

Report

Merit Pay for School Support Staff

Educational Research Service, Inc.



Merit Pay for School Support Staff



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FOREWORD

For half a century, merit pay for teachers has been intensely debated in school systems of various sizes and virtually every state in the nation. However, merit pay for school support staff, including those personnel with nonteaching and nonadministrative duties, has gone virtually unnoticed.

Current data on the extent to which merit pay and incentives are actually used in the compensation of all categories of school employees have not been available. To help fill this void, ERS has conducted the most comprehensive survey to date on merit pay and incentive plans for support personnel, teachers, and administrators. The results of this broad study are presented in three companion reports. This Report, *Merit Pay for School Support Staff*, is part 3. Part 1 reports data on merit pay for *teachers* and part 2 contains information on merit pay for *school administrators*.

The data in these studies are reported separately by four school system enrollment groups (large, medium, small, and very small) and, in many tables, by eight geographic regions. System-by-system listings identify school systems that reported having a merit pay or incentive plan in operation in 1977-78 and those systems that reported having a merit program in the past but that had since discontinued it. An important aspect of this Report consists of examples of merit pay or incentive plans that were in operation when the study was conducted. Since the introduction contains information on incentives offered by state and local governments that are relevant to merit pay plans in education, portions of the review of the literature in this Report also appear in the two companion studies, *Merit Pay for Teachers* and *Merit Pay for School Administrators*.

We hope that the study will be helpful to school boards, administrators, and others concerned with the issue of merit pay for school support staff.

ERS expresses gratitude and appreciation to the hundreds of school superintendents and their staff members throughout the nation who supplied the data contained in this Report. Their willingness and ability to provide this information has made the Report possible.

Glen Robinson
Director of Research
Educational Research Service

HIGHLIGHTS

- During the 1960s, the U.S. Bureau of Labor Statistics (BLS) found a trend away from the use of incentive pay plans for nonsupervisory personnel in metropolitan areas.
- In 1970 BLS reported that six in seven nonsupervisory plantworkers and almost all office-workers in metropolitan areas were paid on the basis of time rates rather than by incentive methods.
- Among Fortune 500 companies surveyed, 25.7 percent of blue-collar employees, 85.2 percent of clerical employees and 92.1 percent of professional and technical employees were reportedly paid according to job performance.
- However, less than one fourth of the Fortune 500 companies that reported using job performance in their pay plans reported use of a *formal* performance appraisal program for their blue-collar employees and less than one fifth for their clerical and professional and technical employees.
- There appears to be a trend among some companies in the private sector of movement away from individual incentives toward group incentives such as production-sharing and profit-sharing.
- Many state and local governments have used employee incentives in efforts to stimulate productivity. Educational incentives, suggestion awards, output-oriented merit increases, and task systems have been used most frequently.
- Few federal employees receive merit raises, although government proposals and recent legislation have advocated compensating higher level workers according to merit.
- For incentives to succeed, organizations need to ensure that the system is easily understood and not overly complicated, fair performance standards are set, supervisors are trained thoroughly in administering the system, periodic audits of the system are conducted, and most importantly cooperation between management and employees is encouraged and attained. Otherwise, employees may resort to various strategies to defeat an incentive system, such as intimidating "ratebusters" and restricting work output through "goldbricking" or slowdowns of those workers with "gravy jobs."
- In 1978 ERS surveyed all school systems in the United States that enrolled 300 or more pupils on their use of merit pay and incentives for support staff. Of the responding school systems, 157 (5.5 percent) reported a merit pay or incentive plan for support staff in 1977-78.
- Of the 60 school systems that indicated when their merit pay or incentive plans for support staff were established, 15 (25.0 percent) reported setting up their plans in 1975 or 1976. Thirteen school systems (21.7 percent) said that their merit pay plans for support staff were begun in 1977 or 1978, and 10 systems (16.7 percent) in 1973 or 1974.
- 111 of the responding school systems (3.9 percent) were considering instituting a merit pay or incentive plan for support staff in 1977-78.
- 61 of the responding school systems (2.1 percent) formerly had a merit pay or incentive plan for support staff but had since discontinued it.
- Of the 44 responding school systems that formerly had a merit pay or incentive plan for support staff and that provided beginning and ending dates for their programs, 22 (50.0 percent) indicated that their plan was in effect for less than five years.

Review of the Literature on Merit Pay and Incentives for Support Staff

Traditionally Americans have believed that the economic rewards they receive through work are a direct function of how well they perform their jobs. This belief, largely influenced by a combination of capitalism and the Protestant work ethic, has been a dominant principle of rewarding our accomplishments as individuals. However, since the 1930s, some have argued, the rise of big government and unionism has placed strong demands for wages and salaries based on seniority, rather than individual accomplishment. Some also see private industry as the last bastion in this trend away from meritocracy. [19:726]*

Does the evidence for school employees, particularly personnel in support positions with duties comparable to blue-collar and clerical personnel in business and industry, follow this trend? Do business and industry presently subscribe to the pay-for-performance ethic for nonmanagerial and nonprofessional support personnel, or has this concept been eroded beyond recognition? In this review of the literature, use of incentive pay in business, industry, and

government is examined, guidelines for establishing and modifying incentive pay programs for support staff are discussed, and examples of incentive plans established for support personnel are described.

USE OF INCENTIVE PAY IN BUSINESS, INDUSTRY, AND GOVERNMENT

In discussing incentive pay for business and industrial workers, it is important to note that merit pay and incentives for school support staff have received virtually no attention in educational literature, unlike such topics as accountability, evaluation, or collective bargaining.

Although many systems of incentive pay have been used to reward industrial workers, the "piece rate" is one of the most widely employed plans. Under this system, a worker is paid a certain amount of money for each item produced. However, Flippo and Munsinger (1975) noted that there has been a trend in incentive administration away from individual incentives and toward using group incentives such as production-sharing, where savings above normal labor costs are divided among all the members of a group, and profit-sharing, where some

*References cited in the body of the text are noted by numbers within brackets. The number before the colon indicates the entry number within the bibliography beginning on page 52; the number following the colon indicates the page within the entry. If no colon appears, the citation refers to the entire entry. Multiple citations are separated by semicolons.

percent of the overall company profits, normally between seven and 25 percent, are paid into an employee fund. [24:343-351]

Cox (1971) reported data from occupational wage surveys of time and incentive pay practices in urban areas conducted by the Bureau of Labor Statistics. (Table A) BLS found a definite trend away from incentive pay from the period 1961-63 to 1968-70, and toward wider use of time payment plans under "range-of-rate" plans, which specify minimum and maximum rates, or both, that experienced workers are paid for the same job classification. Six out of seven nonsupervisory plantworkers and almost all of-
ficeworkers in metropolitan areas were found to be paid on time rather than incentive. [13]

Seven percent more plantworkers in all industries were paid according to time rates in 1968-70 (86 percent) than in 1961-63 (79 percent). Among the four regions studied, the West had the highest percentage of all plantworkers paid according to time rates (94 percent). Consequently, pay by incentive methods declined from 20 percent of all urban plantworkers in 1961-63 to 14 percent in 1968-70. While industries in the Northeast and North Central regions used incentives for urban plantworkers most often, those in the West and South used them least often. BLS reported that wage incentive plans were found most often in organizations where workers were able to exert substantial control over the pace of output. Most incentive plans were related directly to production workers. Wages of nine percent of urban plantworkers were determined under a range-of-rates schedule in 1968-70, with progression based on merit review, and 12 percent, on length of service and merit review combined.

For urban officeworkers, more than 99 percent were paid according to time rates, with less than 0.5 percent paid by incentive methods. Wages of 36 percent of urban officeworkers were

determined under a range-of-rates schedule in 1968-70, with progression based on merit review, and 22 percent, on length of service and merit review combined.

Evans (1970) surveyed representatives of Fortune 500 firms (the 500 largest industrial firms in the United States) to see how their employees were compensated. He focused on the rate range concept, as it was described by Cox, for three groups of nonsupervisory workers: blue-collar, nonexempt, hourly-paid employees; white-collar, nonexempt, clerical employees; and professional and technical employees such as engineers, research and development personnel, and programmers. [19]

Evans found that 41.6 percent of the companies surveyed compensated their blue-collar workers according to a single rate structure, in which all employees with the same job classification are paid the same rate. (See Table B.) Performance does not enter into this pay scheme. Almost 31 percent of the companies reported that job performance was not the primary factor in determining the wage increases of blue-collar employees. Of the 98 companies (25.7 percent) that indicated job performance was a primary factor used to determine blue-collar wage increases, over half (53) reported using no formal appraisal program.

