculating students, especially among those from a disadvantaged background.

Alternatives to the program based on school incentives, such as more school resources in the form of teaching time and a focus on potential dropouts and weak students, also had a significant effect on student achievement. However, a comparison indicates that the teachers' monetary incentives program was much more cost effective.

Successful implementation of observed models is characterised by program impact on student achievement and teacher practice, uptake by teachers and schools, and acceptance of the model by teachers, school leaders and other stakeholders. However, not all implemented models have been equally successful. For example, the US National Board for Professional Teaching Standards, a certification and career steps rewards model, is widely respected by American teachers but a similar Chartered Teacher model implemented in Scotland has met with challenges in relation to teacher uptake and maintaining the integrity of the model.

A number of empirical studies in the United States and UK have been conducted focusing on school-level schemes. Most of these studies⁵ find that teachers support bonuses, believe that rewards have a positive impact on motivation and, when offered a choice, prefer to receive a reward in form of a bonus than to have it given to the school. A few of these studies also found indications that some teachers believed the introduction of school-level schemes added pressure to their work.

Concerns that too great an emphasis on rewarding exceptional teachers could be divisive within a school and discourage teacher collaboration has been addressed by including a team or whole school bonus component within the scheme or by rewarding teachers who demonstrate improved skill development. Lavy⁶ recommends that because some degree of teamwork characterises all schools, individual rewards should be balanced with school incentives and that the "design of these incentives should foster a cooperative culture, but not at the cost of an aggravated free-riding problem, a condition likely to arise when only group incentives are used."

Australia

Australia has a small number of programs for rewarding teaching excellence at the national, state and school levels. Some schemes—for example, the National Excellence in Teaching Awards (NEiTA) and the Victorian Education Excellence Awards—recognise and fund professional learning. Some Victorian schools employ professional learning and recognition schemes, but this is not widespread. The attractiveness of programs like these varies for individual teachers. While many appreciate the opportunity to be recognised and attend professional learning activities, teachers who have family responsibilities may not be able to take them up if travel is involved and some teachers may find the self-nomination process uncomfortable or confronting.

⁵ Burgess et al (2001)

⁶ Lavy (2007), p. 102

Some Australian independent schools are introducing rewards for teaching excellence. For example, the Churchie School and Moreton Bay Boys College in Brisbane and Haileybury College in Melbourne provide annual bonus payments to high performing teachers. Churchie School and Moreton Bay Boys College assess teaching excellence using a holistic set of measures including classroom performance, teamwork and leadership, and contribution to the school. In contrast, Haileybury College focuses on evidence of exceptional student learning. Each of these programs is too recent to provide firm evidence of impact, but they have been well received by the principals and teachers at all three schools. In addition, Australian Independent Schools Victoria (AISV) is piloting a “rewards for teaching excellence” program at seven Victorian independent schools in 2009. The pilot involves external assessment of two teachers at each pilot school against a set of professional teaching standards, with the schools free to decide how to reward successful accreditation.

Denver, USA

The Denver Pro Comp scheme has been designed to reward and recognise teachers for meeting and exceeding expectations, link compensation more closely with instructional outcomes for students, and enable the district to attract and retain the most qualified and effective teachers by offering uncapped annual earnings in a fair system.

Under the Pro Comp scheme teacher bonuses are linked to a broad range of skills and performance. These include compensation for acquiring and demonstrating knowledge and skills, administrator evaluation of classroom skill, meeting student academic growth objectives, and assignment to hard-to-staff or hard-to-serve schools. Pro Comp uses multiple measures to reward teachers as no one measure can be shown to accurately reflect everything about quality teaching.

An evaluation of the pilot program revealed that at all three academic levels (elementary, middle, and high school) higher mean student achievement in the pilot schools was positively associated with the highest quality teaching objectives. Teachers indicated that they have greater access to student achievement data and that they use the data more effectively, particularly baseline data, to establish growth expectations, to focus earlier on students who may need more assistance and to monitor progress. The pilot teachers were less fearful of pay for performance than the control group of teachers. The task of linking student achievement results to specific teachers has proven more challenging than originally anticipated, but as the scheme is expanded improvements are occurring in achievement data collection and analysis.

3 Stakeholder Attitudes to Rewarding Teaching Excellence

The further building of teaching excellence in schools must be a key focus as we strive to deliver every child, every opportunity.

