Creating a Performance-Based Teacher Compensation System at Gwinnett County Public Schools (GA)

by John J-H Kim, Mark Wiernusz, and Christopher Cleveland

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> " *I remember when I was young, my father told me that everyone deserves a fair wage, and that those individuals who perform at the highest levels deserve to be rewarded for their performance. Nothing is more important for student success than having quality teachers in the classroom, and our work to improve our compensation system will help ensure Gwinnett can attract and retain the teachers it needs.*
>
> — J. Alvin Wilbanks
> CEO/Superintendent "

J. Alvin Wilbanks, CEO and superintendent of Gwinnett County Public Schools, stood before a crowd of teachers and administrators in July 2015 and, with the above words, announced that the district would embark on a three-year process to implement a fair, flexible compensation system that would reward and recognize employees for exceptional performance.

Gwinnett County Public Schools (GCPS), located in the Atlanta metro area, is the largest school system in Georgia. Under Wilbanks' continuous leadership since 1996, GCPS has achieved a level of academic success rare for a large, diverse urban school district. The district twice was awarded the prestigious Broad Prize for Urban Education for its progress in raising student achievement and reducing

FAST FACTS

GWINNETT COUNTY PUBLIC SCHOOLS

Total Schools:
140

180,000 students

- **31.8%** Black
- **30.3%** Hispanic
- **23.0%** White

- **10.4%** Asian
- **3.8%** Mixed Race
- **0.2%** Native American

Total Employees:
24,300

achievement gaps, and in 2018, Wilbanks and the Gwinnett County Board of Education were named Governance Team of the Year by the Georgia School Boards Association.

Wilbanks and his team have long believed that attracting, developing, and supporting a high-quality teaching force was critical to continuing the district's trajectory of improvement and high performance—and that revising GCPS' compensation system was a key part of that effort. Following the July 2015 announcement, Wilbanks and GCPS leadership immediately set to work to craft a compensation plan to reward performance rather than just years of service. During Wilbanks' long tenure, many key building blocks already had been put in place that allowed the Gwinnett team to move quickly and methodically.

The new teacher compensation system Wilbanks and his team designed was approved by the Gwinnett County Board of Education on February 16, 2017. It features two components designed to be phased in separately: a performance-based salary schedule implemented in SY2017-18, and a performance-based awards program implemented in SY2018-19.

While GCPS is still in the midst of implementing its performance-based compensation system and recognizes that much work still lies ahead, Wilbanks and his leadership team are engaged in transformational work that few districts have even attempted. The new compensation system has the power to further strengthen the district's ability to attract and retain the best teachers and to deliver positive results for its students. GCPS' work will likely serve as a model for other districts, not only in the state, but across the nation.

Developing a New Compensation System: Setting the Stage

Wilbanks and his team believe that GCPS is engaged in a never-ending competition for the brightest and best teachers, and that a performance-based compensation plan is essential to attracting, developing, and supporting the high-quality teaching force necessary to continue the district's trajectory of improvement and performance. GCPS had started investigating teacher compensation

> A performance-based compensation plan is essential to attracting, developing, and supporting the high-quality teaching force necessary to continue the district's trajectory of improvement and high performance.

systems as early as 2007. These specific discussions were put on hold in 2010 when, as a designated Race to the Top (RT3) district, GCPS shifted its focus to teacher and leader effectiveness and evaluation.

In fact, defining teacher and leader effectiveness was an essential precursor to implementing a performance-based compensation system. From 2010 to 2014, GCPS took advantage of RT3 grant funding to implement long-planned improvements to its teacher and leader evaluation systems. RT3's focus areas prioritized great teachers and leaders, turning around low-achieving schools, building data systems to support instruction, and adopting standards and assessments that prepare students to succeed.

These areas of focus were well-aligned with the district's goals to expand leadership development programs, focus personnel evaluation on performance rather than behaviors or attributes, continue to focus on student achievement, improve technology for teaching and learning, and align with Common Core standards. In addition, the RT3 partnership allowed GCPS to be at the table as state and federal policy were made. As part of the state's RT3 efforts, 26 of Georgia's 180 local school districts, including GCPS, participated in a one-year pilot of performance pay

Total Operating Budget:	Per Pupil Expenditure:	FRPL Population:	2010 & 2014 Winner	Governance Team of the Year:
$2.193b	**$9,463**	**55%**	**BROAD PRIZE** for Urban Education	**2018**

Source: The Promise of Gwinnett, Gwinnett County Public Schools Fast Facts, November 2018.

models, none of which was adopted by the state. With all of this work, GCPS had been putting in place important building blocks for establishing a performance-based compensation system.

In January 2015, Wilbanks and his team saw an opportunity to resume the district's work on performance-based compensation when Georgia Governor Nathan Deal established an Education Reform Commission to conduct a statewide review of education funding and explore the implementation of new local compensation models to replace the state teacher salary scale. In the summer of 2015, months before the commission issued its recommendations, Wilbanks and the Gwinnett Board of Education began work to develop a new compensation model, which they hoped would inform the state's work and be adopted by other districts in Georgia.

