

Pay-for-Performance in Three Michigan School Districts: Lessons for Decision Makers

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This study explored how district leaders in three Michigan school districts reacted to a state-induced policy calling for district-implemented performance-pay for teachers in response to Race to the Top (RttT) in 2010. The study is positioned at the intersection of reform efforts and policy implementation in practice. Using a multisite qualitative approach, this study examined (primarily through interviews and document analysis) how local leaders responded to and helped shape state law. The study analyzed interview transcripts as well as publicly available documents—primarily collective bargaining agreements and district provided policies. The wide-ranging findings presented in this study illuminated what was already known about the topic: that implementing teacher compensation reforms is a complex, complicated, and thought-provoking enterprise for district leaders. The findings point toward successful actions taken by district leaders that warrant further exploration and consideration.

Keywords: Pay for performance, teacher evaluations, incentives, and Race to the Top

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The overarching purpose of this study was to understand how district leaders in three Michigan school districts understood and shaped a federally preferred, state-induced policy reform. At the

time of this study, Michigan was one of only six states (the others included Florida, Hawaii, Indiana, Louisiana, and Utah) that had required performance-based pay be part of teacher compensation (Bates, 2016). This paper grappled with an important issue in the field of policymaking: school districts struggling to implement differentiated pay for teachers at the same time as teacher evaluation reform. For practicing district leaders, understanding the realities of performance-pay policies is a challenging endeavor and deservedly merits more attention in the research literature.

District leaders must be able to navigate the policy process from issue identification through implementation and eventually evaluation for continuous improvement (Fowler, 2009). The science of policy implementation has become a leading topic for school district leaders who face a constant pull of mandates at multiple levels—federal, state, and local (Albers & Pattuwege, 2017; Honig, 2006; Lyon, et al., 2018; Odden, 1991; Young & Lewis, 2015). The key question leaders face with regards to any policy change is: what happens between the making of that policy and implementation?

Without salary differentials, school district leaders, researchers, and policymakers have argued that recruiting and retaining teachers in hard-to-staff positions and in shortage subject areas (e.g., math, science, and special education) is sometimes a struggle. This paper specifically attends to how three school districts' leaders navigated this problem. After Race to the Top (RttT) in 2010, multiple state-level teacher policy changes were simultaneously directed at school district leaders in Michigan, who were responsible for realization of these policies in a changing and uncertain political context. Included among the changes made at the time was teacher compensation reform (Public Act or PA 205 of 2010 amended MCL section 380.1250 of 1976).

District leaders' decision-making processes, their attitudinal reaction related to changes in teachers' pay for job performance, and challenges faced by districts leaders were all tackled in a larger study that was part of a dissertation with a concentration in educational leadership. The attention of this paper is focused on the emergent themes from three local districts in Michigan as reported by district leaders with cross-site themes explored. Recommendations based on the results in these districts apply to Michigan policy makers, other researchers, and especially local school district leaders.

Background

In hopes of securing the additional funding as part of the first round of RttT, Michigan's Legislature made several far-reaching educational policy changes. Among the changes in 2009 were provisions to alter how teachers and principals were to be evaluated, compensated, and rewarded based on their performance (MCL 380.1250). The state performance-pay policy in Michigan represents a unique policy perspective because: (1) the state was not a winner in the first three rounds of RttT (meaning no additional funding has been provided to districts to implement the policies enacted); (2) the policy did not provide any penalty or consequence for non-compliant districts or leaders; and (3) Michigan Public Act 103 (2011) later made decisions about performance-pay a prohibited subject of bargaining (meaning school districts could not bargain the topic with teachers' unions).

Despite the debate surrounding performance-pay persisting for some time, Michigan law required that local school districts base their staffing, compensation, and additional compensation decisions, at least in part, on factors related to job performance (student test scores or student growth percentiles). Most districts interpreted job performance to be ratings on teacher evaluation systems. Despite this, very little has been written about how school district leaders navigated policy changes resulting from RttT or other related reforms. Confounding the issue was the fact

that most states, including Michigan, were unsuccessful in securing federal funding to support the changes made.