In 2008, as part of the investigation of rewards and incentives for effective teaching committed to in the *Blueprint for Education and Early Childhood Development*, a wide range of stakeholders were consulted about rewarding teaching excellence. Consultations included teachers and principals, national and international education experts, representatives from Victorian and Federal government departments, the Victorian Institute of Teaching (VIT), the Australian Education Union (AEU), Victorian principals' associations, the Association of Independent Schools of Victoria (AISV), Catholic Education Office, and the Business Council of Australia.

The consultations were informed by the national and international evidence about models for rewarding teaching excellence, including benefits and pitfalls, and the key principles of any potential models. The investigation and the consultations led to consolidation of emergent models for rewarding teaching excellence in the Victorian and national context.

There was a range of responses given in relation to the process of trialling models to reward teaching excellence. There is strong consensus among the stakeholders consulted that further building teaching excellence must be a key focus as we strive to deliver every child, every opportunity. Providing rewards for teaching excellence also has strong stakeholder support. While stakeholders have differing opinions about how we might move forward, the Department believes there is sufficient support to warrant trials of carefully designed models to reward teaching excellence.

When considering the models for trial, some stakeholders favour rewards for individual teachers; some prefer models that recognise whole-school improvement and share the rewards across the teaching staff; and others support both types.

During the consultation, many principals could see benefits in several models, with rewards for the whole school complementing school strategic and annual implementation plans, and individual teacher rewards supporting a more targeted approach to the performance and development process. Teachers expressed a preference for being assessed on a broad range of measures such as classroom management, teacher practice, student growth, teamwork and sharing, professional learning and contribution to the school community, using multiple sources of evidence. Some teachers found rewards in the form of scholarships to participate in professional learning to be attractive.

Having appropriate rewards and incentives could assist in positioning the Victorian school system to attract, place, develop and retain the next generation of high quality teachers.

The consultation found early career teachers were much more likely than experienced teachers to support monetary rewards for teaching excellence. This is important, as generational change is expected in Victoria's teaching workforce in the next 5–10 years, with the retirement of many experienced teachers. In 2007, over 38 per cent of teachers in Victorian government schools were aged over fifty.⁷ An appropriate rewards and incentives process could assist in positioning the Victorian school system to attract, place, develop and retain the next generation of high quality teachers.

⁷ DEECD Teacher Demand and Supply Report

4 Potential Models for Victoria

In the *Blueprint for Education and Early Childhood Development* the Department committed to investigate rewards and incentives for effective teaching. While there are promising examples of different models, there is no clear national and international evidence to select or to reject a specific model for trial in Victoria. However, the evidence does underscore the importance of careful design and a tailored implementation approach. Recommendations from consultations in 2008 were carefully considered in the design of models to reward teaching excellence to ensure that any models trialled would be consistent with and build on the Victorian context.

The need to identify supportive conditions for successful implementation provides a strong case to proceed with trials of recommended models in selected schools before proceeding to wider implementation. Other states will be undertaking work in parallel in this area under the *Smarter Schools – Quality Teaching National Partnership*. Victoria will have the opportunity to compare and evaluate its approaches against those of other jurisdictions.

The quality of data available in Victorian schools provides a strong platform through which to connect teacher practice and student learning outcomes. The School Accountability and Improvement Framework considers a range of outcomes (student learning, engagement and wellbeing, and pathways and transitions) which reflect the Department's aspirations for all students. The increasing use of On Demand testing data, diagnostic tools and feedback by teachers has helped them to plan instruction for individuals and cohorts of students and assess the progress each child is making. Key initiatives such as the Performance and Development Culture added further impetus to the use of data in Victorian schools. It is only on the basis of this work that the Department can consider trials of strategies that use data from a range of sources to underpin the discussion on rewarding teaching excellence.

The Department has the potential to build on its strong improvement agenda, and sophisticated use and analysis of data. Taking into account the international research and the feedback from consultations, two models were judged suitable for trials in the short term, both of which have support from key stakeholders⁸. They are:

- Financial rewards for individual teachers based on the use of a balanced scorecard (“Teacher Rewards”); and
- Financial rewards for schools based on a broad-based performance measure (“School Rewards”).

⁸ The models to reward teaching excellence were developed by the Department with the support of The Boston Consulting Group.

The Teacher Rewards model recognises variation in individual teachers' performance in each school and rewards the highest performing teachers by using a balanced scorecard approach.

