

Avoiding the pitfalls of performance related pay



Performance related pay is on its way whether we like it or not, yet there are still many schools without a rigorous and transparent approach to performance appraisal. **Keith Wright** analyses the challenges these schools might face, and offers advice on making the change.

The government's announcement last autumn that headteachers will decide teachers' pay on performance from this September will not be welcomed by all who lead our schools.

Some heads will be concerned that putting the ultimate decision on pay levels within broad bands will leave them open to accusations of favouritism. Others are already saying they don't need the extra burden of fixing what was essentially not broken. And there will be members of staff who will see performance related pay (PRP) as a mandate for favouritism that will set colleague upon colleague.

I hope that these scenarios don't become reality, but at all levels of our schools, many will feel exposed by PRP - or at the very least be unsure about its impact.

The risks exposed by PRP are even starker when you consider the information

management 'gap' that exists in the vast majority of England's schools. Most schools still do not have a systematised way of managing and tracking school improvement planning processes like staff performance, school development planning and CPD. While Ofsted criticises schools for having less than robust evaluation processes, how can they hope that schools will be able to validate decisions around performance related pay with any degree of objectivity and accuracy? It's the latest in a long line of being told what to do but not being given the necessary tools and support to do it.

Heads find it difficult to determine where their staff are in meeting the requirements of the new teacher standards in the current performance management arrangements, not least because the teaching standards changed last year, creating a significant knowledge gap. The same applies to teachers. This is worrying, especially when we know that these very same standards will be used to judge PRP.

When headteachers and SLT colleagues are in a position to make a decision about pay based on performance, it is absolutely vital that any decision they make is justified by evidence which is benchmarked against uniform standards. If it is done in any other

way then they could be accused of inconsistency or favouritism.

Good performance appraisal is one of the main building blocks of a successful school, along with targeted continuous professional development that makes a proper contribution to school improvement, meaningful self-evaluation, and development planning that is driven by leaders and staff.

But get performance appraisal wrong and the school could be on shaky foundations for so many reasons, especially when this process will determine who gets paid what from this September.



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Support and development

PRP or no PRP, performance appraisal is a key to success because it is one of the main tools for supporting and developing staff. Get this right and they will deliver the most effective teaching and learning possible for your students – and it will ensure that your school is prepared for performance related pay.

A good performance appraisal process involves reviewer and reviewee. It is structured, systematic and sets clear objectives and timescales. It is clear about expectations and measurements and the staff member being reviewed knows that the process is the same for them as it is for every one of their colleagues.

A good approach identifies areas for stretch and development. If performance issues arise from the appraisal, these can be quickly identified and appropriate measures, such as professional development, can be put into action. Talents and particular strengths can be identified and resources put in place that will help to quickly develop that member of staff. Good performance appraisal develops and

supports your people and helps them deliver the best for your pupils.



Transparency and standards

This all sounds good but these processes are nothing unless they are regarded by every member of staff in the school as objective and transparent. A performance appraisal process that isn't formal, structured and out in the open can be easily open to criticism, especially when it helps determine who is paid what. Most of us can pluck one or two examples from our career histories of colleagues being fast tracked to promotion when it wasn't at all clear to us why their performance was deemed to be better than our own. When the criteria against which people are being judged isn't clear, or perhaps even shrouded in secrecy, then resentment can build in the staff room. The overall effect can be corrosive and ultimately bad for pupils and bad for the school.

While school leaders should always be concerned about the effect of performance appraisal on school performance and staff morale, they also need to bear in mind the demands of inspectors. Ofsted now wants schools to give full account of the school improvement processes that ultimately have a huge impact upon pupil attainment. The HMI wants evidence that the SLT knows the school's strengths and weaknesses, that leaders are immersed in self-evaluation and that development plans are focused on improving teaching and raising achievement. Good performance appraisal plays a crucial role in binding all of these elements together.

Teachers also need to know exactly where they are in this. They and their colleagues need to be as well informed as the school's leadership when they enter the performance appraisal process. If they have evidence that they have met the standards expected of them then they will be in a strong position in pay negotiations. Teachers need to know that where they lack confidence in the decision making of those in authority, they have the necessary mechanisms with which to produce their own compelling evidence base.

