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Performance-Related Pay, Yes

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Would tougher links between pay and performance lead to higher standards in schools? Yes. It has to be done sensibly, however, and individual teachers' salaries should become confidential.

To set the scene, the Government is now contemplating ending the automatic incremental rises to all classroom teachers. Teachers' unions are bound to be against this, out of intellectual habit. Yet I am for it.

Let us consider arguments and counter-arguments.

Concern 1. The short-term benefits that PRP would bring might be undermined by the effect on morale and retention, thereby fuelling the shortage crisis.

I doubt this. Let's start with data. My research group is one of the few in the world to have looked for statistical links between job satisfaction in workplaces and the existence of performance-related pay. We cannot find any convincing link. This cuts both ways: PRP does not on average seem to make life more pleasant nor less pleasant for employees in British establishments. But my side of the argument is helped fractionally more than the side likely to be taken by people such as Doug McEvoy. There is some evidence that performance-related pay does improve productivity in workplaces, so on balance I view the sheer statistical evidence as favouring the pro-PRP case.

Now, I accept that much more statistical evidence needs to be gathered, especially in schools.

So I suggest the following. There should be an experimental set of 100 schools, chosen randomly, in which strong PRP (we already have in principle weak PRP) is introduced for two years. A control

group of 100 similar other schools should also be picked. Then an independent panel should be commissioned to judge, after the two years are up, whether strong PRP has been a success. The panel should consist of those without prior known bias one way or another.

We should have an experiment, in other words. This is, after all, exactly how a drug company would be forced to behave if it wished to market some new sleeping pill. Britain's public sector should start to enforce proper standards of scientific evidence.

Concern 2. PRP would damage collegiality in schools and undermine relations with head-teachers.

Not if salaries were confidential. It is really no-one's business what I earn. The oh-so-British idea that pay should be fixed on some mechanical scale, depending on how old I am, so that my next-door neighbour can look me up, is decades out of date. People should be rewarded on merit and effort.

Concern 3. Lots of head-teachers are against PRP in their schools.

Very probably. But it does not cut a lot of ice with me. Head-teachers are British. They have been brought up to read the Guardian. They have been brought up to be suspicious of meritocratic principles. They have been brought up to distrust the private sector (in life, not just in education). They are prisoners of their own mind-set. Most do not understand how a world could function well in a completely different way than presently.

All this is perfectly human and understandable. I remember when I first joined a private US university as a lecturer. Three things horrified me. First, these youngsters paid huge fees and surely that could not be right and must be unfair on the poor. Well I did not know what I was talking about. Among other things, I discovered that these Ivy League students worked much harder than Brits, and had a much more professional attitude to life and studying. Second, there were huge differences in pay across different faculty members. But I soon worked out why: some of them had far more talent and worked far longer hours. Their PRP worked. Third, and outside an educational setting, I could not believe it when I was asked in America to pay to

have my garbage taken away from my home. Rubbish pick-ups there were completely privatized. Yet I soon got used to it. My garbage pick-up was always completed on time, unlike in this country.

Paying for things works. It also fosters talent.

The British have many marvellous attributes. But they are obsessed with envy and what others do and earn. Subject to the caveats above, our schools need PRP.