Launching a Three-Year Process

Wilbanks and his leadership team engaged District Management Group (DMGroup) to assist in their research and development of the new model. Together, the GCPS team and DMGroup designed a methodical three-year process to develop and implement a new compensation model (*Exhibit 1*). While many important building blocks were already in place, GCPS decided to dedicate two years to researching and designing the new compensation model,

placing priority on research, planning, stakeholder input, and communication. Implementing the new compensation model across the district would begin in the third year, with further refinements continuing thereafter.
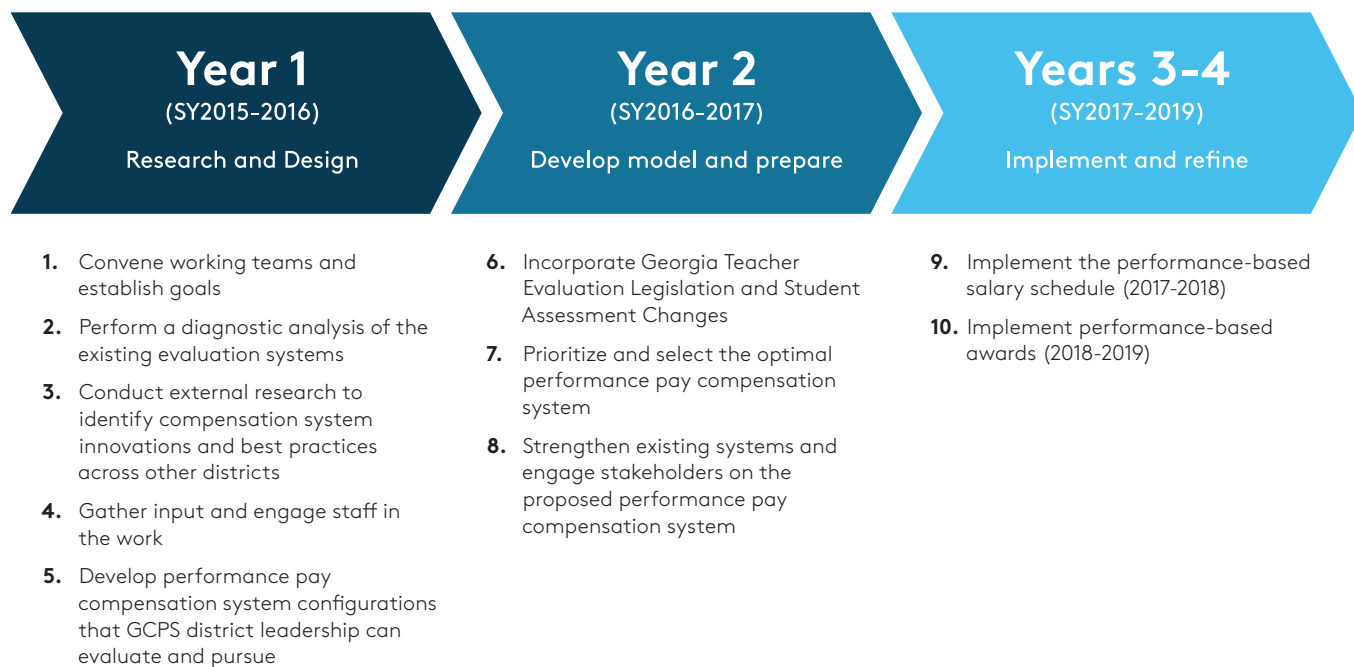
Leveraging the District's Strengths: Project Leadership and Stakeholder Engagement

At the helm since 1996, Wilbanks provided strong, stable leadership for the district. During his long tenure, Wilbanks had cultivated a cadre of strong and capable leaders within the district upon whom to draw for this challenging work. He also had forged a strong working relationship with Gwinnett's five-member Board of Education; in fact, when the board and superintendent received the 2018 Governance Team of the Year, the Georgia School Boards Association noted that the GCPS district leaders "have exemplified what a high-functioning board of education and superintendent look like."

To lead the work on the new compensation model, Wilbanks formed three project teams to engage district and school-level leadership and teaching staff:

- Core Project Team: Wilbanks, the Associate Superintendent of Human Resources, the Chief

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Exhibit 1 DEVELOPING A NEW COMPENSATION SYSTEM AT GCPS

Year 1
(SY2015–2016)

Research and Design

Year 2
(SY2016–2017)

Develop model and prepare

Years 3–4
(SY2017–2019)

Implement and refine

Year 1
1. Convene working teams and establish goals
2. Perform a diagnostic analysis of the existing evaluation systems
3. Conduct external research to identify compensation system innovations and best practices across other districts
4. Gather input and engage staff in the work
5. Develop performance pay compensation system configurations that GCPS district leadership can evaluate and pursue

Year 2
6. Incorporate Georgia Teacher Evaluation Legislation and Student Assessment Changes
7. Prioritize and select the optimal performance pay compensation system
8. Strengthen existing systems and engage stakeholders on the proposed performance pay compensation system

Years 3–4
9. Implement the performance-based salary schedule (2017-2018)
10. Implement performance-based awards (2018-2019)

Source: District Management Group.

Financial Officer, the Assistant Superintendent of Leadership Development, and the Chief Strategy and Performance Officer.

- Project Leadership Team: The Core Project Team plus the executive directors for HR Staffing, Accountability, and Assessment, Research and Evaluation, and HR Systems; the directors of HR Staffing and Evaluations; an assistant superintendent; and a Georgia education expert and consultant. This team provided content expertise to aid model-design decisions and to provide input and support in organizing project activities.

- Steering Committee: The Core Project and Project Leadership teams plus individuals recognized in the district for their leadership, including the Chief Information Officer, the Chief of Staff, the associate superintendents of School Improvement and Operations and of Curriculum and Instruction, three assistant superintendents, one elementary principal, one middle school principal, one high school principal, two elementary teachers, one middle school teacher, and one high school teacher.

To make sure that the voices of staff across the district were heard, Wilbanks and the teams leveraged the district's robust internal communications capabilities, which they had built over many years. For example, the district has established leadership groups to identify and communicate with stakeholder groups when developing, rolling out, and refining significant new initiatives and programs. These include GCPS principal groups, which have over 130 participants; another leadership group comprising assistant principals; and the Teacher Advisory Council, which includes a teacher representative from each school. This highly structured communications infrastructure allows the district to deliver consistent communications across all schools.

Creating Focus Through a Clear Articulation of a Theory of Action

Wilbanks and the project teams developed a clear theory of action to guide the work. The theory of action reflected three primary objectives and outcomes for instituting the new compensation system:

> ## GCPS is engaged in a never-ending competition for the brightest and best teachers.

