# DIFFERENTIATED PAY RESOURCE GUIDE

## Part I: Stakeholder Engagement and Communications

All of the materials in this Resource Guide are optional materials for district use. These materials are NOT intended to be recommendations or endorsements for a particular course of action or specific differentiated pay elements. These resources in this multi-park toolkit have been gathered and developed from multiple sources including Battelle for Kids (BFK) and Education Resources and have been informed by the experiences of districts in Tennessee currently implementing strategic compensation programs.

In this Part of the Differentiated Pay Resource Guide you will find resource for engaging stakeholders during both the pre-design process and post-design process of the differentiated pay plan. The tools and practices included in this guide have been informed by the practices and experiences of Tennessee districts currently implementing strategic compensation plans. District leaders should feel free to use and modify these resources to fit their individual needs.

Both the experiences of Tennessee districts as well as those in other states have found that the successful implementation of a district's differentiated pay plan hinges heavily on the extent to which key stakeholders are engaged in the design and planning process.

When employees are invested in the differentiated pay plan design process, they feel greater ownership and confidence in the model. Equally as important is the stakeholder engagement that takes place once a differentiated pay plan model has been developed. Clear and consistent messaging on the impact of the differentiated pay model is critical for successful implementation.

A complete listing of sections and resources in Part I of the Differentiated Pay Resource Guide can be found in the table below:

**Obtaining Stakeholder Input**

Tennessee districts implementing strategic compensation initiatives and the national research on compensation have found that gathering stakeholder input is critical for the successful implementation of a new compensation plan.

Districts have found it useful to gather broad-based input on new compensation plans both before- and during- the compensation design process. By engaging educators early, their feedback can be incorporated into the design process and the intent and goals of the new compensation plan can be more transparent. This early awareness about the compensation design process is often instrumental for ensuring a successful implementation of the plan later on[1].

There are a wide variety of ways to consider gathering stakeholder feedback, and each district should consider the formats that best fit their district context. Previously, Tennessee districts have used both focus groups and stakeholder surveys as the main mechanisms gather broad-based input prior to beginning the design process. Topics generally covered as a well as advantages and disadvantages are outlined in the chart below.

| Focus Groups |
|---|
| **Topics Typically Covered:** |
| Requirements or parameters for the new compensation plan |
| Discussion or activity to consider both the strengths and weaknesses of current compensation |
| Gathering ideas for new compensation elements (i.e., bonuses or additional roles) |
| Overview of the district's design process |
| **Advantages:** |
| District leadership is able to directly communicate with the majority of teachers |
| Collaborative process |
| **Disadvantages:** |
| Time-consuming, depending on the number of sessions or schools |
| Some educators could be hesitant to share feedback in a group setting |
| **Stakeholder Surveys:** |
| **Topics Typically Covered:** |
| Strengths and weaknesses of current compensation, benefits, rewards and recognition |
| Teacher perceptions and beliefs about compensation, benefits, rewards and recognition |
| Gathering ideas for new compensation elements (i.e., bonuses or additional roles) |
| **Advantages:** |
| Time-efficient |
| Anonymous data |
| **Disadvantages:** |
| Impersonal nature of surveys |
| Potential for low response rates |
| Time required to analyze the data |

---

[1]Center for Educator Compensation Reform. *Engaging Stakeholders in Teacher Pay Reform.* 2007.
http://cecr.ed.gov/guides/EmergingIssuesReport1.pdf

**Options for Convening a Design Team**

In the context of educator compensation, a design team is a group of stakeholders charged with providing input into the design of a differentiated pay plan or overarching compensation system. Design teams are composed of a variety of stakeholders to ensure a representative group. They often serve as an important feedback loop to gather ongoing educator input into future year changes to the plan. Districts could choose to create an entirely new design team or expand an existing district team to engage in compensation design work.

The scope of the differentiated pay plan or compensation system envisioned by district leadership may dictate whether a design team is needed and/or how extensive the stakeholder engagement should be. Many districts have found it important to carefully consider the desire to gather diverse perspectives throughout the process, authentic educator engagement and the time and resources needed to facilitate a design team and conduct additional outreach sessions.

