

# Introduction

**O**n February 12, 2004, only 38 days before members of the Denver Classroom Teachers Association (DCTA) were scheduled to vote on the groundbreaking Professional Compensation Plan for teachers (ProComp), polling data suggested that only 19 percent of teachers would vote in favor of the plan. Yet that day in February was not the first on which ProComp appeared to be on its deathbed—nor would it be the last. Nearly two years later, however, the citizens of Denver followed the teachers' own approval of the new system by endorsing ProComp, voting to raise their taxes by \$25 million annually to pay for it.

As we write this book, ProComp is in its first year of full implementation. School reformers and school districts across the country are watching to see how ProComp develops and whether it will be a successful venture that helps propel teacher compensation into the twenty-first century. Indeed, interest in ProComp spans the globe, with even the *Beijing Times* reporting on the successful Denver election. And, on November 1, 2006, the U.S. Department of Education announced the first round of grant-making from the new Teacher Incentive Fund, (a program itself created in part due to Denver's success with ProComp), making Denver Public Schools the largest grant recipient, giving the district more than half of first-round funds for ProComp's implementation and extension to principals.

In this book we give a status report on ProComp. But our main goal is to explain how it came into being in Denver, when similar efforts have failed or may not have been attempted for political or pragmatic reasons elsewhere. While the *New York Times* and other national media have

chronicled certain stages of ProComp's development or profiled some of the leaders of the Denver effort, none have provided an in-depth, book-length analysis of how ProComp came into being. We hope to provide readers with the inside story of what actually happened in the first eight years of ProComp's development, while at the same time offering some explicit lessons that may spur reform elsewhere. Indeed, reforms modeled after ProComp are already proceeding in Washington, D.C., and Chicago and, at the state level, in Florida.

ProComp is but one exciting new solution to an important question: How should teachers be paid? The question appears simple, but, despite the inclinations of many in the policy arena to address it quickly, its answers are anything but simple. Further, as we will say throughout the book, we do not believe that ProComp is the final solution for teacher compensation reform. It's a step forward, but it will be up to others, in Denver and across the nation, to continue the work.

Like most public employees whose salaries are paid with government tax revenues, for most of the history of public schooling in America, teachers have been paid based on their own inputs—their educational training and especially their years of service. Such has been the lot of Denver teachers. The idea of tying at least some of teachers' pay to outcomes, results, or performance has stood on the extreme fringes of America's more-than-\$500-billion public education system. Denver, however, has made considerable progress. Denver teachers have approved a plan that will pay them more if they improve student achievement, acquire and demonstrate new knowledge and skills, choose to work in hard-to-staff schools and positions, and receive satisfactory evaluations. Moreover, the Denver plan is not a straight bonus system, like some that have come before it. Many of the elements allow teachers to build permanent salary increases, and one subcomponent actually requires teachers whose students underperform to lose raises previously earned within the program. Finally, unlike most systems elsewhere, ProComp is not a simple add-on to the single salary schedule; it in fact replaces that artifact altogether.

Let us be clear from the beginning: ProComp is more complex than what is often referred to as "pay for performance" (PFP). To some, PFP

has come to suggest that teacher pay should be tied to one outcome only: student achievement. We intend to place ProComp in the PFP tradition, however, using that term more liberally. Someday, as teacher compensation reform unfolds, we will no doubt find another and better term that more accurately expresses changes communities will be making to their salary systems.

As ProComp's complexity and our brief discussion of the language of compensation reform suggest, the major problems with implementing PFP plans in America have been two-fold: technical and political. Regardless of what avid PFP supporters might suggest, it is not easy to figure out the appropriate incentives and tools to pay our most accomplished teachers more than those who are mediocre, or to encourage our nation's best and brightest to enter the profession. Many of us believe we can distinguish easily between great teachers and mediocre or inadequate ones. In fact, however, when one looks at a large number of teachers spread across urban or other sizeable districts, it is not always easy to tell the groups apart, much less to discriminate among finer levels of teaching quality. Until recently, the idea that student learning could be carefully and fairly measured did not have much support, and even now it is somewhat controversial. Other indicators of "good teaching" have been as difficult to quantify as is teachers' connection to increased student achievement. One important reason that previous attempts at PFP plans have failed is that the technical solutions to these measurement problems have not always been good or thoughtful ones.

