

**Testimony of
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Education Reform and Public School Finance
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Chairwoman Shapiro and Members of the Education Committee, thank you for the opportunity to appear before you today. We have heard a great deal of testimony today regarding the critical importance quality teaching and quality teachers have on student academic achievement and I hope I can add a few additional insights as to the critical reforms we need to improve student achievement and the effectiveness of our educational system.

My name is Gregory McGinity. I am the Director of Policy at the Broad Foundation. The Broad Foundation is a Los

Angeles-based venture philanthropic organization established in 1999 by Eli and Edythe Broad. The Foundation's mission is to dramatically improve K-12 urban public education through better governance, management, labor relations and competition. The Foundation's major initiatives include the \$1 million Broad Prize, awarded annually to urban school districts that have made the greatest overall improvement in student achievement; The Broad Superintendents Academy, a ten-month executive management program to train working CEOs and other top executives from business, non-profit, military, government and education backgrounds to lead urban public school systems, and the Broad Institute for School Boards, an annual training program for newly elected school board members designed to increase student achievement through improved governance.

In addition, we are assisting with the system-wide implementation of Denver's ProComp program. Our work in Denver and our research on performance pay systems has taught us numerous lessons that are relevant to our discussion today:

Currently, the Texas teacher pay structure, like most state teacher pay structures, is a "single salary schedule" which bases pay increases solely on the service time of teachers and the number of education credits and degrees which they have earned. This system was established in the 1920s to ensure fair and equal treatment. Sadly, this pay structure as it exists in Texas and across our nation has changed very little in the last 80 years.[1] We believe truly outstanding principals and teachers should be rewarded for their performance. And by performance I am focusing on

improving student achievement and closing achievement gaps.

Consider what we are incentivizing under the current compensation structure:

- Length of service.
- The accumulation of higher education credits and degrees
- Professional development

All three of these things may or may not be related to improving student achievement. These incentives are often largely unrelated to broader school improvement and reform.[2]

At The Broad Foundation, we believe that if we are to dramatically improve student achievement and close the persistence achievement gaps that exist between income and ethnic groups, we must take several action including:

- We must pay our highest performing educators – our best principals and teachers – more. But we must pay them differently. And principals need to be part of this discussion. Leadership at the school level matters and significantly influences student performance.
- We must increase our efforts to attract the best talent into education, particularly in the specialty areas like mathematics and science that are so critical to our nation's future economic success; and

- We must find ways to give our neediest students access to the highest quality school leadership and highest quality teachers.

We believe one way to accomplish this is to develop and implement a transparent, meaningful, thoughtful differential professional compensation structure. In addition, there are four categories that such a program could look to incentivize:

First, the program should incentivize results – both at the school level and the classroom level. Results may be a combination of test scores, teacher evaluations, and other measures, such as graduation and attendance rates.

Second, the program could also include incentives for expertise. As a nation, we need a differential pay structure in place that will allow school districts to attract and retain those with expertise in mathematics and in the sciences.

Third, such a program could include incentives for working with those students that need the most help

Lastly, such a program could take into account paying teachers more for more time. American students receive far less teaching time spent on academic subjects versus students in other countries. As a nation, we must begin to address this imbalance if we are to be economically and educationally competitive in the 21st Century.

Once the decision is made about what to incentivize, the next question becomes how to build a system to accomplish those goals. What elements are necessary for the establishment of a successful program? Current research tells us that for a program to be effective and drive academic performance it must the following:

Incentives need to be available to all teachers and principals. The model should include a combination of shared and individual accountability for teachers and principals.

- The model should not be constructed with quotas, or numeric or percentage limits on the number of teachers who can receive an award within a school. If every teacher excels in improving student achievement, every teacher should be able to earn more.

- The model should use a range of both objective and subjective measures in evaluating whether or not a teacher will be rewarded.
- Some part of the award should be tied to individual teacher success, even if part of the award is for school wide success.

Classroom evaluations should also determine part of the award for teachers. In addition to standardized tests other measures should be used to determine the awards.

Evaluations should be rigorous and based on credible, research-based, and agreed upon standards and measures of practice. These evaluations should not result in all teachers being judged “exemplary”. Principals need to be given tested guidelines and training on conducting the measurements to ensure consistency and fairness

throughout the state. The State will have to review and assess the current system for evaluating principals and teachers.

Both the design and implementation of the program should be transparent.

Everyone should understand what needs to be accomplished in order to receive the incentive. The model should be straightforward, easily understood, and in alignment with other existing efforts geared towards improving the quality of education in the state of Texas.

The incentives provided should be aligned with the intended performance outcomes.

Higher achievement in the classroom should yield greater rewards, lower achievement yields lower rewards.

The size of the awards to both principals and teachers needs to be significant. For example, the awards could be set at 20% of the base salary.

There needs to be a sense of sustainability around these rewards. Once the plan is in place, principals and teachers must have the confidence that the program will continue. Having to renege on promised pay increments or prorate them could undermine teachers' support for the plan and undercut the plan's power to affect the behavior of the teaching force.[3] A locked in revenue source is one way to ensure teachers and principals that this program will not be a one-time thing.

Include an integrated, results-driven professional development component for both teachers and principals. Teachers need to be supported in acquiring and demonstrating new knowledge and skills in their classrooms and principals need to be trained to evaluate and support teachers in this endeavor.

Finally, the model should include an evaluation component. Each district or school should have a plan in place for ongoing, internal evaluations of the incentive program. This will allow for mid-course corrections as they are needed. The state will need to ensure that the capacity for data collection exists.

In conclusion, I urge you to focus relentlessly on results to design a new system that is likely to increase student achievement by enhancing the quality of teaching.

I encourage you to work with teachers and administrators to design a system that is in alignment with pay policies, comprehensive human resources, and school improvement approaches and to support rigorous documentation and evaluation of the new pay systems' effects on teaching quality and student outcomes. If done correctly, this program could contribute significantly to the achievement of critical teaching quality goals: enticing more people with high teaching potential to enter the profession and to stay. It should also persuade effective teachers to take the toughest assignments, induce teachers to use effective

practices and employ those practices more routinely, and encourage less effective teachers to seek other careers.

Thank you for inviting me to speak to you today. I am happy to answer any questions you and the members of the committee might have.

[1] Allen Odden, "Rewarding Expertise," *Education Next* (Spring 2001).

[2] Rotherham, Andy. "Opportunity and Responsibility for National Board Certified Teachers." Public Policy Institute Policy Report. March 2004.

[3] Hassel, Bryan. "Better Pay for Better Teaching: Making Teacher Compensation Pay Off in the Age of Accountability." Progressive Policy Institute. May 2002.