In all, only 12 states were awarded funding under RttT. Weiss (2013) noted that states, even when they were awarded funding, were largely behind in meeting the attainment goals of RttT for improving educational outcomes. The evidence to date has not determined whether RttT improved outcomes (Dragoset et al., 2016).

Michigan's Race to the Top Plan Summary (2010) outlined the state's implementation goals and procedures in key areas, but only scarcely mentioned the implementation of pay-for-performance, despite being a requirement on the U.S. Department of Education's rubric. Other than during the 2014-15 school aid year, teacher and administrator pay for job performance was not supported financially in any form by the state of Michigan. This paper follows other statewide analyses in Michigan by Van Beek (2012) and a qualitative study of nine Michigan superintendents (Tompkins, 2017) related to MCL 380.1250. This study draws on RttT policies, implementation research more generally, and the complexity of implementation (Honig, 2006).

Research Question

How did district leaders in three Michigan school districts interpret and implement pay-for-performance for teachers? The overarching study also addressed sub-questions, including if there were any lessons to be learned from the experiences of these leaders trying to implement pay-for-performance after RttT.

Literature Review

In most U.S. school districts, teachers' pay has been typically determined by a traditional or single-salary schedule, which has been determined based on educational attainment (degrees or graduate-level credits) or years-of service (district seniority). Strong support for single-salary schedules has generally been correlated with a general belief in the need for objectivity (Loeb, Miller, & Strunk, 2009). In recent years, increased pressure has emerged to differentiate pay for teachers and better identify and reward teachers for their performance. In some districts and states improving recruitment and retention of teachers through performance-based pay has been a key priority.

Other sources of policy pressure have come from those seeking to improve teacher quality by economically incentivizing better teachers to the field. Researchers, including Hanushek (2007), Odden and Kelly (2002), and Ritter and Barnett (2013), policymakers, and district leaders have strongly criticized the practice of uniformly paying teachers because the practice fails to incentivize high-performing teachers; and some school districts have reported difficulty attracting and retaining skilled teachers in hard-to-staff schools or in high-needs subjects (e.g., math, science, or special education) because all teachers must be paid on the same schedule.

Figlio and Kenny (2007) noted that the practice of paying teachers for years of service and/or completing graduate education courses has failed to promote individual achievement or excellence in teaching. Buck and Greene (2011) went even further, saying, "To be truly effective, pay for performance must mean in education what it does in other industries — salary increases for the successful, and salary reductions, even dismissals, for poor performers" (para. 5). Adams and Heywood (2009) found only about one in seven workers in other fields—besides teaching—had received performance-based pay, and supplemental amounts were comparably inconsequential in relation to the total compensation individuals received.

In response to criticisms of current practices related to educational achievement and student performance related to teacher quality, the U.S. Department of Education launched the RttT, a

federally funded competitive grant program (legislated under the American Recovery and Reinvestment Act of 2009). Among the stated goals of RttT was reforming educator compensation systems to recognize teachers better, and retain and reward the most effective teachers (with effectiveness defined through student test scores).

The federal theory of action was that if school district leaders provided the right encouragement, teachers would be incentivized to improve their performance and the performance of their students on tests would improve. Springer and Gardner (2010) noted that the largest portion of the federal RttT rubric favored states and districts that used teacher performance evaluations that included student growth combined with teacher compensation reforms to better identify highly effective teachers and reward them for their performance.

The broader preferred policy changes advocated by the U.S. Department of Education and part of the RttT application process involved four main areas: (a) adoption of the Common Core State Standards (CCSS); (b) improved data systems for tracking student achievement growth; (c) turning around the lowest-achieving schools; and (d) recruiting, rewarding, and retaining the most effective teachers.

While much has been written and studied about the influence of performance-pay related to teachers and their ability to impact student achievement, very little attention has been placed at the school district level to help leaders implement and better understand pay-for-performance for teachers (Gratz, 2009; Johnson & Papay, 2009; Rice & Malen, 2017). Most of the attention has been focused on the policy formation and research/impact stages. Paying for performance in the educational reform context presented during this study represented a massive change in practice for school districts, as well as their leaders and teachers.