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The primary principles of good performance appraisal

A good performance appraisal process is underpinned by the following key principles:

- It should be productive for more than just the appraisal process – it must be part of the bigger picture.
- It must be clear and transparent so that everyone knows what they should be doing and why they are doing it.
- It has to be consistent in terms of process and procedure, but flexible enough to cater for individual roles and responsibilities.
- It should promote objectivity by making possible fair and equitable discussions which make all the stakeholders in the process feel confident.
- It needs to be scalable so that it has the capacity to grow and flex with the development of the school.
- It must be ‘future proof’. Evidence put into the process today must automatically carry forward and be presented in context so that the work put in does not become redundant.

If schools underpin their approach to performance appraisal with the broad principles that I have outlined, then they will be in good shape to meet the challenges of PRP.

Performance related pay is coming, we can be sure, and it will test even the most solid and progressive performance appraisal approaches. But if schools ensure that their performance appraisal processes are transparent, robust and fair they will be able to confidently deal with performance related pay and, most importantly, make a critical contribution to future success.

Keith Wright is managing director of school information management specialist Bluewave.SWIFT. He has worked with hundreds of schools during in the past decade supporting institutional leadership and management. More information is available at www.bluewaveswift.co.uk

Performance related pay – The key features

The Department for Education (DfE) confirmed in February that it would accept the recommendations made by the School Teachers’ Review Body (STRB) in December to scrap mandatory pay points for teachers from September 2013.

Instead, pay progression will be linked to annual appraisals judged against the new teachers’ standards.

The STRB’s proposals will affect state schools – academy schools already have freedom over setting teachers’ pay. Higher pay bands for London and fringe areas will be retained.

Key recommendations in the STRB report include:

- The replacement of increments based on length of service by differentiated progression through the main pay scale to reward excellence and performance improvement.
- Extension to all teachers of pay progression linked to annual appraisal. Appraisal should be against a single set of teaching standards, and individual objectives, with a strong emphasis on professional development.
- Abolition of mandatory pay points within the pay scales for classroom teachers to enable individual pay decisions. Points will be retained for reference only in the main pay scale, to guide career expectations for entrants to the profession.
- Retention of a broad national framework, including the higher pay bands for London and fringe areas and an upper pay scale as a career path for experienced teachers who make a wider contribution to the school.
- Replacement of the unnecessarily detailed threshold test for progression from the main to the upper pay scale, with simple criteria based on one set of teacher standards. This will create a consistent progression path from graduate entry to the top of the upper pay scale and allow schools to promote the best teachers more rapidly.
- Local flexibility for schools to create posts paying salaries above the upper pay scale, enabling some of the very best teachers to remain in the classroom and lead the improvement of teaching skills.
- More discretion for schools in the use of allowances for recruitment and retention and freedom to pay fixed-term responsibility allowances of up to £2,500 a year for time-limited projects.
- Reinforcement of the responsibility of headteachers to manage staff and resources and of governing bodies to hold school leaders to account for managing and rewarding the performance of teachers in the interests of pupils.
- On the basis of the above, a much simplified School Teachers’ Pay and Conditions Document, including a brief guide to the national framework and the flexibilities open to schools.

Reviewing your own approach

Reviewing your school's approach to performance appraisal and making sure it is ready for performance related pay should begin with some key questions. Here is a selection of the most important questions to ask and areas to consider:

- How familiar are you, your SLT colleagues, governors and staff with the statutory and non-statutory PRP guidelines?
- Does everyone in the school understand the importance of gathering evidence for their performance appraisal and long-term career development? And do you give staff time to reflect on and gather performance-related evidence?
- Is performance-related reflection and evidence gathering scheduled into the school working week?
- What guidance is there for staff to understand exactly what good evidence of performance is?
- Is the school development plan used as a driver for measuring performance?
- Do you give staff the opportunity for discussion, feedback and guidance on their performance, other than in performance appraisal meetings?
- Is there an agreed complaints procedure for any PRP disputes?
- Do you have easily accessible systems in place for recording ongoing performance related evidence?
- Are the systems consistent, fair and transparent and are staff given adequate training and support to use them properly?
- Does your system help staff link their contributions to the overall aims and objectives of the school through the school development plan?
- Is it easy for staff to link their contribution and evidence to their professional standards?
- Can you quickly produce contextualised, performance related evidence that can be tailored to any stakeholder?
- Can each staff member access and use their performance related evidence for other purposes such as job applications?
- What did Ofsted think of the school's performance in all of the above areas?

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