Teacher Rewards

The Teacher Rewards model involves payment of an annual bonus to top performing teachers, as assessed by their schools on the basis of a balanced scorecard approach. The model recognises variation in individual teachers' performance in each school and rewards the highest performing teachers. It also encourages and rewards sustained high performance in teaching practice. The consultation process suggested schools be given significant scope for local customisation of the assessment approach and rewards structure to reflect their particular needs. Consistent with local management by school leadership teams, teaching staff at participating schools are also involved in discussing the assessment options, which builds staff ownership and acceptance of the selected rewards program.

The model builds on the gains already made in Victorian schools through the Performance and Development Culture initiative. Each participating school has access to a bonus pool equivalent to 1.5 per cent of total teaching staff base salaries, plus an allocation for superannuation. The school allocates the monetary rewards to individual teachers on its staff, directing at least 80 per cent to the top 30 per cent of teachers, as assessed by a school leadership panel using a balanced scorecard approach. Measures used in the balanced scorecard include classroom excellence, teaming and leadership, professional learning, and school contribution.

In the stakeholder consultation process, teachers raised questions about the potential for Teacher Rewards to affect collaboration and teamwork in schools. To deal with this issue, the balanced scorecard approach gives significant weighting to teamwork as a criterion for teaching excellence. Inputs including self-assessment, peer feedback, classroom observation and, where available, student performance data contribute to building a picture of teaching excellence. Figure 3 shows an example of a balanced scorecard for a secondary school.

While each participating school is able to customise the assessment approach and rewards structure to suit its particular needs and circumstances and to ensure teacher buy-in, the following guidelines will ensure rigour, transparency and broad consistency throughout the trial:

- Assessment must be undertaken by a panel of at least three school leaders, including the school principal. In smaller schools the panel could include an independent assessor;
- Assessments must draw on multiple sources of feedback, including student learning achievement data;
- The balanced scorecard must include the following dimensions and minimum weightings: classroom excellence (40%), teaming and leadership (20%), professional learning (10%);
- The assessment panel must meet at least twice yearly to discuss each teacher's performance;
- Assessment of classroom practice should reflect the capabilities described in the e⁵ Instructional Model;

- Assessment must be integrated with existing teacher performance appraisal processes;
- A minimum of 80 per cent of the total bonus pool must be distributed to the top 30 per cent of teachers;
- The distribution of rewards across teacher cohorts (graduate, accomplished, expert and leading) should be broadly consistent with the distribution of the school's teaching staff across cohorts; and
- An external assessor (e.g. the Regional Network Leader or other nominee of the Regional Director) must determine that each school's assessment process meets these guidelines.

Figure 3: Example of a balanced scorecard for a secondary school

Dimension	Areas assessed	Measurement inputs	Actual weighting (%)
Classroom excellence	<ul style="list-style-type: none"> • Teaching practice • Student learning outcomes 	<ul style="list-style-type: none"> • Classroom observation by school leadership • Interview with school leadership including presentation of <ul style="list-style-type: none"> – Evidence of impact on student achievement drawing on student test data – Self assessment of teaching practice • Focus groups with students run by independent facilitator 	50
Teaming and leadership	<ul style="list-style-type: none"> • Intra-department collaboration • Coaching and apprenticeship 	<ul style="list-style-type: none"> • Peer feedback through annual online survey • Assessment of contribution to collaboration and coaching commensurate with tenure and teaching experience by school leadership 	25
Professional learning	<ul style="list-style-type: none"> • Contribution to professional development activities • Delivering professional development training 	<ul style="list-style-type: none"> • Self assessment of involvement in professional learning discussed in interview with school leadership team <ul style="list-style-type: none"> – Feedback on delivery of training – Participation in professional learning and impact on teaching practice 	15
School contribution	<ul style="list-style-type: none"> • Contribution to school community, co-curricular activities 	<ul style="list-style-type: none"> • Self assessment cross-checked by supervisors and school leadership 	10

Different weighting on dimensions applied to different levels of experience

The Schools Rewards model supports and reinforces the role of schools as important drivers for improving teaching quality.

School Rewards

The School Rewards model involves payments to the 20 per cent of Victorian government schools that demonstrate the greatest improvement on a broad-based measure of school performance over the assessment period. The payments total 7.5 per cent of teacher base salaries at the school, with 50 per cent of the annual bonus paid to schools at the end of the assessment period and 50 per cent paid at the end of the following year if performance is sustained. Schools awarded the performance bonus are free to allocate the monies within the broad parameters developed by the Department.