If Gwinnett County Public Schools, with the intention of continuing to improve student outcomes, institutes a compensation system that

- *compensates every teacher based on fair measures of their effectiveness and exemplary student outcomes,*

- *creates an environment that facilitates effective collaboration within schools, and*

- *ensures the application of effective innovation and transformation,*

then GCPS will be able to

- *advance the district's work toward instituting a teacher effectiveness system based on performance,*

- *increase the district's capacity to recruit and retain effective teachers, and*

- *build the capacity of teachers by emphasizing professional development and preparation.*

Year 1 (SY2015-16): Research and Design

The project teams and DMGroup quickly began the research-and-design phase of the revised compensation system, with a focus on several key strategic questions:

- What performance measures should be used to evaluate individual performance?

- Are the existing evaluation systems robust enough for the new compensation system?

- Who should be part of this new compensation system, e.g., only classroom teachers or everyone in the school?

Dr. Sid Camp, Dr. Frances E. Davis, Dr. Shanna Ricketts, and Rick Cost

- How will this new compensation system promote individual excellence as well as group collaboration?

- What should be done to help teachers embrace a performance-based system, given the longstanding practice of compensating teachers based on experience and degrees earned?

- How can Gwinnett ensure the long-term financial sustainability of this new system?

Key First Step: Analyzing What Is in Place

GCPS and DMGroup began by conducting a detailed assessment of the district's current compensation and evaluation systems to understand what could be leveraged, what might need adjustment, and what might be lacking.

Existing Compensation System: Like many districts in the United States, GCPS based its existing salary schedule for teachers on level of educational attainment and number of years of experience–commonly called "steps and lanes." At GCPS, there were 10 lanes determined by certifications and advanced degrees and 29 steps determined by years of teaching experience. Under the step-and-lane salary schedule, teachers saw automatic increases in pay based on longevity, regardless of performance, with a few exceptions as required by the state.

Existing Evaluation System: The existing five-part teacher evaluation system at GCPS covered approximately 11,000 teachers. Over the years, GCPS had invested significant work into its evaluation system, which was considered by observers and other districts to be comprehensive and well designed. Its measures included:

- Teacher Assessment on Performance Standards (TAPS): An observation-based evaluation system that assessed research-based teacher-practice performance standards. TAPS was developed by the state with some implementation components unique to GCPS. Most district staff believed TAPS was clear and easy to understand, and that evaluators were effective.

- Student Growth Percentile (SGP) scores: Annual student achievement data from state assessments generated SGP scores that measured relative, as opposed to standards-based, rankings. The state-assessed SGP scores were perceived as reliable, given that they were pulled from a large data set.

- Student Performance Goals (SPG) scores: Developed by GCPS in SY2013-14, SPG was the district's own district-level proprietary student performance measure. This system covered many more teachers than SGP, including high school elective teachers, elementary specials teachers, and

some special education teachers. With piloting completed, the reliability and accuracy of the assessments had been improving.

- District Assessment (DA) scores: DA scores were internal assessments developed by the district that had been in place for several years. They were used to assess student growth in courses for which no state test or SPG assessment was available.

- Weighted School Assessment (WSA): WSA was a summative assessment at the school level that combined measures of student achievement, customer satisfaction, and school management. WSA contained four weighted categories of standards: student achievement (70% of score); school improvement (12%); school climate (8%); and school management (10%). Schools with high poverty rates earned additional points. WSA was a component of Results-Based Evaluation System (RBES), an accountability system developed by GCPS for improving schools. RBES fairly and systematically measured a school's progress, providing a process that clearly communicated expectations; reviewed, monitored, and supported school performance; and evaluated that performance.

GCPS and DMGroup performed close analyses of these existing systems to assess their effectiveness in providing an accurate reflection of teacher performance and their suitability for use in a compensation system. Although GCPS had developed a robust, thoughtful, and comprehensive teacher evaluation system, the Project Leadership Team's deep analysis of the data, combined with stakeholder feedback from focus groups and a January 2016 staff survey, led the team to raise several concerns.

For example, although TAPS was tied to an established feedback process, there was substantial variation in how evaluators determined ratings for teachers at each school. Overall, 99% of teachers were assessed as "Proficient" or "Exemplary," but evaluators in higher-performing schools were more likely to give "Exemplary" ratings than evaluators at lower-performing schools. Staff survey responses and feedback heard during focus groups confirmed concerns about inter-rater reliability. The Project Leadership Team determined that principals and other observers needed more training to ensure that teachers considered observation data to be reliable.

Similar challenges arose in the measurement of student growth. The district's efforts at engaging stakeholders revealed that many did not understand the methodology for calculating growth measures. DMGroup analysis suggested it was difficult to compare and understand SGP scores across years because state tests had changed frequently. In addition, SGP measured growth differently from WSA, one of GCPS' key measures, and assessment data were not available until November of the following year. Meanwhile, the district's own SPG scores lacked clarity regarding how tests should be administered and reviewed. Some teachers perceived that they were disadvantaged in both SGP and SPG scoring because they taught students with more needs, and results for teachers who had fewer students were not reliable using either measure. Analysis revealed that the state-assessed SGP was much more likely to consider a teacher "Proficient" or "Exemplary" than the district-assessed SPG.

WSA—the district's oldest performance metric, which enjoyed a long record of accomplishment—also had drawbacks. WSA was designed to evaluate schools and not the performance of individual teachers. In addition, WSA could unintentionally provide a higher score to schools with less poverty. For the Core Project and Project Leadership teams, ensuring that all staff were given an equal chance to demonstrate excellence was important. The team determined that WSA, already undergoing updates to reflect changing guidance from the state, could require further adjustments to avoid bias against higher-poverty schools.

Learning from Others: Researching Lessons Learned and Best Practices

While evaluating GCPS' existing systems, the Steering Committee also wanted to research national best practices and innovations related to performance-pay systems. DMGroup conducted a thorough review of compensation models across different types of school systems nationwide and interviewed superintendents and district leaders from these systems. Research focused on the following dimensions: (1) identifying award recipients, (2) defining performance pay metrics and weights, and (3) designing the pay amount and distribution.