The key issue identified in the research regarding performance-pay for teachers is the assessment of performance, which is restricted in some places around the country by collective bargaining agreements. Past research showed that teacher compensation reforms by themselves did not improve student achievement in schools without proper supports (Fryer, 2011). Fryer's research on one teacher incentive-based program in New York found no evidence that teacher incentives by themselves improved student performance, attendance, or graduation rates. Another noteworthy study, also from New York City, found that incentives were unlikely to motivate staff to make changes (Marsh et al., 2011).

In the most comprehensive study of pay-for-performance policy to date, Springer et al. (2010) found teacher incentives had little effect on student achievement. Springer et al. hypothesized that factors related to using student test scores to determine pay, a lack of buy-in from teachers, and a lack of consensus over how best to measure teacher effectiveness were explanations for the negative findings.

Marsh et al. (2011), in their two-year study, investigated how the program was interpreted and implemented (similar to the research-design for this study). According to Marsh et al., issues that seemed to limit successful implementation of the differentiated compensation reforms were: (a) a lack of awareness of the program by the staff, (b) the seeming insignificance of the incentive itself, and (c) a perceived lack of fairness by some staff.

Prior research on performance-pay in Michigan has been restricted because of the changing policy context regarding teacher evaluation reform at the state level. Debates about revising teacher evaluations have been rekindled annually since first being revised in 2009. Tompkins (2017) and Van Beek (2012), in separate but related studies, found that district leaders in some Michigan school districts chose to evade the implementation of the pay-for-performance policy (MCL 380.1250) rather than impose the topic.

The literature presented a gap between pay-for-performance in theory and whether the practice was actually comprehended (or desired) by those responsible for implementing the policy

locally. Paying for performance in the education reform context at the time was something that some district leaders lacked any prior knowledge, experience, or desire to implement.

Past research presented only a handful of Michigan school districts where traditional salary schedules were modified or altered to reward teachers more directly for their performance (Tompkins, 2017; Van Beek, 2012). In a legal presentation to Michigan school business officials, Ruga (2015) recognized that only five school districts in Michigan (four Intermediate School Districts or ISDs and one traditional school district) had crafted what could be considered an *alternative salary* schedule.

An alternative salary schedule was best described as one that did not primarily reward teachers for seniority or educational attainment as the determination of pay for teachers. In his analysis, Van Beek (2012) found just 23 districts out of 104 teacher contracts analyzed had bargained additional compensation into teacher contracts (with some paying as little as \$1 for performance), while Tompkins identified just three out of nine district superintendents in his study had implemented alternative salary schedules.

Conceptual Framework

Understanding how policy reforms have prospered, struggled, or evolved at the individual or school level provided the broad structure for this examination within three local school districts in Michigan. The central position of this paper was not a straightforward question about whether pay-for-performance worked, but rather a closer look at how leaders in three districts implemented teacher-related policies and how the leaders interpreted the changes. The premise was that the local aspect of a policy needed to be studied more carefully for leadership development and improved decision-making.

The theoretical underpinnings of this study included Honig's (2006) *policy, people, and places* framework, which provide a three-dimensional model, based on individual contexts and can be utilized for studying implementation in school districts. This framework provided a solid platform for uncovering how and why policies were implemented (or not) in the three Michigan school districts. This has sometimes been described as a "bottom-up" theory focused on the K-12 context (Garces & Cogburn, 2015) because the framework spotlights the context in which policies and practices were involved, instead of whether they had worked as intended.

The specific research questions and sub-questions for the overall study dealt with the qualitative aspects of policy implementation. State legislative bodies—including Michigan—were effective in crafting legislation to meet the federally preferred goals, but ultimately the local actors had to make the policy work. As a result, local school district leaders were solicited in order to gather evidence about how pay-for-performance was really being interpreted and implemented in the three districts studied.

Other research and evaluation studies have measured performance-based pay policies for teachers against quantitative metrics like student test scores or other outcomes. This study focused on the people, in the places they worked, attempting to implement the policy. Studying implementation speaks to the qualitative parts of how successful policies are put into place or not and the circumstances involved (Pressman & Wildavsky, 1984).