In this model, progress is measured using a weighted index of school performance. The index includes student learning, student engagement and wellbeing, and student pathways and transitions, which are consistent with the School Accountability and Improvement Framework. Different indices and measures are used for primary and secondary schools.

Each school's performance is judged annually to determine year-on-year improvement or "distance travelled" from an initial pre-assessment baseline, using a two-stage process. In the first stage, the Department's Data, Outcomes and Evaluation Division assesses the progress made by each school over the year against the weighted performance index. In the second stage, the initial assessment is validated and potentially moderated by Regional Directors and Regional Network Leaders. The validation process will focus on potential anomalies or unexpected outcomes by probing on performance drivers through discussions with schools.

The School Rewards model supports and reinforces the role of schools as important drivers for improving teaching quality and is closely aligned with the School Accountability and Improvement Framework. It provides incentives for schools to improve their performance using measures that complement performance improvement mechanisms already in place such as the school review process, school strategic planning and annual implementation planning.

The model rewards schools that achieve gains in absolute school performance, rather than those that sustain high performance on an intake-adjusted basis. In this way the model rewards schools for doing things better rather than continuing to do things well, an objective supported during the consultation by many stakeholders.

Other models considered

While stakeholders and experts nominated several other models in the consultation process, they were considered less attractive for trialling in Victorian schools in the short term. These models include non-monetary rewards for teachers, certification or "career step" models, rewards for teams of teachers, and rewards for regional networks.

Non-monetary rewards for teachers

In focus groups, some principals and teachers suggested that non-monetary rewards such as scholarships, awards and recognition are unlikely to be appealing to all teacher groups, with younger teachers expressing a strong preference for monetary rewards. Trialling a non-monetary rewards program is therefore considered less likely to yield definitive results in the short term and would also be more complex and costly to administer. However, there may be scope to enhance non-monetary rewards in any broader rollout of a rewarding teaching excellence program.

Certification or career step model

A number of people advocated an external certification model similar to that implemented by the US National Board for Professional Teaching Standards. There is evidence of success for this model in the United States and it does provide incentives for teachers to invest in professional learning.

However certification or career step models have high administration costs relative to other alternatives and require employers to have absolute confidence in the independent external panel that assesses teacher performance. They also must be prepared to link their pay to the external assessment. In the United States it required more than 10 years and significant cost to build up teachers' confidence. Teachers are required to hold a teaching credential for three years before they can apply for National Board certification. Overall, participation rates have been relatively low with 2 per cent of eligible teachers in the United States currently board certified.⁸

A national certification model is being considered in Australia and standards are under development. Victoria will monitor what is happening nationally with the potential to support a certification model in parallel with other rewarding teaching excellence models, as they need not be mutually exclusive.

Rewards for teams of teachers

Teacher teams are used and embedded in work practices in nearly all schools in Victoria. However, the collaborative models vary significantly across schools depending on context, school size, and curriculum organisation. While rewarding teams of teachers is potentially attractive since it supports teamwork and collaborative practices, this type of reward will be outside the scope of the current trial. Given the strong alignment with policy directions over the coming year, the Department will further develop ways to understand team-based activities and how to reward them. This development work to consider team-focused models will include strong engagement with key stakeholders, teachers and principals.

Rewards for regional networks

Rewards for regional networks could support network improvement plans and may be attractive to some stakeholders. However, it is likely the impact on teaching excellence in the classroom will be less direct than that of a school or teacher reward program. The model could be considered as a component of a system improvement program, which could be run in parallel with the recommended trials.

9 National Research Council (2008)

5 Trials in Victorian Schools

In 2010, the Department will commence a two-year trial of the Teacher Rewards and School Rewards models.

While there are promising examples of different models being used in other jurisdictions, it is important for our decision-making to have specific Victorian evidence that takes into account the particular initiatives and factors influencing teaching excellence in Victoria. Therefore, trials will be conducted in selected Victorian schools rather than proceeding directly to implementation across the state. In 2010, the Department will commence a two-year trial of the Teacher Rewards and School Rewards models. The approach to trialling the two models is designed to provide a balance between practicability and the generation of results that will help determine how recognition and rewards for teaching excellence could be systematically applied in future years.

Participating schools for both models will be selected from a subset of regions and regional networks so that support is focussed for the trial implementation. During the trials no school will use both models at the same time. Within this framework it is intended that schools will participate on an opt-in basis. The trials will be conducted in both primary and secondary schools.