Evans also found similar results for clerical employees and professional and technical employees. Job performance was reported to be the primary determinant for wage progression for both groups--85.2 percent of the responding firms indicated this for clerical employees and 92.1 percent for professional and technical employees. However, as occurred in the blue-collar category, companies using no formal appraisal program outnumbered those firms that did use a performance appraisal system by a margin of two to one in both groups.

TABLE A.--Percent Distribution of Plantworkers and Officeworkers in All Metropolitan Areas, by Method of Wage Determination and Region, July 1961 through June 1963, and July 1968 through June 1970

Method of Wage Determination	All Industries		Region ¹ , 1968-70			
	1961-63	1968-70	Northeast	South	North Central	West
			Plantworkers			
All workers	100	100	100	100	100	100
Paid time rates	79	86	82	89	83	94
Formal rate policy	65	73	71	63	76	85
Single rate ²	37	36	32	32	38	46
Range of rates ³	28	37	38	31	38	39
Progression based on automatic advancement according to length of service	---	16	17	12	16	19
Progression based on merit review	---	9	11	7	9	8
Progression based on a combination of length of service and merit review	---	12	10	12	14	12
No formal rate policy	14	13	11	25	7	9
Paid by incentive methods ⁴	20	14	18	11	17	6
Piece rate	8	6	10	6	5	2
Individual	7	5	9	5	4	2
Group	1	1	1	1	1	(5)
Production bonus	8	6	8	2	10	1
Individual	4	3	3	1	5	(5)
Group	4	3	4	1	4	1
Commission	3	2	1	3	2	3
			Officeworkers			
All workers	100	100	100	100	100	100
Paid time rates	99	99	100	99	99	100
Formal rate policy	64	72	71	61	74	81
Single rate ²	4	3	2	3	3	4
Range of rates ³	60	69	68	58	71	77
Progression based on automatic advancement according to length of service	---	11	10	10	7	20
Progression based on merit review	---	36	41	26	40	33
Progression based on a combination of length of service and merit review	---	22	18	22	24	24
No formal rate policy	35	28	29	38	26	19
Paid by incentive methods ⁴	(5)	(5)	(6)	(5)	(5)	(6)

¹The regions in the study are: Northeast--Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont; South--Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia; North Central--Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin; and West--Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming. Alaska and Hawaii are not included in the program.

²Single-rate plans provide the same rate to all experienced workers in the same job classification. Learners, apprentices, and probationary workers may be paid according to rate schedules which start below the single rate for the job classification and permit achievement of the full rate over a period of time.

³Range-of-rate plans specify the minimum or maximum rates, or both, paid experienced workers for the same job classification.

⁴Incentive methods include wage payment plans which incorporate piecework, production bonuses, or commissions. Piecework is work for which a predetermined amount is paid for each unit of output. Production bonuses are based on production in excess of a quota or on completion of a job in less than standard time. Commissions are payments based on a percentage of value of sales or on a combination of salary plus a percentage.

⁵Less than 0.5 percent.

⁶No workers reported.

NOTE: Sums of individual items may not equal totals because of rounding. Dashes indicate information not available.

SOURCE: Cox, John Howell. "Time and Incentive Pay Practices in Urban Areas," *Monthly Labor Review*, 94 (December 1971), p. 54.

TABLE B.--Job Performance as a Factor in the Rate Range Progression of
Blue-Collar, Clerical, and Professional and Technical Employees
in Fortune 500 Companies

BLUE-COLLAR EMPLOYEES	Number	Percent	Number	Percent
a) Total participating companies	382	100.0		
b) Companies with no formal wage programs	7	1.8		
c) Companies using single rate structures	159	41.6		
d) Companies indicating job performance is not primary determinant of rate progression	118	30.9		
e) Companies indicating job performance is primary determinant of rate progression	98	25.7		
f) Companies in (e) using no formal appraisal program			53	13.8
g) Companies in (e) using formal perform- ance oriented appraisal programs			24	6.3
CLERICAL EMPLOYEES				
a) Total participating companies	400	100.0		
b) Companies with no formal wage/salary programs	10	2.5		
c) Companies using single rate structures	6	1.5		
d) Companies indicating job performance is not primary determinant of rate progression	43	10.8		
e) Companies indicating job performance is primary determinant of progression	341	85.2		
f) Companies in (e) using no formal appraisal program			163	40.8
g) Companies in (e) using performance oriented appraisal devices			63	15.8
PROFESSIONAL AND TECHNICAL EMPLOYEES				
a) Total participating companies	399	100.0		
b) Companies with no formal salary programs	10	2.4		
c) Companies using single rate structures	4	1.0		
d) Companies indicating job performance is not primary determinant of rate progression	18	4.5		
e) Companies indicating job performance is primary determinant of progression	367	92.1		
f) Companies in (e) using no formal appraisal program			167	41.9
g) Companies in (e) using performance oriented appraisal devices			75	18.8

SOURCE: Evans, William A. "Pay for Performance: Fact or Fable," *Personnel Journal*, 49 (September 1970), p. 731. Copyright September 1970 by *Personnel Journal*, Costa Mesa, California. Reprinted with permission.

After finding that few of the firms that subscribed to the principle of merit pay attempted to implement that policy by objectively measuring employee performance, Evans concluded that "in an overwhelming majority of these companies, job performance is not the primary determinant of wage and salary progression for nonsupervisory employees." [19:730]

With the exception of the 1978 ERS survey on merit pay and incentive plans for school support staff presented later in this Report, no major study had been reported that measured the use of incentives for nonmanagerial or nonteaching educational personnel.

Blue-collar and service employees as well as white-collar and managerial employees in many state and local government jobs are compensated at least in part by some type of merit pay or incentive plan. However, few federal employees are granted additional compensation for superior service.

According to a 1975 report published by the National Commission on Productivity and Work Quality, state and local governments have employed a wide variety of incentives to stimulate employee productivity. In addition to reviewing recent publications and interviewing experts on employee incentives, the Commission also sent a questionnaire to all cities in the country with a population greater than 50,000, all counties with more than 100,000 population, all 50 state governments, and a 10 percent sample of cities between 25,000 and 50,000 population. A number of telephone follow-ups and, in a few cases, site visits were made to obtain more detailed information. From the results of the survey, the Commission found that 93 percent of the 41 responding states and 84 percent of the 509 responding local governments reported experience with at least one type of incentive plan. [17:4]

The Commission identified and defined 16 different types of employee incentives that

were being tried by state and local governments. Since local school systems could apply many of these incentive plans to their own operations, descriptions of the various plans are listed below:

1. Attendance Incentives involve monetary or nonmonetary inducements to improve employee attendance. They can be used to encourage a reduction in sick leave use or lateness.
2. Career Development involves the provision of well-defined promotional opportunities, such as career ladders, and their integration with training programs designed to qualify employees for the positions available.
3. Competition and Contests usually involve monetary or nonmonetary rewards designed to encourage employees, individually or as groups, to improve performance in some facet of work (e.g., a prize for the fewest complaints received).
4. Educational Incentives are official monetary or nonmonetary considerations given to encourage employees to continue their formal professional or technical education.
5. Job Enlargement includes a variety of formal approaches designed to make the jobs of supervisory and nonsupervisory personnel more interesting or more responsible. For example:
 - a. Job rotation: rotating an employee through several different assignments. Excluded here is rotation which is part of standard training program for new employees.
 - b. Team efforts: the grouping of employees into teams to encourage more cooperation and a broader and more varied view of the work process by the team members.
 - c. Increased participation: the expansion of opportunities for employees to contribute to decision-making or problem-solving activities which are usually reserved for management and engineering personnel.

- d. Job redesign: a redefinition of work assignments to enrich and widen employee work efforts, perhaps incorporating all elements of job enlargement described above.
6. Output-Oriented Merit Increases are permanent, nonpromotional increases in wages or salary given through the merit system on the basis of high-quality performance rather than, for example, for education.
 7. Performance Bonuses are financial rewards paid to individual employees specifically for high job performance. They do not result in permanent salary or wage increases.
 8. Performance Targets involve the identification of specific work-related targets. The degree of progress in meeting these targets may then be used as an important criterion in providing benefits or penalties. Such targets can be set by the employee (as in management by objectives) or by higher management.
 9. Piecework is the practice of basing a worker's pay directly on the amount of output he produces. Variations of this practice include: payment of a specified amount of money for each unit of output produced; payment for each unit produced over a standard amount; or payment in terms of "standard hours" earned for each unit produced.
 10. Productivity Bargaining, although not itself an incentive, is the formal process of using labor-management negotiations to link added employee rewards or benefits explicitly to productivity increases.
 11. Safety Incentives are monetary or non-monetary awards designed to encourage employees to improve their safety records.
 12. Shared Savings is a financial reward distributed among employees of a department or of the entire organization. It is based upon the cost savings which the department or organization generates within a given period.
 13. Suggestion Award Programs encourage employees to contribute ideas to decrease costs, increase the quality of service, or otherwise improve the operations of their organization.

