

Teacher Compensation in Wisconsin

A look at standard practices and changes in teacher compensation plans

Steven Kimball, Herbert Heneman, Robin Worth, Jessica Arrigoni and Daniel Marlin

increases, and limited that bargaining to the percentage change in the consumer price index. With new flexibility at their disposal and an undercurrent comprising many national compensation experiments, Wisconsin districts have begun moving away from standard compensation practices. Although pay changes are the focus of state media coverage, there are few information sources about the variety and scope of Wisconsin compensation revisions.

This article identifies and describes the types of compensation changes Wisconsin districts were considering or implementing as of December 2015. We sought documentation, then interviewed leaders from Wisconsin school districts we identified from news reports and word of mouth that were implementing or considering alternative compensation structures for their teachers. Multiple sources led to the districts identified for this study. First, the study team consulted the Wisconsin Association of School Boards for recommendations given its work with many districts around school board policy, including compensation reform. Three study team members reviewed 50 handbooks to identify information related to compensation changes. Ultimately, 25 districts were included in the sample. The 25 selected school districts are located across the state and range in

enrollment from 100 to more than 10,400.

Although not exhaustive, the study indicates the wide variety of practices and current volatility relating to compensation for teaching roles. The findings provide information to districts, state policymakers and agencies, and professional associations about the nature of teacher compensation changes occurring within Wisconsin. They also raise questions districts should consider about new compensation policies.

■ Impetus

Several districts sought to move away from automatic step increases or lane movement based on additional educational credits and advanced degrees. One district leader asserted that, “There was no connection between what we were paying people with advanced degrees and their output.” Another administrator stated that, “the biggest driver was to find something more equitable and fair. Everyone agrees that basing compensation on years and degrees just doesn’t make sense anymore.” These leaders, and others, want their compensation systems to embrace professional development opportunities more applicable to current roles as well as the performance expectations of the Wisconsin Educator Effectiveness System.

Respondents mentioned that although Act 10 provided a means to



Over many decades, teachers’ compensation has been determined through standard practices, commonly represented by the single salary schedule. While these practices served districts well in a number of respects, many argue that new forms of teacher pay could provide powerful levers for changing teacher performance and improving student achievement by enhancing recruitment, development, and retention efforts for effective educators.

Many Wisconsin school districts initiated their own teacher pay design and delivery transformations following passage of Wisconsin Act 10 in 2011. Act 10 eliminated collective bargaining rights for most public employees, retained teacher compensation bargaining only for base pay

pursue change, they were still concerned about the change process and how educators would react. Due to the sensitive nature and complexity of compensation reform, almost all districts formed compensation committees and engaged stakeholders in redesign. Districts varied, however, in the time involved with design planning and transition to the new plans, as well as the depth of involvement by teachers, administrators, and school board members. Despite the Act 10 allowance for districts to unilaterally change compensation structures, all of the districts involved teachers to some extent in planning, design, and implementation feedback. In only one district did it appear that the district administrator largely created the system with limited educator involvement.

Most districts engaged in a careful, and what appeared to be collaborative, approach to the design of the new compensation systems. For example, one district that focused heavily on communication used a survey at the front end to ask teachers what they wanted to see in a compensation system, frequently solicited feedback from stakeholders, provided updates on the district website, presented at board meetings, and held four design team meetings at each school.

Transition

Although the districts did not test pilot their new approaches, leaders expressed that the changes were intended to evolve over time, with adjustments made based on periodic review and reports by the design committee, district leadership, and the school board. Several districts reported being sensitive to issues typical of large-scale educational change, including resistance among teachers and some school administrators, the need for clear and constant communication, time constraints in the design to implementation process, and transition challenges (*i.e.*, making sure teachers were placed appropriately on the new salary schedule).

Questions for Districts Considering Compensation Changes

The results of this study raise a number of questions for districts considering changes to their compensation systems or for monitoring their reform strategies.