Honig's three-dimensional implementation theory encourages shifting the study of policy away from what was being implemented toward conditions necessary for successful implementation. She said, "policy, people and places interact to shape how implementation unfolds" (p. 10). According to Fowler (2009), a theory like Honig's represented the third generation of implementation studies, which attend to understanding the complexity of implementing policies.

The three-dimensional model rests on district leaders implementing policies in school districts. Honig (2006) sought to better understand the key dimensions of policy: (a) the goals of the policy, (b) the intended targets, and (c) the different tools to be used. She speculated, “The people who ultimately implement policy significantly mediate implementation in a wide-variety of ways that have begun to take center state in contemporary implementation studies (p. 16). In terms of places, Honig noted that the location of changes needed to be considered in a broader policy discussion because schools and communities are so tied together.

Honig (2006) stressed that the district leaders were the ones responsible for making the decisions about policies (whether to offer performance-pay and whether to include teacher in the policy development process, and how policies should be implemented). Equally, Durand, Lawson, Wilcox, and Schiller (2016), who studied the implementation of Common Core State Standards (CCSS) assessments in New York, said, “People make schools and district offices innovation-ready, and district leaders play pivotal roles” (p. 67). Durand et al. (2016) emphasized that the decision making of superintendents and other central office leaders was important to address and study during implementation efforts.

Instead of concentrating on the overall effectiveness or outcome of the policy change as a unit for analysis, this study focused on how a state-induced policy was implemented by leaders in three Michigan school districts. The research crafted by studies like this one provides valuable information for school districts leaders dealing with a mix of policies, people, and places (Honig, 2006).

Methods and Data Sources

While other important work has been done on the student achievement effects of performance-related pay or other school level outcomes, very little attention has been placed at the school district level in order to understand the complexity of district leaders implementing teacher compensation reforms and other teacher accountability policies (such as evaluation reform). This study applied a multisite qualitative case study analysis (Herriott & Firestone, 1982) to gather that perspective.

After an initial Internet search of publicly available collective bargaining agreements, a short list of districts was crafted. From that list, three districts were contacted to participate in the study. The study utilized a purposeful sample of school districts. The decision to focus deeply on the local context and the qualitative aspects of implementation in these instances was an intentional move toward a greater understanding of how school district leaders were managing the implementation of pay-for-performance in Michigan.

According to Palinkas et al. (2015), “Purposeful sampling is widely used in qualitative research for the identification and selection of information-rich cases related to the phenomenon of interest” (p. 533). This type of process was used to ensure a range of school districts was represented, and to illuminate three distinct instances of how school districts had either attempted to or were implementing pay-for-performance in various ways. Fowler (2009) said that, because of the speed at which education policies have previously moved from state legislatures into school districts, school district leaders must not only understand their leadership roles and responsibilities during policy implementation but also be able to use available data to become better decision makers. This study was focused on the qualitative aspects of the implementation process for performance pay policies for teachers in three school districts in Michigan. Lochmiller and Hedges (2017) supported this stance, as qualitative information research could be best utilized to study districts’ responses to a particular policy.

The primary focus of this study was on frontline central office administrators, or street-level bureaucrats, and their interpretation of the policy (Honig, 2006b; Weatherly, 1979;

Wilkerson, 2012). Teacher leaders and union leaders were interviewed to get their perspective on the policy changes. Weatherly (1979) that these individuals (the districts' leaders) were important to studying policy implementation, because implementers must not only carry out policies directed at the state or national level, but they must navigate and interpret their local situations during implementation.

The policies included for this study were the local documents (primarily the districts' Collective Bargaining Agreements or CBAs) that recognized teachers' performance for pay in three Michigan school districts as well as the overarching revised state policy crafted by the state legislature to meet the requirements of RttT. Yin (2003) listed documents among the six sources of evidence for qualitative research. According to Yin, documents corroborated and in some instances augmented (which was the situation for this study) the evidence gathered from the in-depth interviews.