Either monetary or nonmonetary awards may be given for suggestions that are adopted.

14. Task Systems involve paying a day's wages to employees who may leave work when they complete their assigned tasks, regardless of the length of time involved. For example, many sanitation workers are paid for eight hours, although they may leave work after completing their pickup route in less than eight hours.
15. Variations in Working Hours, such as staggered hours, the four-day work-week, gliding hours, flexible hours, and similar programs, can be viewed as nonmonetary incentives.
16. Work Standards precisely specify the work to be accomplished by employees or groups of employees (e.g., maintenance or repair time for a specific activity, minutes to take a welfare application, etc.). [17:3-4]

As shown in Table C, the most frequently reported incentive systems at the state level (as indicated by over 60 percent of the respondents) were educational incentives, suggestion awards, and output-oriented merit increases. Twenty percent or more of the states reported using work standards incentives, variations in working hours, job enlargement incentives, and performance targets. The most frequently evaluated incentive program at the state level was the system of varying working hours, evaluated by five of the nine states using it (56 percent). Of the 25 states using output-oriented merit increases, only one (4 percent) reported a formal evaluation of the program. Both large and small state governments reported using incentive systems, with the following states showing the highest use of different types of incentive programs: California, Oregon, Idaho, Minnesota, Texas, Connecticut, and Pennsylvania. [35:5-6]

At the local government level, educational incentives, output-oriented merit increases, and task systems were the incentive systems used most often, as indicated in Column 4 of

TABLE C.--State Government Usage of Employee Incentives: A Summary of Survey
Results from 41 States as of August-September 1973

Incentive	No. of States Reporting Use	Percent of 41 Respondents	Reported Formal Evaluations	Percent of Reported Programs Evaluated
Educational Incentives	28	68%	4	14%
Suggestion Awards	26 ¹	63	6	23
Output-Oriented Merit Increases	25 ²	61	1	4
Work Standards	10	24	1	10
Variations in Working Hours	9	22	5	56
Job Enlargement	8	20	2	25
Performance Targets	8	20	2	25
Attendance Incentives	7	17	0	0
Performance Bonuses	4	10	0	0
Piecework	3	7	1	33
Safety Incentives	2	5	0	0
Competition and Contests	1	2	0	0
Task Systems	0	0	0	0
Shared Savings	0	0	0	0
Productivity Bargaining	0	0	0	0
None	3	7	---	---
Items Reported	131	---	22	---

¹Includes two suggestion award programs which have been discontinued.

²Includes one output-oriented merit increase system which is reported as no longer in use.

SOURCE: *Employee Incentives to Improve State and Local Government Productivity*. Washington, D.C.: National Commission on Productivity and Work Quality, March 1975, p. 5.

Table D. Approximately one-fourth of the respondents indicated usage of suggestion awards, attendance incentives, and variations in working hours. Few of the incentive programs were evaluated by local governments. Breakdowns of the local government data showed that cities of larger than 50,000 population were more likely to use incentives than cities of 25,000 to 50,000 population, and cities were more

likely to use incentives than the counties surveyed. [17:6]

Federal employees, on the other hand, have rarely been awarded merit increments in the past. However, the new Civil Service Reform Act of 1978 is designed to make possible merit incentives for certain high-level managerial employees. The past experience of the federal government with merit pay illustrates

TABLE D.--Local Government Usage of Employee Incentives: A Summary of Survey
Results from 509 Jurisdictions as of August-December 1973¹

Incentive	COLUMN 1 Cities 25-50,000		COLUMN 2 Cities Larger than 50,000		COLUMN 3 Counties Larger than 100,000		COLUMN 4 Total of all Cities and Counties (Col. 1 + Col. 2 + Col. 3)		COLUMN 5 Evaluation of the Incentive Programs	
	No. of Cities Re- porting Use	% of 40 Respond- ents	No. of Cities Re- porting Use	% of 315 Respond- ents	No. of Counties Report- ing Use	% of 154 Respond- ents	No. of Cities/ Counties Report- ing Use	% of 509 Respond- ents	No. of Re- ported Evalu- ations	% of Total No. of Pro- grams Re- ported (Col. 5 ÷ Col. 4)
Educational Incentives	22	55%	218	69%	63	41%	303	60%	14	7%
Output-Oriented Merit Increases	17	43	135	43	61	40	213	42	22	10
Task Systems	17	43	131	42	9	6	157	31	17	11
Suggestion Awards	6	15	93	30	29	19	128	25	8	6
Attendance Incentives	7	18	85	27	26	17	118	23	12	10
Variations in Working Hours	6	15	77	24	33	21	116	23	19	16
Safety Incentives	4	10	73	23	14	9	91	18	5	6
Job Enlargement	2	5	54	17	17	11	73	14	4	6
Work Standards	2	5	37	12	27	18	66	13	0	0
Performance Targets	4	10	41	13	10	7	55	11	0	0
Performance Bonuses	0	0	27	9	5	3	32	6	4	13
Productivity Bargaining	2	5	20	6	5	3	27	5	2	7
Competition & Contests	1	3	14	4	0	0	15	3	1	7
Shared Savings	0	0	3	1	1	1	4	1	2	67
Piecework	0	0	3	1	0	0	3	1	1	33
Others ²	0	0	23	7	7	5	30	6	0	0
None	7	18	30	10	47	31	84	17	---	---
Total Items Reported	90	--	1,034	--	307	--	1,431	--	111	8

¹A total of 772 survey questionnaires were mailed: 52 to cities 25-50,000 in population, 408 to cities of more than 50,000, and 312 to counties of more than 100,000 population. 76.9 percent of these jurisdictions responded.

²This includes career development programs, nonmonetary rewards and recognition (e.g., service pins, banquets), deferred compensation, attendance at seminars, and negative incentives (e.g., denial of step increases).

SOURCE: *Employee Incentives to Improve State and Local Government Productivity*. Washington, D.C.: National Commission on Productivity and Work Quality, March 1975, p. 7.

some of the pitfalls that well-intentioned plans may encounter. Most federal civilian employees should be given a performance evaluation under the provisions of chapter 43, title 5, of the United States Code, formerly referred to as the Performance Rating Act of 1950. But from the start, the language of the law stymied federal agencies when they tried to implement the law's provisions. A three-tiered classification scheme was set up to recognize "outstanding," "satisfactory," and "unsatisfactory" performance. In practice, the "satisfactory" category was defined much too broadly and the "outstanding" category too narrowly, requiring that "a performance rating of outstanding may be given only when *all* aspects of performance not only exceed normal requirements, but are outstanding and deserve special commendation." [Emphasis added.] Raters soon found that few employees are outstanding in *all* aspects of their performance and thus could not be given an "outstanding" rating under the terms of the law. Moreover, the burdens that the law placed on rating an employee "unsatisfactory" caused one top federal official to comment that it should be no surprise that there have been so few "unsatisfactory" ratings of federal employees, but that there should have been any at all. Many managers rate employees "satisfactory" regardless of performance (99 percent of all employees rated under the law since 1954 have received this rating). In effect, the three tiers have been reduced to a single level. [22:5-8]

ESTABLISHING WORKABLE INCENTIVE PAY SYSTEMS

To ensure a successful system of employee incentives, management must allot sufficient

time to plan, implement, and monitor its program. Being "too busy" now may be expedient in the short-run, but disastrous in the long-run, according to *Management Review* magazine. [65:69]

While it appears that many managers favor wage incentives for blue-collar workers, not all are able to agree on the wisdom of using incentives for all types of jobs to increase productivity. For example, *Factory* magazine carried a discussion of the advantages and disadvantages of incentives for maintenance personnel. On one hand, a chief industrial engineer of a New Jersey company argued that incentives can pay off in 90 percent of all maintenance tasks. Moreover, he said that a 50 percent increase in productivity could be expected over work measurement standards established in a nonincentive system. On the other hand, the coordinator of industrial engineering in a New York City firm challenged the concept of wage incentives on four grounds, saying that "applying wage incentives to the maintenance function is an expensive path to inefficiency":

1. Effective administration of an incentive plan means high administrative costs.
2. Overall labor productivity gains with maintenance incentives are relatively small.
3. Establishing a direct relationship between an individual's work output and overall maintenance performance is rarely feasible, and when it is done, the results are subject to questionable validity.