Despite some real technical issues, most analysts highlight the politics of labor/management relations as the chief obstacle to teacher compensation reform. Unions have preferred across-the-board wage hikes to any form of differentiated pay—especially pay based on student achievement. Some unions also argue that teachers cannot be held responsible for learning outcomes, especially when their students come from disadvantaged backgrounds. Like their counterparts in other employee unions, teacher unions have tended to support standardized pay scales based on educational inputs and years of services, arguing that they provide more stability for their membership and greater rewards for seniority.

So, the generally accepted explanation for why we do not have more diverse compensation systems for teachers in America, one that has much validity, is that teachers unions do not want them. Thus, the idea of Denver teachers embracing ProComp is the most surprising political angle to our story. Yet reformers should note that polling data for Denver voters revealed similar attitudes among the citizenry in advance of the public vote to fund ProComp. Surprisingly, many voters feared that pay for performance would lead to more teaching to the test, a prospect that a large segment of the public finds unacceptable. Moreover, some of the obstacles within the school district offices in Denver were every bit as serious as those within the union halls.

We wrote this book, then, to explain how ProComp developed in Denver and, in particular, how many of these obstacles were overcome. We will tell our story from the vantage point of key actors in the drama, coauthors Phil Gonring and Brad Jupp. Jupp spent 15 years as a union leader and is now an administrator in the Denver Public School system (DPS), helping develop and implement ProComp. Jupp provides the inside story of ProComp from the union perspective, but his new position also provides a wider lens. Gonring and Jupp went through the teacher-education program at the University of Colorado together and student-taught at Denver's George Washington High School, where Gonring taught six years. For the past 10 years, Gonring has been a program officer at Rose Community Foundation, which played an entrepreneurial role in ProComp by investing \$4 million, leveraging another \$3.5 million in philanthropic funds, and exercising leadership at key stages of ProComp's evolution. Parts of this story could also be told from the perspective of others who played important roles in the development of Denver's salary system—union leaders, teachers, administrators, and school board members—many of whom made tremendous personal sacrifices and took great risks, without which we would have nothing to write about.

In fact, a theme throughout the book is that those working in urban school systems, despite what some may otherwise think, have tremendous genius, a working intelligence that can unfold if it is given the time normally afforded business, industry, and philanthropy. Pro-

Comp's story, we hope, will give other jurisdictions the encouragement that they can take teacher compensation reform to the next step.

To move the story of ProComp beyond the level of an extraordinary case study, and to link to broader notions of how education reform can take place, we also frame the details of the narrative with an entrepreneurial approach to policy development. We highlight the times entrepreneurial actions and strategies were necessary to move ProComp forward. But, in the final chapter of this book, we flesh out this theme more thoroughly and link some lessons from the critical moments in ProComp to a broader literature that explains how policy entrepreneurs do their work. We find remarkable resonance in portions of this framework with what Jupp, Gonring, and others did in Denver between 1998 and 2007.

Chapter 1 places ProComp in the context of other attempts to reform how teachers are paid. In chapter 2, we discuss the origins of the idea that became ProComp in Denver. Chapter 3 addresses the period of incubating the idea and moving toward a specific proposal on which the teachers and the public would eventually vote. In chapter 4, we discuss the details and challenges of the campaign to win the approval of Denver teachers. Chapter 5 focuses on the second campaign, to win support and funding from Denver taxpayers for this new initiative. Chapter 6 addresses the nuts-and-bolts implementation challenges for ProComp after it became official Denver Public School policy. In chapter 7 we examine common misconceptions about ProComp's development, as well as the real lessons the program offers others interested in PFP reform. Finally, in chapter 8 we discuss more explicit lessons that ProComp offers future education entrepreneurs.