Teacher Rewards

The Teacher Rewards model will be trialled in approximately 25 schools from two regions. Schools will be selected based on their readiness and capacity to contribute to the success of the trials. Preconditions for school selection will include:

- A strong Performance and Development Culture;
- A strong or growing shared view in the school on the nature of “teaching excellence”; and
- A strong school culture and trust in leadership.

In preparation for the trial, teachers in participating schools will be discussing teaching excellence through the use of existing system frameworks, including the e⁵ Instructional Model. They will also develop the assessments for the “balanced scorecard” approach to measure teacher performance in the context of their own school environment. In addition, school leaders will discuss teaching excellence with other leaders of participating schools in their own or neighbouring regional networks. Any evaluation of the success of the model should indicate improved teacher engagement and awareness of what is involved in teaching excellence.

School Rewards

School Rewards will be trialled in approximately 50 schools from two regions. The trial will include a small number of regional networks, with schools in the selected networks opting in to participate. This will provide a trial setting where the regional networks support their schools to improve their performance rather than one where schools within a regional network compete with one another.

Prior to the start of the trials, teachers in participating schools will engage in discussions on the weighted performance index, the input measures, and the types of changes needed to make their schools eligible for a reward. Each of these schools will then focus on improved performance, building on existing strategic and annual implementation planning processes.

Trial costs

The estimated cost of trialling the two models over two years is \$12 million. This includes the costs of the rewards themselves, the support for the trials at the central, regional and school levels, and the external evaluation of trial outcomes. Funding for the trials will be contributed by both the Victorian government and the *Smarter Schools – Quality Teaching National Partnership*, which is comprised of both Commonwealth and state funding. The *Smarter Schools – Quality Teaching National Partnership* aims to increase the quality and attractiveness of teaching across a range of reform areas. The trial results will contribute to reform areas on improved reward structures for teachers and leaders who work in disadvantaged and hard-to-staff schools, and improved pay dispersion to reward quality teaching.

Evaluation

An evaluator will be appointed to design and conduct an independent evaluation of the trials for rewarding teaching excellence in Victorian government schools. The evaluator will monitor the implementation of the Teacher Rewards and Schools Rewards model trials and assess how closely the implementation followed the intention as designed. The evaluation approach will also focus on changes in school culture and teacher attitudes and behaviours based on in-depth teacher and principal interviews, focus groups and surveys. This information will be supplemented with data on teaching quality and student outcomes at the school level. Stakeholders will continue to be engaged and informed about interim results as the trials proceed.

The evaluation will also include “control groups” to try and isolate the effect of the model trials. Existing data will be used to identify schools that closely match key characteristics of schools participating in the trials. Progress of the schools participating in the trials will then be considered relative to the control group schools that are not participating in the trials.

A final report will evaluate the impact and outcomes of the trials and provide information on model refinement for any potential broader roll out in Victoria. While in the short-term evaluation will focus on model implementation and changes in teacher behaviour, the intermediate to longer term focus will include the level of awareness of performance improvement and rewards, ways of developing a high-performing school workforce, changes in the attractiveness of the teaching profession and improved student learning outcomes.

A final report will evaluate the impact and outcomes of the trials, identify cause and effect links, and provide information on model refinement for a potential broader roll out throughout Victoria.

6 Beyond the Trial Phase

The Department will put mechanisms in place to ensure that experiences are shared across Victorian schools.

If the trial outcomes for either or both the Teacher Rewards and School Rewards models are positive, the Department will consider a rollout across Victoria's government schools. Lessons from the trials would be used to refine model design before any broader implementation. The schools that participated in the trials could be used as reference schools to support new cohorts of schools adopting the rewards program(s), as was the case in spreading the Performance and Development Culture initiative.

If the trials suggest both the Teacher and School Rewards models drive positive outcomes, the Department may consider development of a hybrid model—for example, those schools that perform strongly against an agreed set of improvement or performance criteria could be rewarded, and those schools could allocate rewards to individual teachers using a balanced scorecard approach.

There will be valuable learnings for participating and other schools notwithstanding any decisions taken to proceed to a wider systematic approach to recognition and rewarding teaching excellence based on results from the trials. For example, participating schools' methods for assessing teaching excellence are likely to be useful to them and other schools in their teacher performance management processes. The Department will put mechanisms in place to ensure that experiences are shared across Victorian schools.

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