4. Other factors, such as purchased materials, are more important than controlling performance through wage incentives. [29]

For organizations that decide to implement incentive pay, the business literature contains numerous "how to" guidelines for top management in establishing an effective incentive system. These include:

- Ensure that top management understands the significance of the integrity of performance standards.
- Instill and maintain the system by involving a competent, experienced staff.
- See that an adequate budget exists for maintaining and operating the system.
- Make available a good unit cost system so that management can understand that the lowest hourly wages rarely result in the lowest unit costs.
- Thoroughly train supervisors in the workings of the incentive plan.
- Realize that employees must be interested in both high wages and high output for an incentive plan to work.
- Place staff members in charge of developing economical, standardized methods of output and stress that these personnel will work closely with both supervisors and employees.
- Establish a good quality-control system so that high-quality work will be rewarded.
- Ensure that the plan is technically suited to the type of work performed.
- Provide the right tools, materials, and instructions to the right personnel when they need them.
- Guarantee that employees will not be terminated as a result of the incentive system.

- Instill in the supervisors who will administer the plan the necessity for following basic, predetermined policies.
- Maintain and conduct periodic audits of the program's rate structure.
- Most importantly, earnestly strive for mutual respect, understanding, trust, and cooperation between management and employees. Be sure to remember the social and human aspects of personnel administration. [65:69-70; 42:65; 62:313-315; 68]

Several other key points should be considered when installing the incentive system after preliminary planning has been accomplished. The system should be installed as a package and an annual audit of standards and practices should be arranged. Standards should be set using a work factor or time study; historical averages or norms should not be used as a basis for setting standards. Methods should be clearly defined, so that any future changes in methods that result in changes in standards can be proven to everyone's satisfaction. Standard data packages should be used. They take a little longer to develop but they give higher coverage and are more consistent than stopwatch rates conducted for each job. Supervisors and upper management should carefully discuss things to be done in developing the incentive package. Supervisors should be provided progress reports and agree, when the package is finished, that a thorough job has been done. [65:70]

Management should meet with the employees affected before studies begin and when the plan is implemented. All questions should be answered honestly. The personnel involved in time study must believe that the program is fair before they can convince the employees. Management should emphasize to the workers

involved that incentives are a means, but not a guarantee, to earn higher pay. Workers should be told that the rates will not change unless there is a valid change in methods. When a method change is found, employees should be assured that the standard also will be changed. Supervisors should be informed that their performance under the old plan will not be adversely affected by improvements that occur under the new plan. Incentive pay should have no ceiling, if at all possible; otherwise, a meaningless psychological roadblock might be created. Management should not allow the employee union to determine the method of production. [65:70-71]

Finally, any merit compensation program should be kept as simple as possible. "As in other humanistic fields," Smith (1972) related, "we are on shaky ground in our attempts to understand the problems we face, and we are consequently in a questionable position if we develop complex and absolute answers and programs to these highly subjective situations." [62:326] As for the use of performance appraisals, they too should be kept simple. Overall or segmented ratings that are expressed in a given quantity or quality measure should not be used, Smith said. The rater should describe in his or her own words the employee's strong and weak points. Supervisors should utilize the results of these performance appraisals to help determine an appropriate distribution of merit pay money. When appraisals are discussed with employees, their results should be conveyed in positive terms. [62:316]

As some companies have learned through unhappy experience, managers cannot simply institute an employee incentive system, sit back, and wait for the benefits to accrue. Gelberg (1966) argued that the fault with incentive plans that fail lies not with the plan itself but with the administration of the plan. Frequently management institutes a system of incentives, yet does

not monitor it properly, he said. The end result is that the system deteriorates from a model created to serve as a change agent to one that becomes static and outmoded. [26:31] In addition, management sometimes institutes an incentive plan in terms it understands, not in terms that the employees understand. [65:70]

Some of the major problems associated with individual incentives are:

1. Individual workers who produce at levels exceeding stated standards often are subjected to social and physical pressures by their coworkers. These "ratebusters" are caught in the middle of an unpleasant situation--they are exactly the type of person for whom incentives were designed; however, at the same time, they become an obstacle to worker morale and harmony.
2. When changes in working conditions occur, many employees tend to fear that when management establishes an incentive program, it is tantamount to forcing them to do more work for the same, or even less, pay. Even if management institutes a policy stating that rates will not be changed except for substantial changes in methods, machinery, or workplace, what is considered "substantial" changes may be vastly different as perceived by management and employees.
3. It is unlikely that all the jobs in the organization will be affected by an incentive scheme. In those jobs that are under the plan, inconsistencies invariably will arise. Standards for one job might be tight, but loose for another.
4. Work restriction may be the "major weapon" that employees have to counteract management-imposed incentive

programs. "Goldbrickers" deliberately will not try to meet their quota if they are guaranteed a certain daily pay rate. If workers with "gravy jobs," jobs with easily-attainable quotas, are able to produce their quotas in six hours, for example, they could be totally unproductive for the last two hours of the day without it reflecting in their overall production records. [24:344-347]

If management is aware and sensitive to these inherent sources of conflict during all stages of the program, it will be in a better position to spot areas of the plan that may need revision. Devaney (1966) explained that an incentive plan needs revising if:

- the same effort produces more pay for one worker but not another.
 - standards continue to be used after they become obsolete.
 - the plan has been negotiated, and not engineered.
 - inequities in pay between incentive and nonincentive workers appear.
 - one group begins to earn pay in excess of what other groups are earning.
- [16:36]

In describing how a failing incentive system was revived, Gelberg (1966) said that corrections began with an analysis of pay versus performance so that distortions in earnings could be identified. Distortions in standards of up to 50 percent were found after an audit of standards was conducted. The company handled its biggest problem, hostile employee reaction to perceived increases in standards, by establishing and publicizing fair play policies and procedures. These policies focused on moderation and included assurances that standards would not be altered unless conditions changed. Meetings and training sessions were held with union representatives from various departments and the reasons for changing the standards

were explained thoroughly by comparing the methods, materials, and conditions that existed under both the old and new standards. Communication remained open. Employees were kept informed of present developments and were given encouragement. As Gelberg concluded, "if management treats all employees fairly and if each worker is made a participant in and contributor to the program, an updated incentive plan can provide an outstanding demonstration of industrial democracy at work." [26:34]

EXAMPLES OF INCENTIVE PROGRAMS FOR SUPPORT STAFF

In the only reference to merit pay or incentives for educational support personnel found in the literature, Rhone (1978) described the wage and salary plan developed by the Pennsbury School District in Fallsington, Pennsylvania. First, all classified job descriptions were reviewed, revised, and put into a concise format. To accomplish this, job components and the criteria used to define each component were developed. As shown in Form 1, the final document includes the job description, job evaluation, and reporting authority. A single salary schedule for all departments in classified areas was developed, with a consistent wage schedule based on the value that the district administration placed on each individual job. [58:3]

Minimum and maximum hourly rates were set for each job. Movement between these points is based on one criterion only: individual performance. The pay scale is adjusted each year through automatic changes in the minimum and maximum levels to reflect inflation. [58:3] Although Pennsbury did not respond to the 1978 ERS survey on merit pay and incentive plans, telephone communication with Mr. Rhone

FORM 1.--Examples of Forms Used in the Fallsington, Pennsylvania,
Performance-Based Salary Plan for Classified Educational Personnel

<p>The Pennsbury School District THE TOTAL - ORGANIZATION JOB AND POSITION EVALUATION PLAN</p>
<p>JOB OR POSITION TITLE:</p> <p>NAMES AND TITLES OF PERSONS CONTRIBUTING TO THIS EVALUATION:</p> <p>DATE EVALUATION COMPLETED: OTHER IDENTIFYING INFORMATION:</p>
<p>DESCRIPTION OF JOB OR POSITION</p> <p>The duties described above are the most significant of the job or position. Other duties in conformance with the component levels of this job or position can be occasion- ally assigned.</p>

COMPONENTS	LEVEL
ACADEMIC ACHIEVEMENT:	
ACQUIRED KNOWLEDGE:	
JUDGMENT AND RESOURCEFULNESS:	
GUIDANCE RECEIVED:	
INTERPERSONAL RELATIONSHIPS:	
INTEGRITY OF INFORMATION:	
APPLIED CONCENTRATION:	
ENERGY AND ENDURANCE:	
PHYSICAL ENVIRONMENT:	

(Continued)