The documents were reviewed to satisfy a variety of research goals, including identification of the districts, examination of the policies, and interpretation of data in order to elicit meaning, gain understanding, and further develop empirical knowledge (Bowen, 2009). The documents came directly from the districts as well as state legislative and administrative websites. The document analysis provided complementary information to the interviews and allowed for some interpretation around the topic.

Data for this study were based primarily on 15 in-depth, semi-structured interviews with school district leaders and an analysis of documents from collective bargaining agreements. The approach to the in-depth interviews was guided by Seidman (2013), who said of interviewing should include a specific focus on the experience of individual people of the organization or process being carried out. The interviews were recorded using a digital voice recorder. Each interview was transcribed verbatim and coded against a research question for each district (this was done using electronic software). The codes were developed inductively using priori themes.

A second round of coding, based on content analysis, was done by hand completed based on four overarching themes developed during the first round of coding. Additional data included the researcher's notes and journals from each interview. Member checking was used, with the superintendent and teacher union leader in each district reviewing the findings for their district and sent an email indicating that they found no inaccuracies with the reporting of the findings (including themes and recommendations).

The interviews provided rich description through the participants' perspectives of three local efforts to implement performance-pay policy in Michigan. Participants included: (1) the three superintendents (two in traditional public school districts and one Intermediate School District or ISD superintendent); (2) five Central Office administrators (including: legal services, business and finance, human resources, and curriculum and instruction); (3) three building administrators; and (4) four teacher leaders (three current union presidents and one recently retired union president).

The places for this study included three Michigan school districts, identified under pseudonyms as *Lighthouse*, *Lakeside*, and *Riverside*. Throughout the paper, the districts were only described under those pseudonyms. All three districts chosen for participating in this study were located within a seven-county region surrounding metropolitan Detroit, Michigan. The Southeast Michigan Council of Governments (SEMCOG) estimated in July 2015 that the total population of the seven-county region was around 4.7 million people, which represented about 48% of the overall state population.

For this study, the Lighthouse district was best described as an older, inner-ring traditional public school district or local education agency (LEA), and was closest (out of the three districts) to the urban center of Detroit. The Lakeside district was best described as a traditional suburban public school district or LEA, but the district was in a newer-developed outer-ring district.

Meanwhile, the Riverside district was an intermediate school district, one of only 56 in Michigan, with a different governance and service model structure from the two other districts included in this study.

The inclusion of Riverside provided an opportunity to study the policy implementation process from the lens of school district leaders who work at the county level. Riverside, because of its unique approach to performance-pay for teachers, was often held up by policymakers as a model for replication.

Findings

The overall results of this study indicated a feeling of ambiguity among school district leaders in three school districts toward performance-pay. After interviewing 15 district leaders across the three districts (five in each district) and reviewing the collective bargaining agreements, the evidence indicated that only two of the three districts in this study were actively implementing pay-for-performance schemes at the time of the study.

Compliance with state law was the primary motivation behind the local enactment of policies. Most leaders did not believe that the small rewards included in the policies would change teaching practice or student outcomes—they simply felt the need to follow state law and make the changes required. There were several limitations to this study, including concern about: the number of sites studied (only three for this study); the use of purposeful sampling, which reduced complexity at the expense of representativeness; and the time spent at each site was reduced because of multisite data collection.

District-level Findings

Lighthouse. Responding to the state policy, the district chose to maintain a single-salary schedule that paid teachers for educational attainment and years of service. To comply with state law, the district negotiated a performance-pay clause where teachers would be paid just \$64 if they were rated as *effective* or *highly effective* on their overall teacher evaluation. Based on interview responses, the \$64 per eligible teacher was not an arbitrary amount, but was purposely computed from a district-wide healthcare account that was phased out. To comply with the law, this district recognized available funds in its budget for one year and paid all of its teachers for their performance in that school year. Because of ongoing budget difficulties, the district chose not to pay the \$64 after the initial negotiations.