- **Engagement/communication:** How are districts engaging teachers in the pay change discussions, testing, and revisions, and when during the process does teacher engagement happen?
- **Pay and total compensation satisfaction:** To what extent are districts monitoring teacher reactions to the compensation changes? Have they considered the total compensation package (direct and indirect pay and benefits) when making changes and gauging reactions?
 - How are districts monitoring measurement quality, including the validity and reliability of the measures used for compensation purposes?
 - Are any of the districts formally or informally evaluating the impact of the changes? Are the new compensation systems having the desired impact on motivation and performance? How are districts measuring the impact of the new systems on teacher, principal, and staff attitudes? How has the community responded to the pay changes?
- **Point systems:** For those districts using professional development points or credits, who approves them? How often are points disallowed? What is the appeal process?
- **Determining sustainability:** Are the new pay structures more sustainable than prior compensation approaches? How have districts planned to sustain the new compensation systems? What impact does uncertainty created by schedules that can fluctuate have on employee morale and on retention of top performers or educators in high-demand fields?
- **Administrative complexity:** To what extent are these systems adding complexity to district and school administrator roles? Compared to the single-salary structure, these new systems are more complex—someone has to approve all of the professional development units/credits/activities or evaluate performance with pay implications.
- **Collegial relationships:** Related to the above question, in systems where principal judgments influence compensation, how does this new role affect collegial relationships among school leaders and teachers?
- **Transition:** How will current employees be transitioned to the new schedule? Should the district add a “sweetener” to ease the transition? What other transition issues/considerations exist?
- **Pay equity:** How are districts monitoring and addressing concerns or challenges where new teachers may be paid more than experienced teachers through, for example, recruitment incentives?
- **Attrition:** What effect has the compensation changes had on teacher attraction to the district and retention in general and by subject area? What are districts doing in regard to principal pay? Other job categories?
- **Legal Counsel:** Will your school district review its new teacher compensation plan with legal counsel to look for issues that might lead to discrimination claims? Compensation plans based on evaluations are only as good as the quality of the evaluations. Schools might risk an age or other discrimination suit from teachers not getting pay increases for arbitrary reasons based on low-quality evaluations. □

All of the districts who responded previously used a single salary schedule based on steps and lanes. Each moved away from that structure to some degree. The districts limited the number of lanes or changed the lanes from education-based to a more career-level approach. All districts modified the steps.

■ Lane Reductions

Most districts who responded reduced the number of lanes and changed them from designations based on completion of higher education credits and degrees to other designations using career levels. As referenced above, several district leaders mentioned that research did not support the link between completion of higher education credits and degrees and more effective performance. Although some still recognized completion of master's degrees and district-approved education credits, others dropped them completely from salary considerations.

■ Step Modifications

In the past, step increases were granted for each year worked. Some districts in our sample increased the length of time for step increases (*i.e.*, 2 to 3 years) while others maintained the annual step increase, but the step was conditional on “satisfactory” performance evaluation results or other factors. The definition of satisfactory evaluation results varies, but typically implies that there are no unsatisfactory ratings or that the educator is not on a plan of improvement. The step increase amount is often linked to the consumer price index.

■ Performance Pay

Almost all of the 25 district administrators expressed an interest in tying compensation to performance, but only about a third had specific linkages between teacher performance measures and pay. Six used performance elements to determine placement in the salary schedule. Two

had school-based performance bonuses. Only one district used classroom-level student outcomes explicitly for performance pay.

Districts used a variety of ways to measure performance for pay decisions. Some reported rating performance using adapted measures from the Wisconsin Educator Effectiveness System. One district, for example, uses a knowledge and skills-based pay approach, based on an adapted version of the Cooperative Educational Service Agency (CESA) 6 Effectiveness Project teacher evaluation rubric. This district applies the locally adapted effectiveness rubric to assess a set of teaching evidence (referred to as an evidence log) that includes examples of professional practice and related teacher reflections. Principals review the evidence to make the performance judgment. Teachers are given a rating of 1 through 5 on each indicator. Level 5 is reserved for those who have master's degrees or national board certification. Scores are averaged



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across indicators with a range of 22-110. Each range has a corresponding pay level from \$35,000 for Level 1 to \$64,263 for Level 5.

Almost all districts chose not to include classroom-level student outcomes for performance pay. The one district including student results awards small bonuses to advanced placement teachers whose students pass advance placement tests with scores of 3 or higher in the previous year. For example, if all students meet the state average or greater, the teacher receives a \$1,000 bonus; 60 percent or greater, \$500 bonus; and 55 percent or greater, \$200 bonus. Additionally, two districts used an adapted measure from the Wisconsin Educator Effectiveness System based on teacher-developed student learning objectives and professional practice goal attainment.