COMPONENTS								LEVEL	
IMPACT OF ERRORS:									
RESPONSIBILITY FOR SAFETY OF OTHERS:									
PROBABLE DANGER:									
NON-SUPERVISORY DIRECTION OF OTHERS:									
TABLE OF VALUES									
COMPONENTS	LEVELS							VALUE	
	1	2	3	4	5	6	7		
ACADEMIC ACHIEVEMENT	40	65	90	115	140	165	190		
ACQUIRED KNOWLEDGE	25	50	75	100	125	150	175		
JUDGMENT AND RESOURCE-FULNESS	25	50	75	100	125	150	175		
GUIDANCE RECEIVED	5	10	20	40	60	80	100		
INTERPERSONAL RELATIONSHIPS	5	10	20	40	60	80	100		
INTEGRITY OF INFORMATION	5	10	15	20	25	30	35		
APPLIED CONCENTRATION	5	10	15	20	25	30	35		
ENERGY AND ENDURANCE	10	20	30	40	50	60	70		
PHYSICAL ENVIRONMENT	5	10	20	30	40	50	60		
IMPACT OF ERRORS	5	15	25	35	45	55	65		
RESPONSIBILITY FOR SAFETY OF OTHERS	5	10	15	20	25	30	35		
PROBABLE DANGER	5	10	15	20	25	30	35		
NON-SUPERVISORY DIRECTION OF OTHERS	5	10	15	20	25	30	35		
MANAGEMENT FACTOR								TOTAL	
ORGANIZATION RANK _____									
MANAGEMENT FACTOR _____								TIMES VALUE _____	EQUALS _____
DATE OF ORGANIZATION CHART _____									

JOB OR POSITION RANK			
START WITH THE CHIEF EXECUTIVE AS RANK I AND DETERMINE THE STANDING OF THE JOB OR POSITION BY TRACING THE VERTICAL CHAIN OF COMMAND			
	RANK	JOB OR POSITION TITLE	FACTOR
[]	I		
[]	II		
[]	III		
[]	IV		
[]	V		
[]	VI		
[]	VII		
[]	VIII		
[]	IX		

SOURCE: Rhone, David H. "Wage and Salary Administration for Classified Employees," *Educational Economics*, 3 (July-August 1978), pp. 4-5. Copyright 1978 by Capla Publications, a division of Capla Associates, Inc., Rochelle Park, New Jersey. Used with permission.

confirmed that the Pennsbury program, begun in 1964, is still in operation.

Rhone stated that determining the relative importance of each classified job in the school system lies at the base of implementing a merit pay plan. He proposed eight steps:

1. Create or update job descriptions for all classified personnel.
2. Choose job components for each of these descriptions.
3. Establish a relative point score for each component.
4. Develop different levels within each of these components.
5. Evaluate each type of position by using components and their levels of descriptive data. It is unnecessary, he pointed out, to evaluate each individual if the same job descriptions apply to more than one position.
6. Determine a break point within the numerical scores for establishing different salary grades.
7. Diagram present salaries and job point scores to discover current relationships.
8. Establish a salary curve to include minimums and maximums for each position within a grade. [58:4-5]

For example, categories such as education, experience, supervision received, interpersonal relationships, or impact of errors can be used and given different point values. Thus, the component evaluation will produce a different job value (total score) for each position. Progress from minimum to maximum wage levels can be by performance evaluation, a schedule of increments, or both, Rhone noted. If the administration decides to use performance ratings for wage movement, he said, it is crucial that supervisors receive inservice training before attempting to implement the system. [58:5]

Cowan (1978) described the Pay-for-Performance Program instituted for clerical employees at Blue Cross of Southern California. What makes this program somewhat unique, she explained, is that these incentives (which are used for clerical personnel in relatively few companies) are found in a nonprofit, service industry which focuses on service-effectiveness rather than cost-effectiveness.

In 1973 an employee opinion survey showed that morale was low, a potential for unionization existed, and salaries were a big concern among employees. By mid-1974, after compensation consultants were called in and the executive staff involved, four major objectives were established for a program of rewarding individual performance: external competitiveness, internal equity, pay-for-performance, and increased intracompany communication. Minimums, maximums, and midpoints were established for each job after relationships among all positions were compared. Next, in order to ensure a uniform appraisal system throughout the company, two support systems were developed for setting up performance standards for production employees and management and indirect employees. [12:250-253]

Cowan described the results of the program after two years, according to four specific categories:

1. *Coverage achieved with standards.* Half of the management staff and three-fourths of the production and indirect staff were under the standards system after the first year of the program. Two professional staff members taught task-force members, supervisors, and high-level personnel how to establish standards. Questions about standards maintenance were handled by personnel development staff. [12:253]
2. *Organizational utilization.* Survey findings nine months after the program was set

up indicated that: management was not entirely knowledgeable of the programs; large parts of the program were not being carried out; better definitions of performance were needed; confusion about standards and appraisal appeared; assistance was needed to translate performance ratings into monetary incentives; increased training and guidelines for conducting performance reviews were needed; the evaluation forms needed revision; and assistance was needed in developing and monitoring staff performance standards. As a result of this input, the personnel department worked on these changes, produced a Pay-for-Performance Manual and held a series of one-day workshops for all managers and supervisors to give them practice in administering the program. Afterwards, follow-up help was made available. [12:253-254]

3. *Current trends in performance and salary distribution.* At the two-year point, the program was audited for utilization relative to dollar- and performance-level distribution. While the dollar distribution was near normal, about half the corporation was performing at an "exceptional" performance level (the fourth of five levels). Part of the explanation for this was a high turnover rate. [12:254]

4. *The follow-up plan.* Four steps were taken regarding these findings: (1) The personnel department formed a task-force within the organization, composed of half line managers and half personnel staff, to see how the program was being used; (2) the program's original objectives were reanalyzed, and an outside consultant was called in who was skilled in behavioral and performance analysis; (3) managers received specific feedback (distribution of performance levels and dollars expended), where they had not before; and (4) standard audits were performed by each user department to check the appropriateness of program standards. [12:254-255]

Cowan related that many of the objectives of the pay-for-performance plan have been met.

Blue Cross exceeded the goal of becoming competitive salary-wise with all industries in the Los Angeles area in a three-to-five year period; it accomplished this goal in two years. Employee morale was up; employees perceived Blue Cross as a well-paying company. While the program was not the only factor involved, turnover was reduced to 20 percent in 1977 from 44 percent in 1970. The organization itself has grown in increased responsibility and awareness toward its employees. Most importantly, communication has been increased, expectations between supervisors and their subordinates have been clarified, detailed discussions of performance have taken place, and a feedback system was created that was nonexistent four years earlier. [12:255, 269]

Business Week (1978) reported that some union and nonunion coal operators have begun to institute incentive and bonus programs to increase production, which declined 24 percent from 1971 to 1976. The Consolidation Coal Company began a bonus program at one of its Ohio mines for all mine employees, in an attempt to link safety and productivity. A worker's monthly base pay is multiplied by the percentage increase in the mine's monthly production level over a predetermined goal. Half of this resulting dollar amount is credited to each worker. The company then multiplies the other half by the monthly percent change in the mine's safety statistics from the average of the previous year. If safety improves, the result is added to the first figure; if safety declines, it is subtracted. For example, if production increased by 20 percent and safety by 15 percent, a miner earning \$1,600 a month (the company average) would receive a bonus of \$184:

Productivity Bonus:
 $\$1,600 \times 20\% = \320 $\$320/2 = \160
Salary Bonus: $(\$320/2) \times 15\% = \frac{24}{\$184}$
[11]

Fairman (1967) reported that the Connecticut General Life Insurance Company had been awarding individual bonuses since the 1950s to employees in central transcription/typing and keypunch based on weekly productivity against time-study standards. In the late 1960s, the company also began a group work bonus plan for meeting production standards. Mail employees earned a bonus when the performance of the group exceeded 70 percent of the standard; bonuses of copying workers were dependent on surpassing time-study standards. [20]

Some writers foresee a greater number of employees working under group incentive plans in the future and less under individual incentive programs. [51:209; 64:637] London and

Oldham (1977) reported the findings of a study on the effectiveness of the work of 70 male college students who were paired under three group incentive conditions. Performance was found to be significantly higher under the high performance piece rate system (the rate was dependent on the higher performer in each work group) and the individual piece rate system (pay contingent on subject's own performance only). Therefore, when designed properly, a group incentive system can be as effective as a system of individual incentives. However, another person's performance may act to moderate the effects of the incentive plan. [46] In related research, Jehring (1966) found that, when a company discontinued its individual incentive plan for a group of transcribers after the plan had been in existence for an extended period of time, productivity declined, but not significantly, for the overall group. [41]

ERS Survey of Merit Pay and Incentive Plans in Public Education, 1977-78

In April 1978, Educational Research Service mailed a brief survey instrument on merit pay and incentive plans to the superintendents of all 11,502 public school systems in the United States enrolling 300 or more pupils. This universe includes 99 percent of the 44,540,000 public school pupils enrolled in the nation in fall 1976.

The survey instrument included questions on both current (school year 1977-78) and past practices of school systems' merit pay or incentive plans for compensating administrators, teachers, and support staff. Merit pay plans were defined as any procedure for compensating employees for outstanding service; incentive plans were defined as any compensation procedure designed to encourage better performance of employees. School systems which determined employee salaries primarily by salary schedules based on steps and academic preparation levels or similar measures were instructed to report

as a merit pay or incentive plan any part of the schedule which provided compensation based upon performance evaluation. Longevity or "supermaximum" increments that are granted automatically were not to be considered merit provisions.

