

# Perils of Pay for Performance

**T**he foundation for pay for performance policies is built on the popular but misguided belief that money is the greatest motivator of human behavior.

In announcing one such pay for performance plan in October 2007, New York City Mayor Michael Bloomberg proclaimed: “This agreement underscores how rewarding positive performance is helping infuse our schools with a culture that stresses results and collaboration.” New York recently discontinued the program when a Rand study found that it had no positive effect on student performance or teacher job satisfaction.

Yet policymakers persist in supporting merit pay plans despite voluminous evidence that these schemes work against the elements of effective teaching. In “Holding Accountability to Account: How Scholarship and Experience in Other Fields Inform Exploration of Performance Incentives in Education,” Richard Rothstein comments that policymakers who promote performance incentives for education seem oblivious to the extensive literature in economics and management theory that document “the perverse consequences of performance incentives” such as decreased performance, lack of motivation, and dampening of creativity and experimentation.

Most educators recognize pay for performance proposals such as those advocated by the No Child Left Behind Act and Race to the Top for what they are: thinly disguised strong-armed tactics to take away any remaining schoolhouse autonomy, transforming educators into technicians tasked with fashioning students for the marketplace.

We live in a culture so dominated by a commercial mentality and its tenacious faith in the power of the purse as the decisive motivator of human behavior that, even when the evidence shows that this conviction is wrong, many refuse to let go of it. In *Drive: The Surprising Truth About What Motivates Us*, Daniel Pink refers to numerous studies that have shown that pay for performance plans have limited

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viability in general, and in professions such as teaching, are more likely to have damaging effects on motivation and performance.

Pink cites the research of Harvard Business School's Teresa Amabile, who found that pay for performance arrangements work best when the task involved is algorithmic—simply requiring a person to follow a prescribed set of directions down a well-established path to a solution. But when a task is heuristic—requiring creativity and a willingness to experiment—pay for performance incentives are seldom effective, hampering rather than fostering creativity and experimentation.

Many policymakers believe that teaching is an algorithmic task and that if we give teachers the “right” tools, tell them how to use those tools, offer them rewards for doing what they are told, and rigorously assess their compliance, then those teachers will produce the kind of products that the nation needs to be competitive in the global marketplace.

## Teaching as a Creative Art

Yet, teaching, when it is most effective, is far from a matter of mere mechanics. To be inspiring and effective, teaching must be approached as a creative art. MIT professor Seymour Papert wrote in *The Children's Machine*, “Every good teacher uses this kind of [personal, intuitive] knowledge far more than test scores or other objective measurements in daily decisions about students.” Instead of discouraging this practice, he says we should be trying to strengthen it.

Pay for performance schemes repress intrinsic motivation, creativity, and experimentation. By encouraging people to focus on external rewards, especially those that are contingent on achieving a specified goal within a prescribed timeframe (i.e. adequate yearly progress), merit pay initiatives narrow a person's field of vision, motivating the teacher to center his or her efforts on a single simple solution such as teaching to the test.

Pay for performance policies are problematic for education in another way. Because rewards are contingent on results, they demand strict compliance. But as Pink points out in *Drive*, compliance is a lousy strategy for personal fulfillment.

Most people enter education out of a desire to make a positive difference in the lives of young people and the nation. When educators are offered rewards for complying with policies they don't believe are in the best interest of children and are forced to follow those policies to avoid losing their jobs, their sense of fulfillment diminishes. The end result is that educators leave the profession.

Another reason for keeping pay for performance arrangements out of education is that they have high potential for encouraging people to “game the system” as evidenced by standardized test cheating scandals that are a direct result of pay for performance educational policies.

Most pay for performance policies work against what we need most to be successful in raising student

achievement—teamwork. Because these policies advance competition rather than collaboration, teachers and even schools often vie for the best students to have a better chance of obtaining the rewards.

### Autonomy and Respect

It's time to foreclose on the bankrupt promises of pay for performance policies and move on to ideas that have a better chance for success.

Let's begin with something very basic but essential. Stop treating teaching as a semiprofession, a technical job that anyone can do by complying with the right script. Start giving the profession and those who work in it the respect they deserve and the autonomy they need to teach students to be motivated, self-directed, lifelong learners.

Those who think that this is a foolhardy approach should examine what Finnish educational policymakers did when student performance in their schools languished. Finnish teachers received more autonomy over curriculum design and how and when something was to be taught as well as control of how students are assessed. They virtually eliminated standardized testing in their schools, and they never use standardized testing to compare either teachers or schools.

Consequently, teaching is now one of the most respected professions in Finland, attracting the best and brightest university graduates. Not surprisingly Finnish students across the socio-economic spectrum consistently are among the strongest performers on international comparison tests.


Policymakers should listen to what

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The author makes the case that pay for performance systems do not work in education. What is the solution? Share your thoughts on *The Principals' Office* blog at [www.naesp.org/blog](http://www.naesp.org/blog). Click on Speaking Out.

educators say they need to get better results from students. When new teachers were asked in a study published by the National Comprehensive Center for Teacher Quality how to improve teaching, they cited reducing class size and increasing training to help them deal with the ethnic diversity in schools and classrooms as their top two priorities.

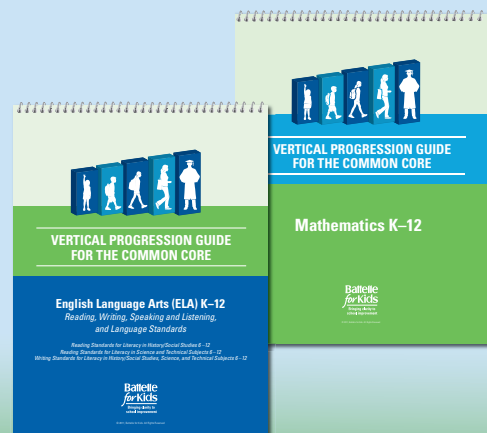
Bad ideas like pay for performance initiatives gain notoriety for a while, but eventually based on mounting evi-

dence, the public will repudiate them and those who promote them and will look to people who have better ideas. When that happens, principals and other educators will have an opportunity to advance ideas that have genuine merit for education. 

**Mike Connolly**, a former principal, is author of *Teaching Kids to Love Learning: Not Just Endure It* and *What They Never Told Me in Principals' School*.

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