Compensation models examined included those of Denver Public Schools (CO), which began its performance pay system in 2005 and provides awards for numerous different metrics; Houston Independent School District

(TX), whose program was implemented in 2007 and is notable for its focus on student assessment data; Baltimore City Public Schools (MD), which implemented its model in 2010 and distinguishes itself for its differentiated teacher career pathways; and Dallas Independent School District (TX), which implemented its program in 2015 and bases teachers' entire salary on performance.

GCPS and DMGroup also examined how these systems communicated and implemented change in order to benefit from lessons learned. Findings confirmed and fleshed out many of the issues the Project Leadership Team and stakeholder engagement efforts had already identified:

- Connecting performance pay to existing human capital structures can result in improved recruiting and retention efforts. Several of the other districts increased retention among their highest-performing and most-valued teachers.

- Strengthening the training and monitoring of evaluators and the evaluation of teacher observations builds trust as a new system is rolled out. Baltimore and Denver consider improving reliability across evaluators to be the most important stream of work.

- Several districts note the difficulty of designing one system for both teachers and non-teaching staff, such as related service providers, who often have different market salary rates. Districts cited the large amount of attention non-teachers demanded despite comprising a relatively low number of FTEs.

- Running extensive scenarios helps identify unintended incentives. For example, several districts found that initial drafts of their respective compensation systems inadvertently advantaged teachers in high-performing schools, teachers of certain tenure levels, or other groups.

- Communicating early and extensively with internal stakeholders is critical. Nearly every district wishes it had communicated about the ongoing compensation work with stakeholders even more often, and earlier in the process.

- Embedding the new system and building acceptance requires understanding that implementation is an ongoing improvement process rather than a one-time effort. Denver has continually refined its system through renegotiations with the union and by improving implementation of component pieces (outside of negotiations).

Wilbanks and his team incorporated the lessons learned from other districts as they proceeded to design GCPS' compensation system and make plans for implementation. Based on these findings, they decided to invest even more effort into extensive stakeholder involvement and communication planning.

Allaying Fears and Seeking Engagement

One of the challenges other districts had run into—and that critics of pay-for-performance systems often raised—was that some staff ended up with lower compensation under the new scheme. To preserve fairness and avoid turmoil, Wilbanks early in the process articulated a critical design feature: all staff would be held "harmless," meaning no one's compensation would go down as a result of the new performance-based plan. This declaration helped to allay some potential concerns and encouraged engagement.

The project teams actively pursued engaging stakeholders and soliciting input. Starting in August 2015, the Project Leadership Team met with district-level leadership groups, principal groups, assistant principal groups, and the Teacher Advisory Council. GCPS also launched an informational webpage to provide all district staff with an overview of the process.

As the process moved forward during SY2015-16, the Steering Committee invested in broadening and deepening engagement with staff through multiple focus groups and an online survey. The 35 focus groups included over 245 participants comprising randomly selected classroom teachers, special education teachers, ELL teachers, reading teachers, testing coordinators, counselors, media specialists, coaches, and other staff from across the district's 19 school clusters. Focus-group participants were asked about their perceptions of the district's current evaluation systems and about the potential of a new compensation system based upon these evaluation systems. In January 2016, GCPS launched an online survey to gather feedback from every category of instructional staff; the survey was distributed to 12,259 staff and received a 70% response rate. These efforts resulted in a general feeling that the district was invested in hearing from its staff.

Guiding the Design of the New Compensation System

Starting in the spring of 2016, the Project Leadership Team turned its attention to designing and developing performance-pay-system options for GCPS. The team began to wrestle with key issues identified during its research phase:

- **Award recipients:** Which teachers (core classroom teachers, elective classroom teachers, special education teachers, intervention teachers) will be included in the new schedule and awards?

- **Pay type:** Will the pay be in the form of salary or additional compensation?

- **Metrics and weights:** Which metrics will be included, and for which years? How will each metric (Training, Experience, Observations, Student Growth, School Performance, Teacher Attendance, Hard-to-Staff Positions, High Needs Schools, etc.) be weighted? Which roles will have different weights because available metrics differ?

- **Pay distribution:** How much money will be distributed? What percentage of staff will be paid at each compensation level?

DMGroup presented GCPS with nine distinct models for meeting the district's needs. In many respects, the models were similar—their differences lay more in their emphasis than in their goals. For example, one model placed greater emphasis on collaboration by heavily weighting WSA. Another option set a predetermined performance level and had modest rewards for a large number of staff. Yet another had a higher predetermined performance level and granted larger awards to a smaller number of staff. Some models prioritized student growth scores, while others rewarded staff for working in hard-to-staff positions and/or high-needs schools.

Selecting and Tailoring the Model

GCPS had three design criteria that it kept at the forefront to help it decide upon a model:

- Ensure that compensation model options support the district's objectives as stated in its theory of action: to advance the district's work toward instituting a teacher effectiveness system based on performance, increase the district's capacity to recruit and retain effective teachers, and build the capacity of teachers by emphasizing professional development and preparation;

- Leverage current structures, e.g., existing evaluation structures, state guidelines, and staff perceptions; and

- Ensure that the new model is easily understood by all staff members.