■ Knowledge and Skills-Based Pay

Our selected Wisconsin districts are

experimenting with two main types of knowledge and skills-based pay. The first is based on a point system, where educators accumulate a set number of points related to professional development and other activities that are used to justify a pay increase as one-time stipends or points qualifying for a step or level movement. The second type relates to separate, district-approved training, master's degrees and certifications, and national board certification.

Point systems are commonly used to substitute for what was previously automatic approval for lane movement based on accumulation of higher education credits and degrees. The new point systems include a mix of professional development training and/or leadership activities. Some districts have created extensive opportunities, including teacher-created options while others list a limited set of options. Whether extensive or limited, these point systems represent the knowledge and skills

the districts value. In some instances, teachers can choose their own professional learning activities, but must submit a request for approval before the district will allow the activity to count in the point system.

■ Career Levels/Bands/Ladders

To reflect a professional path for educators (as opposed to a uniform step and lane system), about half of the districts in our sample adopted a career-level approach, also referred to as career bands or ladders. With this approach, districts use the state licensure categories of initial, professional, and master educator to designate compensation-related career levels. Others used their own titles or generic descriptions, such as "Level 1, 2, 3, 4" or "Level A-E."

The career-level model applies knowledge and skills-related activities or accomplishments and, in some cases, performance elements, to determine advancement to different levels.



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Districts also used a number of steps within each level that allow for incremental pay increases to recognize experience while the teacher remains at the career level.

■ Competitive Pay

Almost all of the district representatives interviewed mentioned that they could use incentives to lure or retain employees in high-demand positions or who were highly skilled. These incentives were negotiated during the initial contract phase or in continuing contracts. Most districts did not have an overt policy on recruitment and retention incentives nor did they use the incentives as a marketing tool to lure prospective educators. Instead, districts addressed case-by-case situations in which a valued current teacher received an offer from another dis-

trict or if a high-demand position was required. Counteroffers tended to be negotiated arrangements between the district administrator and the employee in the form of increased placement on the salary schedule or one-time stipends. No district offered incentives for hard-to-staff schools, though it should be noted that most of the districts either comprised few schools or did not have any identified as hard-to-staff.

To recruit a high-quality candidate to a hard-to-fill position, one district offered a school psychologist from another district a substantial raise. The district administrator placed this person at the top of the pay scale, which amounted to a \$10,000 raise. Some districts offered other incentives, such as assistance toward tuition payment or student loan forgiveness to lure or retain

employees in highly competitive fields. Another sought to help teachers gain experience and knowledge for high-demand or specialty areas (*e.g.*, educators in science, technology, and math) by offering training opportunities.

Districts wanting to retain teachers sought by other districts also used compensation on a case-by-case basis to keep valued educators. In one instance, to retain a teacher being recruited by another district, a teacher accepted a \$5,000 pay increase that the home district offered.

■ Implementation Challenges

Districts expressed a number of challenges about the compensation plan implementation at various stages. These included challenges from teacher associations, difficult meetings during the design phase, con-

Transforming the Classroom with Micro-credentials Pat Deklotz

Across our nation and our world, new developments are transforming the way students learn. Whether in rural or urban settings, or on small or large campuses, digital tools are enhancing learning and allowing educators to personalize instruction. What isn't as evident is how that same transformation can be replicated in learning opportunities for our educators.

As the superintendent of the Kettle Moraine School District, I interact with educators each and every day. While the vast majority hold the same title of "Teacher," they perform amazingly different jobs, ranging from a kindergarten teacher to an AP physics instructor, from a guidance counselor to a teacher of Mandarin Chinese or automobile repair, from a classroom of eight autistic students to an ensemble of 75 musicians.

Each educator brings a unique perspective and set of experiences, skills, interests, and abilities. Considering the variation in roles and responsibilities across the K-12 system of education, how does one-size-fits-all professional development meet the needs of our profession?

