



NSWPPA POSITION – Performance Pay and Principal Contracts

Background

Currently teachers are paid against a standards-based remuneration structure. A teacher with conditional or provisional accreditation will commence on Band 1 salary. They will progress to Band 2.0 after reaching proficient accreditation and will gain further salary increments based on years of service to a maximum of Band 2.3. If a teacher gains highly accomplished / lead accreditation they will move to salary Band 3.0. Further salary progression is also available to teachers if they are promoted to executive or principal positions.

Principals are appointed to their positions on a permanent basis, with no limit to tenure. Under the current model, their principal classification and salary can vary according to changes in their school's budget.

In response to political proposals to implement performance pay for teachers and fixed term contracts for principals the NSWPPA commissioned Dr John Molineux and Dr Kerrie Saville of Deakin University to research and report on the implications of such initiatives. The review explored peer-reviewed journal articles, reports and industry documents on topics relating to the principal's role, complexity, workload, performance measures, motivation, and contextual factors. It reviewed approaches to managing teachers' and principals' performance, contracts, and incentives.

The study's key findings included *“that new public management practices such as devolution and corporatisation are used widely in public sector schools with various levels of success. It finds that ‘autonomy’ is usually accompanied by stringent control measures. It notes that holistic measurement approaches of performance are preferred over student test data.”* (Molineux and Saville 2022)

Additional studies include “Understanding Teacher Pay for Performance: Flawed Assumptions & Disappointing Results” (Kozlowski & Lauen 2019). It concluded *“that performance incentive programs rest on a set of flawed theoretical assumptions. Performance incentives assume that teachers (1) are primarily motivated by financial rewards, (2) are not working as hard as they can, and (3) know how to be more effective. However, these assumptions do not comport with what teachers and administrators report about their motivation and practice. Therefore, performance incentives will likely do little to improve teacher effectiveness overall.”*

PISA stated in “Does Performance-Based Pay Improve Teaching” in their May 2012 In Focus journal, that *“A look at the overall picture reveals no relationship between average student performance in a country and the use of performance-based pay schemes.”* and further, that *“Even if performance-based pay is a viable policy option, it is crucial to know how to implement the system effectively... measures of teacher performance need to be valid, reliable and considered by teachers themselves to be fair and accurate.”*

Rationale

The NSWPPA believes that the attraction and retention of quality teachers and principals to public schools will occur when they are paid at a salary level that acknowledges and rewards the quality work that they perform in the education of young people.

The NSWPPA believes that the complexity and variability of the roles of teachers and principals means that there is no fair and accurate way of identifying and assessing sufficient performance measures to form the basis for a system of either performance pay for teachers or principal contracts. Any scheme that links individual incentives to the achievement of student outcomes, a “popularity contest” in the community or similar has the potential to:

- encourage attempts to “game the system” and negatively impact balanced curriculums.
- skew responsibility for student outcomes from the entire public education system to local teachers and principals.
- damage the current culture of collaboration which is a strength of the public education system.

Position

In relation to teacher performance pay the NSWPPA believes that:

- Early career proficient classroom teachers should have access to an incremental salary scale which recognises the growth in teaching expertise which develops in the initial years of service, reaching a maximum after a designated number of years.
- Classroom teachers who have reached this maximum should have multiple pathways to attain increased pay if their expertise and performance merits further acknowledgement and reward. These pathways may be linked to professional teaching standards and associated accreditation processes, to classroom and professional practice or to increasing leadership/administrative responsibilities. The creation or alteration of these pathways should only be made with the agreement of the school-based stakeholder associations.
- All teachers should be supported to continually develop their professional practice. The NSWPPA supports current structures to address teacher under-performance.

In relation to principal contracts the NSWPPA believes that:

- Remuneration for principals and school executive should reflect the complexity of leadership roles in schools.
- Proposals to implement performance or fixed-term principal contracts will not positively impact principal performance. We agree that they would be *“problematic in the context of vocational work such as principalship, particularly in the public sector where extrinsic rewards are generally low, but intrinsic motivation is often high.”* (Molineux and Saville 2022)
- Principal performance should be developed via a range of initiatives, including mentoring, buddying arrangements, access to multi-sourced feedback and easy access to support and resources. *“the motivation and dedication shown by principals in relation to their work should be rewarded through holistic HR management practices.”* (Molineux and Saville 2022)
- Compliance measures for schools and principals should be minimised. *“principals should be trusted to complete agreed outcomes in a professional relationship between senior management and the individual. Over-regulation and high levels of compliance reporting do not support a trusting culture. Compliance measures and reporting should be automated where possible and completed by administrative staff in most other circumstances, allowing the principal to focus on leadership, education strategy, curriculum and staff development.”* (Molineux and Saville 2022)

NSWPPA President: Robyn Evans

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