The Core Project Team reviewed each of the nine options developed by DMGroup to determine which ones were most
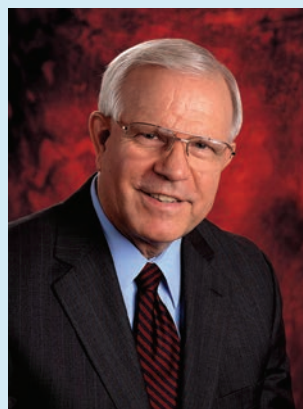
J. Alvin Wilbanks
CEO/Superintendent

Since March 1996, J. Alvin Wilbanks has been serving continuously as chief executive officer and superintendent of Gwinnett County Public Schools. Under his leadership, Gwinnett County Public Schools has earned a reputation as one of the most successful school districts in the country. Wilbanks was named Georgia's Superintendent of the Year in 2005 and, under his leadership, the district won the prestigious Broad Prize for Urban Education in both 2010 and 2014. GCPS has also garnered other national attention: under Wilbanks' leadership, the district was one of the first school systems to join the Large Countywide and Suburban District Consortium, which seeks to significantly advance systemic education improvement and innovation in policy and practice to benefit all students. Wilbanks has served as co-chair of the Consortium, which includes 16 of the most successful school systems in the nation.

Since 2000, two Georgia governors and the United States Secretary of Education have called on Wilbanks' expertise in crafting significant education reform legislation at the state and federal levels. Wilbanks serves as chairman of the Board of Trustees for the Georgia Teacher Retirement System and was elected the first chairman of the Georgia Education Coalition, formed in 2006 to give school districts a unified voice with the state's legislature on funding and educational policy issues. Wilbanks and the Board of Education were named 2018 Governance Team of the Year by the Georgia School Boards Association for exemplifying "what a high-functioning board of education and superintendent look like."

30%

of teachers are likely to receive awards annually

compatible with the prevailing views expressed in focus groups and surveys, provided a transitional foundation, and offered transformational compensation opportunities. Two of the options, taken together, provided the full scope of components that the team considered essential for the development of a viable compensation system. Other options were ruled out for a variety of reasons. For example, the team did not wish to include metrics relating to attendance, which is an expectation for all teachers, nor hard-to-staff positions or high-needs schools, which are not measures of performance but rather are matters of securing qualified teachers to fill the positions.

GCPS crafted a hybrid of two of the options presented. The following components were included:

- A performance-based teacher salary schedule with steps and lanes;

- Performance-based awards in addition to the salary schedule;

- Metrics for awards that include professional growth, teacher evaluation, student growth, and whole-school assessment of effectiveness;

- Weights that place greatest emphasis on teacher evaluation and student growth metrics;

- Performance-based awards for 20–30% of eligible teachers; and

- Awards in the range of $1,000 to $5,000 or higher.

External Complications

While the Project Leadership Team had been evaluating various compensation models, the Georgia State Legislature passed Senate Bill 364, which would become effective July 1, 2016.[1] The bill introduced a new professional growth performance measure for teachers; modified the state's annual student assessments so that the teacher's student growth performance data included only test scores of students who attended at least 90% of days in the teacher's course; and changed science and social studies annual testing from grades 3 through 5 to grades 5 and 8.

At the same time, the Georgia Department of Education was discontinuing the practice of calculating teacher assessment data for all subject areas. Instead, individual districts would be accountable for calculating assessment data beginning in SY2015-16. Collectively, these changes increased the administrative burden on the GCPS team to evaluate teachers' performance and caused concern among teachers because measures were changing amid simultaneous conversations about changes to compensation. In addition to facing these new hurdles, GCPS had to add to its to-do list the task of calculating assessment data.

Year 2 (SY2016-17): A New Compensation System for GCPS

In August 2016, Wilbanks and his team proceeded to develop the initial framework for the compensation system. To ease adjustment to the new compensation model, the team decided to proceed with a two-phase implementation plan:

- The first phase would be to implement a performance-based teacher salary schedule in SY2017-18. This new salary schedule would acknowledge performance—not just years on the job—as a criterion for advancement. Under the new schedule, employees advance one "performance step" for the next contract year upon achieving a rating of "Proficient" or higher on the TAPS or equivalent annual evaluation tool.

- The second phase would be a performance-based awards system, which would provide top performers with financial awards. This system, to be implemented in SY2018-19, would require eligible teachers to have scores on four metrics (Professional Growth, TAPS, Student Growth, and WSA). In the first year of implementation, teachers with scores on all metrics except Student Growth would be eligible for the same level of awards on a separate path (i.e., a three-metric path). The first iteration of the performance-based awards

Gwinnett district leaders discuss the performance-based awards system

initially would apply only to classroom teachers and would exclude staff such as speech language therapists, coaches, and others.

The extra time for the second phase would allow the Project Leadership Team and Steering Committee to review and refine the district's performance metrics, particularly relating to student growth data.

Throughout SY2016-17, the Project Leadership Team was organized into discrete working groups to identify outstanding issues and risks for each component metric (Professional Growth, TAPS, Student Growth, and WSA) and to propose recommendations for improvement. These working groups held weekly conference calls to share updates, troubleshoot issues, and develop recommendations. Principal and teacher leadership groups that had been involved from the start responded favorably enough that the project leadership felt comfortable moving its recommendations forward to the Gwinnett County Board of Education.

Transformational Change Ahead: Proposed Compensation Model Approved

The new proposed compensation model was approved on February 16, 2017, by the Gwinnett County Board of Education. "Our move to a performance-based compensation system has been years in the making," said Wilbanks. "We're excited about the progress we've made

and the favorable reactions from our teachers and leaders. One of the most exciting aspects of this new system is that it will allow us to reward those who have proven to be our most effective teachers. That will give us a distinct advantage both in recruiting great teachers and in retaining the very best in Gwinnett County Public Schools."

Year 3 (SY2017-18): Salary Schedule Implementation and Refining Performance-Based Awards

In August 2017, GCPS transitioned all teachers and certified staff compensated on the district's teacher salary schedule to a performance-based teacher salary schedule. The new schedule acknowledges a teacher's current education level and advanced degrees as they are earned. Like the previous schedule, the new schedule has 29 steps, but annual performance as opposed to time on the job determines movement to the next step. A teacher advances one performance step for the next contract year upon achieving a rating of "Proficient" or higher on TAPS or an equivalent evaluation tool. An employee earning a TAPS rating of "Needs Development" or "Ineffective" remains on the current step for the next contract year instead of advancing a step. The amount associated with a step increase can change from year to year, based on the budget, but the amount would be the same for each step within a level. As with the current salary schedule, a teacher could move only one step per year.