Add into the equation the expectation for educators to understand and implement personalized learning for their students, regardless of their personal experience or difference in responsibility. One might ask, "How do I go about implementing an approach I have never lived?" While it is great to read or hear about a new skill set or

understanding, until it is applied, one does not fully understand nor appreciate the implications or value of the new approach.

When the Wisconsin Legislature redefined union bargaining parameters through Act 10 legislation, the Kettle Moraine School District had the opportunity to redefine our compensation structure. We took deliberate and thoughtful action, listening to our teachers and aligning their interests with our system's need to attract and retain high-quality staff. We wanted to provide opportunities to recognize the differences in the professional development needs of our educators and for them to experience personalized learning themselves in a competency-based model. We wanted to reward educators with an increase in base compensation as they worked to embrace the district's strategic direction and goals.

Following the work of Digital Promise, a non-profit organization with a mission to spur innovation to improve the opportunity to learn for all Americans, I studied their micro-credential framework and began to formulate our plan. Authorized by school board action to move forward, we began building a compensation system that incorporates micro-credentials to allow educators to personalize the what, where, how, when, and why for their learning while impacting their base salary. Educators can choose from the multitude of micro-credentials offered through

cerns about changing relationships between teachers and principals, fragile trust following passage of Act 10, confusion over complexity of plan designs, concerns about availability of professional development opportunities to advance based on professional development units, and tension created when younger teachers were compensated at higher levels than more veteran teachers. The districts appear aware of challenges to their compensation systems. They have tried to address the challenges during the planning steps and continue to monitor the systems for possible revisions.

■ Conclusion

This study demonstrates widespread district actions to revise teacher compensation systems in Wisconsin. The plans we reviewed varied in

several ways. Districts have created systems that fit their local contexts while considering how other districts have proceeded. No one prominent model exists, and it is difficult to categorize the different district approaches into basic model designs (*i.e.*, performance pay or knowledge and skill-based pay), which is a major contrast to the uniform single salary schedule of the past. Elements often exist across district models, with combination plans prominent.

Few districts plan to formally evaluate these changes though all are taking some steps to periodically monitor the budgetary impact and modifications. Although most of the systems are in place, each district indicated that adjustments may occur over time based on experience and internal review.

As a final note, we reiterate that this study is illustrative. It may not represent the full range of compensation changes occurring in Wisconsin. If these districts are an indication, however, compensation reforms are clearly another change that may have a dramatic impact in Wisconsin on the profession of teaching and the education system. Additional study on the impact of the new systems on district budgets, attraction and retention of educators, and relationship to other district outcomes merits pursuit. ■

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Digital Promise, others offered by our district, or suggest ones of their own making, ensuring that they can meet their various needs.

The system provides unique and personalized pathways to accomplish a specific set of learning outcomes, demonstrated through artifacts of student work and reflection. Not just focused on theoretical knowledge, micro-credentials require application in the classroom, support collaboration, and extend a professional learning community beyond the hours of the school day or the boundaries of a building.

Our educators have embraced micro-credentials and they appreciate the new-found ability to drive their professional development within the constraints of their personal lives. Ms. Scherer, a Kettle Moraine educator, noted, "The goal has changed from getting credits to growing and pursuing passions. It's a total game changer!" Over 50 percent of our teachers have earned at least one micro-credential, demonstrating their interest. Lessons we have learned as we designed and implemented our micro-credential system include:

1. Communicate, communicate, communicate.
2. Go slowly and listen carefully to your teachers to make adjustments.
3. Trust their intentions and ability to drive change.
4. Celebrate good work.



Our teachers appreciate the ability to impact their base wage and increase their lifetime earnings in a manner that aligns with their personal life and family demands. According to Kettle Moraine educator Mr. Anderson, "Micro-credentialing has changed, for the positive, how educators are viewing their own professional development and career path — it has enabled educators to personalize what it means to be a career educator for themselves and their classrooms. One-size-fits-all doesn't work in the 21st century for students or educators. Micro-credentialing is a huge step forward for the profession."

Immediate recognition and compensation for demonstrated competencies builds respect for the arduous work required of educators and helps to generate systemic support in accomplishing the district's goals. Just one more step on the pathway to transformation, micro-credentials are making a difference in our district! □

Pat Deklotz is superintendent of the Kettle Moraine School District. Reprinted with permission from Digital Promise.