SURVEY DESIGN AND INSTRUMENT

Of the 11,502 questionnaires that were mailed to school systems, a total of 2,848 usable replies were received, for an overall response rate of 24.8 percent. Of the 740 school systems in the country with 10,000 or more pupils, 49.7 percent returned usable replies. Half of the total responses returned were from very small systems (300 to 2,499 pupils). The response data for the four categories of school systems grouped according to the size of pupil enrollment were:

<u>Enrollment Group</u>	<u>Number of School Systems Queried</u>	<u>School</u>		<u>Percent of Total Responding Systems</u>
		<u>Systems Number</u>	<u>Responding Percent</u>	
Large (25,000 or more pupils)	185	108	58.4%	3.8%
Medium (10,000 to 24,999 pupils)	555	260	46.8	9.1
Small (2,500 to 9,999 pupils)	3,278	1,053	32.1	37.0
Very Small (300 to 2,499 pupils)	7,484	1,427	19.1	50.1
TOTAL	11,502	2,848	24.8	100.0

The listing below presents the number of school systems queried, the number and percent of school systems responding, and the percent

of total responding systems, classified according to eight geographic regions:

Geographic Region *	Number of School Systems Queried	School Systems Responding		Percent of Total Responding Systems
		Number	Percent	
New England	691	185	26.8%	6.5%
Mideast	1,719	553	32.2	19.4
Southeast	1,654	321	19.4	11.3
Great Lakes	2,665	724	27.2	25.4
Plains	1,890	395	20.9	13.9
Southwest	1,332	252	18.9	8.8
Rocky Mountains	402	103	25.6	3.6
Far West	1,149	315	27.4	11.1
TOTAL	11,502	2,848	24.8	100.0

* States included in geographic regions: New England: CT, ME, MA, NH, RI, VT; Mideast: DE, DC, MD, NJ, NY, PA; Southeast: AL, AR, FL, GA, KY, LA, MS, NC, SC, TN, VA, WV; Great Lakes: IL, IN, MI, OH, WI; Plains: IA, KS, MN, MO, NE, ND, SD; Southwest: AZ, NM, OK, TX; Rocky Mountains: CO, ID, MT, UT, WY; Far West: AK, CA, HI, NV, OR, WA.

Respondents to the survey included school systems from all 50 states and the District of Columbia. Excluding Hawaii and the District of Columbia, each of which have only one school system within its jurisdiction, two states had response rates of 50 percent or more (Delaware

and Maryland) and 11 others had response rates of 30 percent or more, with the largest including: Pennsylvania (39.7 percent), Florida (37.3 percent), Virginia (36.6 percent) and Washington (34.0 percent).

State	School Systems Queried	School Systems Responding	
		Number	Percent
Alabama	127	25	19.7%
Alaska	33	6	18.2
Arizona	134	28	20.9
Arkansas	308	34	11.0
California	717	189	26.4
Colorado	118	37	31.4
Connecticut	151	43	28.5
Delaware	23	12	52.2
District of Columbia	1	1	100.0
Florida	67	25	37.3
Georgia	187	36	19.3
Hawaii	1	1	100.0
Idaho	88	20	22.7
Illinois	829	237	28.6
Indiana	303	77	25.4
Iowa	408	66	16.2
Kansas	256	65	25.4
Kentucky	178	21	11.8
Louisiana	66	17	25.8
Maine	126	25	19.8
Maryland	24	12	50.0
Massachusetts	272	80	29.4
Michigan	517	158	30.6

(continued)

State	School Systems	School Systems Responding	
	Queried	Number	Percent
Minnesota	389	91	23.4%
Mississippi	152	20	13.2
Missouri	404	62	15.3
Montana	111	24	21.6
Nebraska	208	53	25.5
Nevada	14	3	21.4
New Hampshire	47	15	31.9
New Jersey	488	143	29.3
New Mexico	67	22	32.8
New York	679	185	27.2
North Carolina	145	34	23.4
North Dakota	100	25	25.0
Ohio	611	178	29.1
Oklahoma	351	52	14.8
Oregon	169	43	25.4
Pennsylvania	504	200	39.7
Rhode Island	39	12	30.8
South Carolina	92	28	30.4
South Dakota	125	33	26.4
Tennessee	146	21	14.4
Texas	780	150	19.2
Utah	39	8	20.5
Vermont	56	10	17.9
Virginia	131	48	36.6
Washington	215	73	34.0
West Virginia	55	12	21.8
Wisconsin	405	74	18.3
Wyoming	46	14	30.4
TOTAL	11,502	2,848	24.8

FINDINGS OF THE SURVEY

This study presents an analysis of data relating to current and past practice in the use of merit pay and incentive plans for support staff in school year 1977-78. Data in most of the tables in this Report are presented by school system enrollment group and geographic region. Numbers and percentages in all tables are based on the number of respondents to the survey as a whole. For example, the percents in the listing "total responding systems" in each table are based on the total of 2,848 systems that returned usable survey forms.

Current practice.--Tables 1 through 4 show the extent to which merit pay or incentive plans for support staff were being used or considered across the country in 1977-78. The system-by-system listing that follows shows the responding school systems that indicated they had some type of merit pay or incentive plan for support staff.

School systems considering instituting a merit pay or incentive plan for compensating support staff.--As shown in Table 1, 111 of the respondents (3.9 percent) indicated that they were considering instituting a merit pay or incentive plan for compensating support staff

in 1977-78. The largest percent of school systems considering such a plan were medium systems (5.8 percent) and large systems (5.6 percent); the smallest percent was found in New England (2.2 percent) and the Great Lakes (2.8 percent).

TABLE 1.--School Systems Considering Instituting a Merit Pay or Incentive Plan for Compensating Support Staff, by Enrollment Group and Geographic Region, 1977-78

	School Systems Considering Such a Plan	
	Number	Percent of Total Responding Systems
A. Enrollment Group		
Large (25,000 or more pupils)	6	5.6%
Medium (10,000 to 24,999 pupils)	15	5.8
Small (2,500 to 9,999 pupils)	40	3.8
Very Small (300 to 2,499 pupils)	50	3.5
TOTAL RESPONDING SYSTEMS	111	3.9
B. Geographic Region		
New England	4	2.2%
Mideast	22	4.0
Southeast	16	5.0
Great Lakes	20	2.8
Plains	20	5.1
Southwest	11	4.4
Rocky Mountains	5	4.9
Far West	13	4.1
TOTAL RESPONDING SYSTEMS	111	3.9

School systems reporting a merit pay or incentive plan for support staff, 1977-78.-- More than 5 percent of the responding school systems (157) said that they had a merit pay or incentive plan for support staff in operation in 1977-78. (Table 2) School systems in the Southwest (7.5 percent), the Rocky Mountains (6.8 percent), and small systems (6.8 percent) reported the highest percentage of plans in operation. School systems in the Southeast (3.4 percent), large school systems (3.7 percent), systems in the Far West (3.8 percent), very small systems (4.3 percent), and systems in New England (4.3 percent) reported the lowest percentage of merit pay or incentive plans for support staff. Listed in Table 3 are the number and percent of school systems with a merit pay or incentive plan for support staff in 1977-78, according to state. School systems in Illinois reported the most plans (16), followed by Pennsylvania (14), Texas (12), and Wisconsin (10). Responses from 12 states and the District of Columbia indicated no use of merit pay or incentive plans for support staff in 1977-78. More than 10 percent of the school systems in the following states were found to have a plan for support staff at this time: Maryland (16.7 percent)--2 systems, Alaska (16.7 percent)--1 system, Wisconsin (13.5 percent)--10 systems, Utah (12.5 percent)--1 system, Colorado (10.8 percent)--4 systems, and Arizona (10.7 percent)--3 systems.

Date when merit pay or incentive plans for support staff were established.--Of the 60 school systems that indicated when their merit pay or incentive plans for support staff were established, 15 (25.0 percent) reported setting up their plans in either 1975 or 1976. (See Table 4.) Thirteen systems (21.7 percent) said that their support staff merit pay or incentive plans were begun in 1977 or 1978. The median

date that these plans were instituted was 1974, with the earliest plan beginning in the 1940s and the latest in 1978.

SYSTEM-BY-SYSTEM LISTING OF SCHOOL SYSTEMS REPORTING A MERIT PAY OR INCENTIVE PLAN FOR SUPPORT STAFF, 1977-78

Listed below are the 156 school systems that reported a merit pay or incentive plan for support staff in 1977-78, arranged alphabetically by state. Each listing contains:

- the name of the school system
- a designation of (Elem.) or H.S.) for nonunified systems
- the location of the superintendent if the city is different from the name of the school system
- the fall 1977 enrollment of the system, in parentheses
- the date that the plan was begun, if provided.