Exhibit 2 is the transition guide to the performance-based teacher salary schedule that was provided by the district to all affected staff. The guide reflects, for example, that a teacher in the "T4" certification level who is earning $42,690 annually in FY2017 under the salary schedule for that year would be considered a "Level 1" teacher for whom the base salary would be $43,493 if the performance-based teacher salary schedule were in effect for FY2017. In the first year of implementation, FY2018, the teacher's salary would be $44,364 if they remained in Level 1 but did not advance a performance step.

Each "performance step" in Level 1 includes an increase in base salary of about $900 per year, provided the teacher receives a "Proficient" rating or higher on TAPS. Previously, the same teacher would have automatically received a raise of about $500 for staying on the job, regardless of evaluation results.

The first phase of the plan (the performance-based teacher salary schedule) included approximately 12,300 certificated staff paid on the teacher salary schedule (more than 10,000 classroom teachers as well as other instructional support staff). As a result, even a small change in the salary schedule could have significant financial impact.

The Project Leadership Team and the district's finance team calculated that moving from its traditional salary schedule to the performance-based salary schedule would cost the district an additional one-time amount of $9 million to ensure that no staff would receive a lower base salary under the new schedule. GCPS planned to fund this one-time increase from departmental budget savings accumulated over multiple years, which were earmarked for this specific purpose. The finance team also ran multiple scenarios to ensure that total annual performance-based step increases would be within the regular budgeted amounts.

The rollout of the performance-based teacher salary schedule went smoothly. The district clearly communicated information about the new schedule, and the program was well received because every teacher was held harmless and given an initial increase in pay.

Developing the Performance-Based Award System

With implementation of Phase 1 underway, the district intensified its work on Phase 2. The cornerstone of the work is built upon five key messages that the district believes in and adopted early in the process. These key messages are:

1. There are great teachers in every school in the district.

Exhibit 2 **TRANSITION GUIDE TO NEW SALARY SCHEDULE**

Source: GCPS.

> "One of the most exciting aspects of this new system is that it will allow us to reward those who have proven to be our most effective teachers. That will give us a distinct advantage both in recruiting great teachers and in retaining the very best in Gwinnett County Public Schools."
>
> — J. Alvin Wilbanks
> CEO/Superintendent

2. Schools have different characteristics and clientele that make them unique.

3. Recognizing the top-performing teachers at every school acknowledges that, despite their differences, all schools have teachers who deserve to be celebrated.

4. Rewarding outstanding teachers will help us with teacher recruitment, retention, and morale, all of which impact student achievement.

5. Incentivizing top performance in every school will go a long way in helping us improve the education we provide across the district.

With these key messages in mind, the GCPS team critically reviewed and revised each component of the performance-based awards program before adopting it for implementation in SY2018-19.

Performance Metrics

Four performance metrics are included in determining teacher effectiveness and deriving a score for each teacher. They are:

1. Professional growth: The teacher shall participate annually in a minimum of 20 hours of approved staff development that align with the district's vision, mission, and goals. Validation of this requirement is an integral part of the teacher evaluation system (TAPS).

2. Annual performance evaluation: The teacher must complete the Teacher Assessment on Performance Standards (TAPS), which is conducted by evaluators to measure the teacher's performance on 10 standards.

3. Student growth: The teacher must administer pre- and post-tests for all courses taught. One of two tests developed by the district is used to determine growth: either Student Performance Goal (SPG) assessments or District Assessments (DA). The following steps represent the process for determining teachers' student growth metric scores.

   a. Pre-test scores from each assessment are organized by course number into quartiles ranked from lowest to highest.

   b. The change in each individual student score from pre-test to post-test is calculated.

   c. In each quartile, the district median change from pre-test to post-test is calculated.

   d. The change in each individual student score is compared to the district median change for the student's quartile.

   e. For each teacher, the percentage of student score changes (identified in Step b) that are equal to or greater than the district median score change (Step d) is calculated. This percentage is the teacher's student growth metric score.

To strengthen validity and reliability, teachers must have a minimum of 15 matching pre- and post-test scores to receive a student growth score and be eligible for a four-metric path award.

4. **Weighted School Assessment (WSA):** WSA is a summative assessment of a school's annual performance. Teachers are the critical element in determining the school's effectiveness and must work collaboratively to ensure the school's success.

Weights

Wilbanks and his team extensively discussed and debated the relative weighting of each measure, as the weighting reflects and communicates the district's priorities. For example, whether the district more heavily weights WSA than TAPS in the compensation system is seen to communicate the relative importance the district places on school-level performance over individual teacher performance and effectiveness. After much consideration, the following weights were adopted:

- Professional Growth: 15%

- TAPS Evaluation: 40%

- Student Growth: 35%

- WSA: 10%

Teacher Eligibility

A key question in designing a performance-based teacher compensation system is determining which types of teachers are included in the plan. After much discussion and analysis, GCPS defined eligible teachers as classroom teachers who provide direct instruction to students and who meet the following requirements:

- Teacher must be an employee of the district and paid on the GCPS teacher salary schedule;

- Teacher must complete the TAPS evaluation process and receive a score;

- Teacher must have course sections scheduled for at least 50% of the school day;

- Teacher must be employed full-time;

- Teacher must be in "non-leave" employment status for a minimum of 120 of 190 contract days in the school year; and

- Teacher must administer all required designated student assessments.

However, this definition meant that teachers with fewer than 15 students, such as special education teachers, had no student growth assessment metrics. Wanting to ensure more teachers had the opportunity to be eligible for the performance-based award, GCPS had to devise a solution.

Creating Two Award Paths

To ensure that more teachers would be eligible for the new compensation system, GCPS came up with the solution of creating two paths for the first year of implementation:

- The Four-Metric Path is for eligible teachers who have scores on the four metrics (Professional Growth, TAPS Evaluation, Student Growth, and WSA).