Lakeside. In the second district for this study, the school district created a \$100 stipend for teachers who had achieved an annual evaluation rating of *effective* or *highly effective*. *Minimally effective* teachers in Lakeside were provided an opportunity to earn performance compensation if they participated in an additional 16 hours of professional development prescribed by the district. This was something that was common in past research studies in Michigan. According to the respondents, the district enacted the policy simply to be compliant with the law—no study or investigation was done to ensure its effectiveness. Yet still, the district leaders reported that they had previously sought for a way to increase attendance at professional development workshops, and the policy was expected to help the district's *minimally effective* teachers by offering an incentive to attend sessions.

Riverside. Unique among the districts studied in this paper, the Riverside district implemented a completely revised teacher salary schedule for its teachers after RttT. Riverside's alternative salary schedule mirrored a traditional salary schedule, except that the columns in the schedule were based on effectiveness ratings instead of educational attainment (standard in may

collective bargaining agreements around the country). The three columns (*novice*, *effective*, and *highly effective*) replaced Bachelors, Masters, and Masters Plus 30 columns. On the previous salary grid, the only way to be in the far right column was to take additional credits. On the new scale *any* teacher with three years of high effective ratings could to the right without earning additional credits.

For teachers to advance on the salary schedule, they would need to earn effective or highly effective ratings on revised teacher evaluations. Kolbe and Strunk (2012) described this type of policy as an *alternative salary schedule*. According to Kolbe and Strunk, “[an] alternative schedule may provide selected teachers a higher starting wage and larger pay increases as they proceed along the schedule’s steps and lanes” (p. 9).

Riverside’s policy still looked very much like a traditional salary schedule, but the district’s pay scale rewarded teachers for their performance and placed them on an alternative schedule aligned with performance evaluations (eliminating pay for degrees and complying with the state law). According to Willis and Ingle (2016), the type of policy in Riverside could be considered a *performance schedule*. This type of schedule looks like a traditional salary schedule, “but the years-of-experience criterion is replaced by some form of performance index. As teachers meet performance levels they move up the pay scale” (p. 15). In Riverside, teachers have to maintain their effectiveness ratings to advance on the years of service scale.

One teacher union leader who participated in the study said that the plan was proposed in theory before, but the teachers were not interested in the changes at the time. The changing state policies and diminished negotiating power of teachers’ unions had affected the teachers’ willingness to even discuss alternative forms of compensation.

Several administrators indicated that, despite the law, they were most interested in finding ways to pay their teachers more for their performance in the classroom in an effort to eliminate the need for additional college education classes and put more money in the hands of the most effective teachers. They wanted to pay teachers for other reasons (besides those in the traditional salary schedule). Many of Riverside’s teachers entered the profession through non-traditional routes and held industry-specific endorsements that did not relate to graduate degrees or credits.

Cross-site Themes

Cross-site themes were identified for school district leaders, decision makers, and researchers seeking to learn about implementing an alternative compensation system. The following four cross-site themes were based on the perspectives of the individuals who were tasked with local implementation in three Michigan districts.

The findings suggested that:

- (a) Teacher evaluation reform likely influenced district leaders’ positions on teacher compensation reform;
- (b) Each district continued to discuss and negotiate the topic (pay-for-performance) with teachers’ unions despite not being required to under state law;
- (c) District leaders indicated a preference for teacher leadership opportunities, career ladders, and extra pay for extra duty to pay teachers for their performance instead of merit-based pay; and
- (d) Pay-for-performance can be accomplished but local conditions needed to be present for successful implementation in dissimilar situations.

Of importance to leaders in Michigan was the apparent difficulty isolating the topic of teacher pay-for-performance from teacher evaluation reform. In particular, and because teacher evaluation reform was tie-barred legislatively to seniority (recall and retention), state certification, and additional compensation in Michigan, teacher evaluation reform was an identified concern that had to be addressed before successful policy changes could take place. Interviews with district leaders in all three districts indicated that legal firms at the time had pressured school district leaders to use the results of teacher performance evaluations as the key measure for reward.

This placed quite a bit of stress in these districts on the role of teacher evaluations and administrators who were responsible for the evaluations. In the districts, the compensation and evaluation policies were interpreted and implemented differently; teacher performance writ large was primarily informed by annual teacher evaluations. Informing decisions related to teacher compensation reforms in the future will mean implementing teacher evaluation reforms that capture teacher performance reliably and fairly, a valid statewide evaluation model that articulates the desired performance in the classroom, and ensuring that teachers trust the evaluation process.