ALABAMA (1)

Selma City (6,500)

ALASKA (1)

Juneau (4,400)--1977

ARIZONA (3)

Alhambra #68, Phoenix (7,750)
Santa Cruz Valley, Tumacacori (480)
Wellton #24 (400)

ARKANSAS (1)

Mountain Home (2,800)--1977

CALIFORNIA (7)

Alisal, Salinas (2,477)--1977
Chula Vista City (15,000)
Glendale (22,000)
Irvine (11,385)--1976
Menlo Park City (1,403)--1967
Red Bluff Union (1,560)
Rialto (10,500)--1977

TABLE 2.--School Systems Reporting a Merit Pay or Incentive Plan for Support Staff, by Enrollment Group and Geographic Region, 1977-78

	School Systems with a Current Plan	
	Number	Percent of Total Responding Systems
A. Enrollment Group		
Large (25,000 or more pupils)	4	3.7%
Medium (10,000 to 24,999 pupils)	19	7.3
Small (2,500 to 9,999 pupils)	72	6.8
Very Small (300 to 2,499 pupils)	62	4.3
TOTAL RESPONDING SYSTEMS	157	5.5
B. Geographic Region		
New England	8	4.3%
Mideast	33	6.0
Southeast	11	3.4
Great Lakes	44	6.1
Plains	23	5.8
Southwest	19	7.5
Rocky Mountains	7	6.8
Far West	12	3.8
TOTAL RESPONDING SYSTEMS	157	5.5

TABLE 3.--School Systems Reporting a Merit Pay or Incentive Plan
for Support Staff, by State, 1977-78

State	School Systems with a Current Plan	
	Number	Percent of Total Responding Systems
1. Illinois	16	6.8%
2. Pennsylvania	14	7.0
3. Texas	12	8.0
4. Wisconsin	10	13.5
5. Michigan	9	5.7
New York	9	4.9
7. New Jersey	8	5.6
8. Ohio	7	3.9
California	7	3.7
10. Kansas	6	9.2
11. Colorado	4	10.8
Connecticut	4	9.3
Missouri	4	6.5
Massachusetts	4	5.0
Minnesota	4	4.4
16. Arizona	3	10.7
South Dakota	3	9.1
Nebraska	3	5.7
Indiana	3	3.9
20. Maryland	2	16.7
Kentucky	2	9.5
New Mexico	2	9.1
Oregon	2	4.7
Virginia	2	4.2
Oklahoma	2	3.8
Iowa	2	3.0
Washington	2	2.7
28. Alaska	1	16.7
Utah	1	12.5
Louisiana	1	5.9
Idaho	1	5.0
Mississippi	1	5.0
Tennessee	1	4.8
Montana	1	4.2
Alabama	1	4.0
Florida	1	4.0
South Carolina	1	3.6
Arkansas	1	2.9
TOTAL RESPONDING SYSTEMS*	157	5.5

* Includes the following states in which no school systems reported a merit pay or incentive plan for support staff:

Delaware	Hawaii	North Carolina	West Virginia
District of Columbia	Maine	North Dakota	Wyoming
Georgia	Nevada	Rhode Island	
	New Hampshire	Vermont	

TABLE 4.--Date When Merit Pay or Incentive Plans Were Established
for Support Staff in Responding School Systems

Date Established	Responding School Systems	
	Number	Percent
1977-1978	13	21.7%
1975-1976	15	25.0
1973-1974	10	16.7
1971-1972	8	13.3
1960-1970	8	13.3
earlier than 1960	6	10.0
TOTAL RESPONDING SYSTEMS*	60	100.0
Median	1974	
Range: Earliest	1940s	
Latest	1978	

* Totals in this column do not equal totals found in Tables 2 and 3 because some school systems did not indicate when they established their merit pay or incentive plans for support staff.

COLORADO (4)

Eagle Co., Eagle (2,000)--1976
Fountain (3,450)
Manitou Springs (1,175)
St. Vrain Valley, Longmont (14,928)

CONNECTICUT (4)

Bloomfield (3,570)
Bristol (10,692)
East Hartford (9,700)
Portland (1,770)

FLORIDA (1)

Sarasota Co., Sarasota (24,213)

IDAHO (1)

Kendrick (360)

ILLINOIS (16)

Bloomington (1,235)
Elmhurst (9,200)
Geneva (2,466)--1970
Glenbrook, H.S., Glenview (5,250)
Glenview (3,472)
Grayslake, H.S. (1,010)

ILLINOIS (continued)

Hazel Crest (1,450)--1974
Homewood-Flossmoor, Flossmoor (3,425)
--1975
Lake Park, H.S., Roselle (2,450)--1978
Lyons, H.S., La Grange (4,725)
Pekin, H.S. (3,200)--1976
Rich Twp., H.S., Park Forest (4,212)
--1953
Sterling (5,600)--1972
Summit Hill, Frankfort (1,202)--1977
Township, H.S., Palatine (11,700)
Wheaton (11,000)

INDIANA (3)

Merrillville (7,542)
Penn-Harris-Madison, Osceola (7,000)
--1972
Perry Twp., Indianapolis (12,025)--
1978

IOWA (2)

Iowa City (8,900)
Prairie City (460)

KANSAS (6)

Clearwater (972)--1974
 Garden City (4,625)
 Independence (2,670)--1976
 Norton (990)
 Topeka (17,831)
 Wichita (47,541)

KENTUCKY (2)

Augusta (378)
 Union Co., Morganfield (3,000)

LOUISIANA (1)

St. Charles Parish, Luling (8,800)

MARYLAND (2)

Carroll Co., Westminster (20,150)
 --1976
 Montgomery Co., Rockville (112,000)
 --1958

MASSACHUSETTS (4)

Amherst-Pelham, Amherst (3,817)
 Sudbury (2,877)--1972
 Tyngsborough (1,258)
 Wayland (3,650)--1972

MICHIGAN (9)

Brandywine, Niles (2,257)
 Gull Lake, Richland (2,945)
 Kalamazoo (15,000)--1972
 Manton (836)
 Marshall (3,200)
 Mason (3,503)--1966
 Midland (11,350)--1970
 Muskegon Heights (3,556)
 Vicksburg (2,946)--1976

MINNESOTA (4)

Chisago Lakes, Lindstrom (2,100)
 Eden Prairie (2,814)
 Hutchinson (3,200)
 Roseau (1,403)

MISSISSIPPI (1)

Meridian (9,000)--1976

MISSOURI (4)

Cape Girardeau (4,636)
 Dexter (2,300)
 Ladue, St. Louis (4,452)
 Wellston (1,442)--1976

MONTANA (1)

Big Timber (350)

NEBRASKA (3)

Grand Island (6,600)--1975
 Valley (713)--1977
 Westside, Omaha (8,000)

NEW JERSEY (8)

Bergenfield (5,100)
 East Windsor Reg., Hightstown (5,700)
 Hanover Park Reg. H.S., East Hanover
 (2,411)
 Jackson (6,389)--1977
 Metuchen (2,468)
 Mountain Lakes (1,400)
 Palmyra (1,600)
 Summit (4,600)

NEW MEXICO (2)

Deming (3,650)--1956
 Los Alamos (4,726)

NEW YORK (9)

Hendrick Hudson, Montrose (2,850)
 Honoye Falls-Lima, Honoye Falls (2,122)
 North Rose-Wolcott, Wolcott (2,250)
 North Shore, Sea Cliff (2,960)
 Pearl River (3,200)--1972
 Penfield (5,300)
 Pittsford (6,278)--1950
 Wayne, Ontario Center (3,050)--1974
 West Irondequoit, Rochester (4,498)

OHIO (7)

Ansonia (1,100)--1974
 Franklin Monroe, Pittsburg (1,004)--
 1973
 Madeira (1,700)
 Mariemont, Cincinnati (1,665)--1974
 Mayfield, Cleveland (5,000)
 Mentor (11,715)
 West Carrollton (5,327)

OKLAHOMA (2)

Bartlesville (6,905)--early 1960s
 Watonga (1,076)

OREGON (2)

La Grande (2,890)--1976
 McLoughlin, Milton-Freewater (510)

PENNSYLVANIA (14)

Bethel Park (8,018)
 Cumberland Valley, Mechanicsburg
 (7,900)--1975
 Downingtown (7,044)
 Hanover (2,332)
 Hatboro-Horsham, Horsham (4,657)
 Lewisburg (2,400)--1975
 Pequea Valley, Kinzers (2,090)
 Peters Twp., McMurray (3,460)--1977
 Quakertown (4,205)--1973
 Springfield, Oreland (2,850)--1971
 State College (7,400)
 Tredyffrin-Easttown, Berwyn (5,900)
 Turkeyfoot Valley, Confluence (718)
 --1969
 Wyomissing (1,800)--1975