- The Three-Metric Path is for eligible teachers with scores on all performance metrics except Student Growth. Teachers with pre- and post-test scores for fewer than 15 students were excluded from consideration for the Four-Metric Path. Many of these teachers are special education teachers who serve fewer than 15 students or who have no Student Growth assessments. The Three-Metric Path is temporary, with adjustments anticipated after SY2018-19. A much smaller number of teachers is expected to be on the Three-Metric Path districtwide, and the numbers will vary greatly from school to school. Therefore, the awards in this path will go to the top 30% of teachers at the elementary, middle, and high school levels. Every school will have teachers awarded on the Four-Metric Path, but not necessarily on the Three-Metric Path.

Performance pay was weighted

75%

toward student growth and assessment on performance standards

Whether assessing teachers using the Four-Metric Path or the Three-Metric Path, the underlying rubrics are scaled and weighted into a single summative number.

Throughout the year, district leaders made sure to communicate about the progress being made and shared general information about eligibility and the metrics for determining the awards. Presentation materials and FAQs were provided to principals for them to share with teachers and staff. This information also was placed on the school district's webpage for others who were interested in learning more about Gwinnett's performance-based compensation system.

Performance Categories: District-Level or School-Level Awards, the Award Amount, and the Number of Awards?

As the GCPS team and DMGroup previewed the plan with various stakeholders, many groups expressed lingering concerns about whether the compensation model would favor the already highest-performing schools and inhibit collaboration within schools if only top teachers across the district were to receive awards. This feedback, along with the core beliefs that there are great teachers in every school and that individual schools have different characteristics and clientele that make them unique, convinced Wilbanks to structure the performance-based awards to recognize not only the district's top performers, but also the top performers in each school. He and his team proposed establishing three categories of teacher performance. Category 1 targets district-level awards, while Categories 2 and 3 are specifically designed to provide awards for at least 20% of eligible Four-Metric Path teachers at each school.

> Category 1: District-Level Awards
>
> Among eligible teachers, the top 10% at each level (i.e., elementary, middle, and high school)—as determined by the total score on the metrics—will receive a district-level award. The Category 1 award will equal 10% of the average GCPS teacher salary for the fiscal year in which it was earned. Teachers on both the Three-Metric and Four-Metric paths are eligible for the Category 1 district-level awards. Award recipients are calculated separately by path.
>
> Categories 2 and 3: School-Level Awards for Four-Metric Path Recipients and District-Level Awards for Three-Metric Path Recipients

> **Performance-based awards recognize not only the district's top performers, but also the top performers in each school.**

Category 2 recognizes eligible teachers who score in the highest 10% at each school (excluding those in Category 1) for teachers in the Four-Metric Path and the second-highest 10% at each school level for those in the Three-Metric Path. The teachers in Category 2 will receive an award equal to 6% of the average GCPS teacher salary.

Category 3 recognizes eligible teachers with the second-highest 10% of scores at each school (excluding those in Category 1) for those in the Four-Metric Path and the third-highest 10% at each level in the Three-Metric Path. The monetary award for teachers in Category 3 will equal 3% of the average GCPS teacher salary.

With this structure, top performers in the district and in each school would receive recognition. And, it met Wilbanks' and the team's desire that a significant portion of classroom teachers receive performance-based awards: 30% of teachers were likely to receive awards annually. The team wished to establish awards that would be large enough to provide an incentive to teachers and determined that 10%, 6%, and 3% of the average district teacher salary would meet the test at the three award levels (the average district teacher salary for FY2019 is $61,627). Exhibit 3 contains the model for Phases 1 and 2 of the performance-based teacher compensation system.

Financial Sustainability

Throughout the development process, the district's finance team examined the cost and sustainability of the compensation model. The Project Leadership Team, working with DMGroup, created a financial model to test several alternatives and tradeoffs for each option. Extensive scenario analyses were run regarding the second

Exhibit 3 PERFORMANCE-BASED TEACHER COMPENSATION SYSTEM

Gwinnett County Public Schools
Performance-Based Teacher Compensation System
February 15, 2018

PHASE 1: SY2017-2018

Performance-Based Teacher Salary Schedule

Salary Schedule	Performance Steps	Degree Levels
Salary schedule that reflects base salary and step and level increases	Step increases that are based on Teacher Assessment on Performance Standards (TAPS) evaluation rating of Proficient or higher	Level 1 – Bachelor's; Level 2 – Master's; Level 3 – Specialist's; Level 4 – Doctorate NOTE: All levels require specific Georgia Professional Standards Commission certification.

PHASE 2: SY2018-2019

Performance-Based Awards: Metrics, Scores, and Weights
Weighted scores of the four metrics or three metrics, as appropriate, will be combined each year to determine a total score for each eligible teacher.

Metric	Raw Score	Scale Score	Weight — Four Metrics	Weight — Three Metrics
Professional Growth	0 or 100	0 or 100	15%	23%
TAPS Evaluation	0 - 30	0 - 100	40%	62%
Student Growth	0 - 100	0 - 100	35%	N/A
Weighted School Assessment	0 - 100	0 - 100	10%	15%

Performance-Based Awards: Categories and Compensation *(Based on Total Weighted Score)*

Performance Category	Award Ranges — Four-Metric Path	Award Ranges — Three-Metric Path	Compensation Award	Payment Method
Category 1	**Highest** 10% of scores for eligible teachers by ES/MS/HS level	**Highest** 10% of scores for eligible teachers by ES/MS/HS level	10% of average GCPS Teacher salary *(FY18 - $60,716)*	Lump sum payment based on prior school year's performance
Category 2	**Highest** 10% of scores for eligible teachers at EACH SCHOOL	**Second Highest** 10% of scores for eligible teachers by ES/MS/HS level	6% of average GCPS Teacher salary	Lump sum payment based on prior school year's performance
Category 3	**Second highest** 10% of scores for eligible teachers at EACH SCHOOL	**Third Highest** 10% of scores for eligible teachers by ES/MS/HS level	3% of average GCPS Teacher salary	Lump sum payment based on prior school year's performance

Eligible teachers are classroom teachers who provide direct instruction to students and who were employed full-time for at least 120 days during the school year. Teachers are awarded in either the four-metric path or the three-metric path, as follows:

Four-Metric Path – Eligible teachers have scores on all four performance metrics.