If nearly every teacher qualifies for the stipends or pay increases by being rated *effective* or *highly effective* (which was the case in this study), a question could be raised about whether or not the state policy has resulted in true pay-for-performance or differentiated pay. Discussing failed systems in Florida, which has encouraged pay-for-performance reforms at the district level, Matthew Springer critiqued programs like those implemented in Lighthouse and Lakeside because “this is essentially paying existing teachers more for what they’ve already been doing” (Iasevoli, 2017, para. 12).

With nearly every teacher earning merit rewards in these districts, the systems did not really recognize the highest performers. Springer noted that these policies are important because they provide teachers with extra compensation, but they were not really performance-inducing if everybody was eligible.

Conclusions and Recommendations

Recommendations for the field include: (1) the decoupling of performance evaluations for teachers from performance-based pay in Michigan (2) the implementation of enhanced career pathways for teachers through multi-tiered compensation systems based in part on state-approved advanced certification, and (3) more study in Michigan on the complications of performance pay for teachers based on teacher evaluations with regards to recruitment, retention, and development of teachers in hard-to-staff schools and subjects.

The results of this study will inform future school reform policies, policy implementation research more broadly, and can be used for additional leadership development programs studying the policy process. Additional research in this area will add to our understanding of policy implementation as well as to our knowledge of education reforms, such as performance-pay. Implementing performance-pay intersects with school district leadership, human resource management, and the politics of education more broadly. The study of pay for performance and its varied impact on the three districts and district leaders was an important topic that deserved further inquiry, potentially as related to school finance and equity issues. The questions that today’s leaders must address are unfamiliar to those posed even a decade ago. There is a need to better understand how educational research mobilizes knowledge and improves the decision-making of leaders.

The findings presented in this study provide support for broadening the discussion

regarding teacher compensation reform beyond just paying teachers additional stipends for their annual performance on their evaluations (as was the case in the three districts included in this study). That is, the findings from this study should be used to support reforming teacher compensation through different and multiple mechanisms, such as: by rewarding teachers for teacher leadership roles or through multi-tiered and multi-year licensure programs instead of one-year performance measures tied to evaluation ratings.

No existing research supports the rewarding of teachers for a single year's score on a performance evaluation, which is how two of the three districts in this study interpreted the policy (MCL 380.1250). By combining teacher evaluations with accountability and teacher compensation reforms, Michigan created two competing goals for districts and made teacher evaluation reform and teacher compensation reform less likely to be implemented and more likely to be disregarded locally.

One possible solution to this dilemma would be the adoption of a multi-tiered licensure system to reward teachers for their performance over multiple years. This could be done under current law by school districts or ISDs. A multi-tiered system would require multiple years of evaluations, combined with leadership opportunities and local professional development – something current practices do not reflect. What makes this an appealing situation is that Michigan now has a voluntary advanced certificate to teachers. Rewarding for an advanced certificate could be discussed at the local level as a means to comply with MCL 380.1250, and could reward teachers for their classroom performance and additional leadership activities over several years supported by a statewide certificate program.

Ambiguity regarding the application of the state policy (MCL 380.1250), which was first passed in 2010, allowed districts to implement the policy based on their local interpretation, and motivated some districts to disregard the policy altogether. Besides a lack of clarity on what constituted performance or whether the policy was required at all, an overarching concern brought forward by district leaders in this study was the importance of school funding. Even if district leaders were in support of paying teachers based on their performance, no additional funding has been provided to help school districts make the change.

This paper addresses a key theme of leaders navigating educational politics and policy. Educators, school district leaders in particular, play wide-ranging roles including policy creators, implementers, followers, and influencers (Fowler, 2009). School district leaders (like those included in this study) shape educational policies as policy advocates, and they need to be able to navigate policy and politics in order to make better decisions. Because this study focuses on policy implementation, an often-ignored part of the policy process, this paper provides new insight into how local district leaders make decisions in a complex policy environment.

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