The table below provides several sample options for the role of a design team given several types of differentiated pay plans:

|  | Option 1 | Option 2 | Option 3 |
| --- | --- | --- | --- |
| **Scope of Diff. Pay Plan** | Comprehensive plan that fully changes the salary schedule | Plan changes elements of the salary schedule or introduces a substantial bonus model | Plan creates a limited number of new roles or hard-to-staff bonuses |
| **Impact** | 90-100% of teachers | Approximately 75% of teachers | Fewer than 10% of teachers |
| **Size of Design Team** | Full design team with 12-15 members, representing various grade levels and subject areas | Consider creating a smaller team (7-10 members) or using an existing district team | Gather input using survey tool or conduct 1-2 teacher focus groups in place of convening a full team |
| **Number and Type of Meetings** | 4-6 in-person meetings | 2-3 in-person meetings | 1-2 focus groups open to all teachers |

The roles most often represented in a design team are listed below:
- Human resources division
- Finance division
- Supervisor of instruction
- 1-2 school administrators
- Local education association representative
- High school teacher
- Middle school teacher
- Elementary teacher
- 1-3 additional teachers in non-tested grades and subjects
- School services personnel (i.e., school counselors, librarians, psychologists, etc.)
- School board representative

**Sample Design Team Meeting Sequence**

In this section, find an outline for the typical sequence of design team meetings involved in a more comprehensive plan, like that described in Option 1 above is included.  A sample of the topics typically covered in each meeting is also provided. This sequence is based upon the experiences of the Tennessee districts currently implementing strategic compensation projects.

The number of meetings is often dependent on the design team's level of discussion and feedback as well as the group's ability to reach a general consensus or recommendation. For these reasons, the sequence is likely to vary district by district.

Prior to Meeting 1:
- District leadership determines goals and parameters for the compensation plan.
- District leadership engages with school board about goals, parameters, and design team process.
- Members for the design team are selected.
- General communication to all educators about the design team, development and engagement processes is released.
- Compensation survey is administered to all educators in the district.

Meeting 1: Setting Goals and Purpose
- District leadership outlines goals and sets general parameters for the compensation plan.
- Design team expectations and roles are discussed.
- Discuss the importance of honest feedback and input but acknowledge that complete agreement on all parts of the plan is unlikely.
- Themes and takeaways from district survey results are discussed.

Meetings 2-3:  Compensation Options
- District leadership presents several compensation options that fit within their goals and parameters.
- Pros and cons for each option are discussed within small groups.
- Determine what, if any, options or models design team will seek feedback on from other educators outside of the design team.

Meetings 3-4:  Fine-tuning a Plan
- A draft model is determined based on the previous session's feedback.
- Draft model is reviewed for alignment to the district leadership's goals.
- Design team members reach general consensus on the draft model.

Meetings 5-6:  Finalizing and Communicating about the Plan
- Analysis of the financial impact and sustainability of the plan is shared and any changes based on the results are made.
- Eligibility criteria for participation in the plan are developed.
- A draft communications plan is developed and the design team's role in communication is determined.

Many districts have also chosen to reconvene their design team members once a year to consider any changes to the compensation model and provide feedback on implementation.

**Best Practices for Communications**

Once a differentiated pay plan or compensation model has been determined, developing and executing a communications plan is critical. The overwhelming takeaway from the first year of implementation for those Tennessee districts that currently have strategic compensation systems in place was the importance of frequent and consistent communication.

The level of detail needed will vary based on the scope of the differentiated pay plan and the number of teachers potentially impacted by it. For those plans that are greater in scope, a good guiding principle would be to consider at least three different types of communication, taking place at three separate times for teachers. Communicating with principals and external stakeholders is another important step.

The table below lists a sample of communication types:

| Communication Types to Consider |
| --- |
| Utilize design team members to be communication leads |
| Hold office hours for questions at each school |
| Developing an FAQ |
| Create a "one-pager" with an overview of the plan |
| Send an all staff email |
| Present at each school's faculty meeting |
| Develop a website or post materials on an existing website |
| Create a general email account for questions |

Important times to communicate throughout the year include the following:

| Key Communication Points |
| --- |
| Prior to design team to provide an overview of the process |
| When the final differentiate pay plan is developed |
| If there is an opt-window, the dates for that period |
| A timeline of the payout process |
| When teachers verify their eligibility prior to payouts |
| When any changes to the differentiated pay plan are made |