Three-Metric Path – Eligible teachers have scores on all performance metrics except Student Growth, for which a score cannot be calculated because no District Assessment or Student Performance Goal assessment is available for courses taught by the teacher or fewer than 15 eligible student pre-and post-test scores* are available for the teacher.
* Eligible student pre- and post-test scores are those to which the growth calculation method can be applied.

Teachers may receive only one Performance-Based Award annually.

Source: GCPS.

phase of the plan (the performance-based awards). Under the plan, the district expected to award approximately 3,000 teachers per year for their outstanding work, and the award size would be in the range of $3,000 to $5,000 per teacher per year, which GCPS expected to cost a maximum of $12 million dollars annually. GCPS was able to accumulate and reserve this amount annually over the three-year implementation period. Savings of budgeted salary dollars from unfilled positions and employee turnover allowed them not only to accrue the annual amount required to fund the performance-based awards within the current operating budget, but also to accumulate a small reserve earmarked for future sustainability of the awards program.

As the GCPS team developed the model, they also considered how they would respond in the event of a severe economic downturn. Wilbanks pointed to the district's long-term planning process, which includes a three-year rolling budget as a means for projecting sustainability. Should state appropriations and local revenue in any given year not be sufficient to maintain the performance-based compensation system, consideration could be given to reducing the scale of the program.

Year 4 (SY2018-19): Phase 2 – Performance-Based Awards Implementation

Wilbanks is pleased that he and his team decided to phase in the new compensation system over two years. Taking the time to phase in the new program and to work with stakeholders has facilitated its implementation and enhanced the level of support for the program. Wilbanks is intent on ensuring that the performance-based salary and awards create the right incentives to achieve the goals established for the system: advancing the district's work toward instituting a teacher evaluation system based on performance, increasing the district's capacity to recruit and retain effective teachers, and building the capacity of teachers by emphasizing professional development and preparation. While much work must still be done and there are many more questions to be answered, Wilbanks is excited to be implementing the performance-based awards during this school year.

To launch the performance-based awards in SY2018-19, the district is going to great lengths to ensure that each of the tasks associated with implementation is initiated effectively and in a timely manner. For the fall

> **The district expected to award approximately**
> # 3,000
> **teachers per year**
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> **for their outstanding work.**

of 2018, a procedure was established for ensuring that all front-end activities were completed on time. These included the initial requirements related to annual TAPS evaluations, assurances that teacher course assignments were accurate, and assurances that student pre-tests were administered within the test windows established. The approximate number and teaching assignments of teachers on the Three-Metric Path for SY2018-19 were determined with the goal of migrating as many as possible to the Four-Metric Path and providing alternative qualifying criteria for those who remain without an adequate number of student growth scores to migrate. Job codes for teachers are under review with the goal of ensuring that all teachers are assigned appropriate codes.

GCPS, in collaboration with IBM, began development of an application that will create the business rules and calculation methodology for processing all data related to the performance-based awards program and preparing award information for payroll at the end of the year. All work must be completed in time to make the awards in December 2019 based on performance in the classroom in SY2018-19. The district estimates that approximately 3,000 Gwinnett teachers will be rewarded this year and every following year for their outstanding work.

The Core Team continues its work to refine the compensation system, conducting bi-weekly conference calls with DMGroup to identify and resolve issues as they arise and to use newly acquired data to make decisions about potential modifications to the awards program

> Recognizing strong teachers and compensating them for their work has the power to deliver results for students and transform the way public education functions.
>
> "What we are doing in the area of teacher compensation is revolutionary...and few districts have the capacity to do revolutionary work."
>
> —J. Alvin Wilbanks
> CEO/Superintendent

for future years. The team also meets weekly to address issues and to assist in development of FAQs for staff. It is a work in progress, but GCPS is excited to be doing such transformational work.

Looking to the Future

Wilbanks and his team are still in the midst of implementing the performance-based awards program this year and know that much work remains. As is best practice, the GCPS team has a mindset of continuous improvement and will continue to make refinements to the system. In addition, they know that for this new compensation system to be a success, those in the district must have a good understanding of how the system works and have confidence in it. Stakeholder engagement and communication efforts, therefore, will remain a priority.

In designing and implementing a performance-based compensation system, GCPS has achieved what few districts in the country have even attempted. While the work is ongoing, Wilbanks and his team at GCPS have reason to be proud. With a belief in the power of good teachers and a passion for improving outcomes for students, Wilbanks and the team took on a tremendous challenge. The performance-based compensation model has the power to be transformative for the district and will likely be a model for others in the state and beyond. Recognizing strong teachers and compensating them for their work has the power to deliver results for students and transform the way public education functions.

"What we are doing in the area of teacher compensation is revolutionary and few districts have the capacity to do revolutionary work," says Wilbanks. "I believe we can in Gwinnett County Public Schools, because we have great teachers and leaders who are not afraid to give such an innovative idea a try, and a chance to succeed. We will continue to make improvements to our compensation system as we implement it in the years ahead. But we must start sometime, and *now* is the time." ◆

GWINNETT COUNTY PUBLIC SCHOOLS

NOTES

1. Georgia General Assembly, "2015-2016 Regular Session — SB 364 'Quality Basic Education Act'; Annual Teacher, Principal, and Assistant Principal Evaluations; Revise Provisions," 2016, accessed March 1, 2019, http://www.legis.ga.gov/legislation/en-US/Display/20152016/SB/364.