SOUTH CAROLINA (1)

Spartanburg Co. #3, Glendale (3,500)

SOUTH DAKOTA (3)

Baltic (353)
 Clark (651)
 Webster (979)

TENNESSEE (1)

Kingsport (6,200)

TEXAS (12)

Abernathy (1,250)--1960
 Alief (11,364)--1976
 Bishop (1,480)--1977
 Boys Ranch (412)
 Corpus Christi (39,000)--1977
 Ft. Sam Houston, San Antonio (1,588)
 Hawley (575)
 La Feria (1,800)
 Lewisville (8,550)
 Magnolia (1,908)--1974
 Perryton (1,900)
 Texarkana (6,300)

UTAH (1)

Salt Lake City (24,000)

VIRGINIA (2)

Fairfax County, Fairfax (132,152)--
 1957
 Roanoke (18,000)--1940s

WASHINGTON (2)

San Juan Island, Friday Harbor (505)
 Steilacoom (1,027)

WISCONSIN (10)

Brillion (984)
 Cedarburg (3,550)--1973
 D.C. Everest, Schofield (4,977)
 Fox Point-Bayside, Milwaukee (974)--
 1970
 Kettle-Moraine, Wales (3,337)--1971
 Neenah (7,146)
 Nicolet, H.S., Milwaukee (2,080)
 Sheboygan (10,800)--1977
 Stevens Point (8,000)
 Watertown (4,000)--1973

Past practice.--Tables 5 and 6 present data on school systems that formerly had a merit pay or incentive plan for support staff. Following Table 6 is a system-by-system listing of the responding systems that indicated they had had a previous merit pay or incentive plan for support staff, but had since discontinued it.

School systems that formerly had a merit pay or incentive plan for support staff.--Of the 2,848 school systems responding to the survey, 61 (2.1 percent) reported that they had instituted a merit pay or incentive plan in the past for support staff, but did not have such a plan in operation in 1977-78. (Table 5) Past plans were noted most often by medium systems (4.2 percent), systems in New England (3.8 percent), and large systems (3.7 percent).

Number of years that past merit pay or incentive plans were in operation.--Superintendents were asked to provide beginning and ending dates for their past merit pay or incentive plans. Of the 44 responding school systems that formerly had a merit pay or incentive plan for support staff and that provided beginning and ending dates for their programs, 29.5 percent had plans that lasted one or two years and 20.5 percent had plans that lasted three or four years. (See Table 6.) The mean

TABLE 5.--School Systems That Formerly Had a Merit Pay or Incentive Plan for Support Staff, by Enrollment Group and Geographic Region

	School Systems with a Former Plan	
	Number	Percent of Total Responding Systems
A. Enrollment Group		
Large (25,000 or more pupils)	4	3.7%
Medium (10,000 to 24,999 pupils)	11	4.2
Small (2,500 to 9,999 pupils)	32	3.0
Very Small (300 to 2,499 pupils)	14	1.0
TOTAL RESPONDING SYSTEMS	61	2.1
B. Geographic Region		
New England	7	3.8%
Mideast	12	2.2
Southeast	5	1.6
Great Lakes	21	2.9
Plains	8	2.0
Southwest	---	---
Rocky Mountains	1	1.0
Far West	7	2.2
TOTAL RESPONDING SYSTEMS	61	2.1

number of years that these past plans were operational was 6; the median, 4.5. Eight school systems (18.2 percent) had a plan that was more than 10 years old when it was discontinued, as shown :

number of school systems	number of years that the plan was in operation
2	11 years
1	12
1	13
1	15
1	16
2	20

TABLE 6.--Number of Years That Merit Pay or Incentive Plans Were in Operation
in Responding School Systems That Formerly Had Plans for Support Staff

Number of Years	Responding School Systems	
	Number	Percent
1-2	13	29.5%
3-4	9	20.5
5-6	7	15.9
7-8	5	11.4
9-10	2	4.5
more than 10	8	18.2
TOTAL RESPONDING SYSTEMS*	44	100.0
Mean	6	
Median	4.5	
Range: Low	1	
High	20	

* Totals in this column do not equal totals found in Table 5 because some school systems did not provide beginning or ending dates for their former merit pay or incentive plans for support staff.

SYSTEM-BY-SYSTEM LISTING OF SCHOOL SYSTEMS
THAT FORMERLY HAD A MERIT PAY OR INCENTIVE
PLAN FOR SUPPORT STAFF

Tabulated below are the 61 school systems that reported a past merit pay or incentive plan for support staff. Arranged alphabetically by state, each listing contains the same information as detailed on page 22 for school systems with a current plan, except that:

- the beginning and ending dates of the plans are given beside each listing
- "NR" indicates that no response was given on the survey form for the beginning or ending dates, or both dates.

CALIFORNIA (6)

	<u>began</u>	<u>ended</u>
Azusa (10,500)	1974	1975
Claremont (5,956)	1967	1973

CALIFORNIA (continued)

	<u>began</u>	<u>ended</u>
Goleta (5,100)	1969	1977
Lompoc (9,980)	NR	1977
Morongo, 29 Palms (4,740)	1967	1972
Pomona (20,000)	1971	1977

CONNECTICUT (2)

	<u>began</u>	<u>ended</u>
Southington (8,150)	1971	1972
Windsor (4,982)	NR	1965

FLORIDA (5)

	<u>began</u>	<u>ended</u>
Bradford Co., Starke (3,875)	1961	1965
Escambia Co., Pensacola (48,263)	NR	NR
Highlands Co., Sebring (7,800)	1950	1970
Indian River Co., Vero Beach (9,000)	NR	1974
Santa Rosa Co., Milton (12,300)	1959	1961

IDAHO (1)

	<u>began</u>	<u>ended</u>
Idaho Falls (10,500)	1970	1977

	<u>began</u>	<u>ended</u>		<u>began</u>	<u>ended</u>
ILLINOIS (2)			NEW YORK (cont.)		
Cass, Darien (770)	1973	1975	Greece, North Greece (13,000)	1973	1975
Palisades, Hinsdale (600)	1965	1976	Mohonasen, Schenectady (3,300)	NR	1974
IOWA (1)			Rockville Centre (4,001)	NR	NR
West Branch (903)	1968	1969	NORTH DAKOTA (3)		
KANSAS (1)			Grand Forks (9,600)	1968	1972
Turner, Kansas City (4,600)	1975	1977	Langdon (1,028)	1974	1977
MARYLAND (1)			Montefiore, Wilton (315)	NR	1965
Harford Co., Bel Air (33,618)	1967	1976	OHIO (7)		
MASSACHUSETTS (5)			Bedford (6,300)	1971	1977
Hanover (3,304)	1974	1977	Bexley, Columbus (2,350)	1973	1974
Lincoln-Sudbury, Sudbury (1,730)	1958	1971	Deer Park, Cincinnati (2,350)	1962	1968
Newton (14,555)	1966	1977	Leetonia (1,178)	1960	1964
Westford (3,607)	1965	1970	Princeton, Cincinnati (8,002)	1961	1977
Westwood (3,350)	1950	1965	Willoughby-Eastlake, Willoughby (13,200)	1971	1975
MICHIGAN (8)			Worthington (6,450)	1970	1978
Grosse Pointe (10,214)	NR	1965	OREGON (1)		
Madison Heights (3,900)	1960	1967	Reynolds, Troutdale (6,361)	1974	1976
Mayville (1,655)	1972	1975	PENNSYLVANIA (7)		
Plymouth (15,274)	NR	NR	Boyertown (6,400)	1975	1976
Utica (28,200)	1966	1972	Churchill, Pittsburgh (4,250)	1973	1976
Wayland (2,604)	NR	1970	Cornwall-Lebanon, Lebanon (4,800)	NR	NR
West Bloomfield (5,850)	1975	1978	Edgewood, Pittsburgh (850)	NR	1969
Westwood, Inkster (3,636)	1975	1976	Spring Grove (4,228)	NR	1977
MINNESOTA (2)			Upper Darby (10,435)	NR	NR
Mounds View, St. Paul (13,800)	1953	1973	Wallingford-Swarthmore, Wallingford (4,000)	1961	1971
Wadena (2,180)	1976	1977	WISCONSIN (4)		
MISSOURI (1)			Barron (1,675)	NR	1977
Special School District of St. Louis, St. Louis (8,496) (bus driver only)	1965	1977	Edgerton (2,217)	NR	NR
NEW YORK (4)			Greendale (3,900)	NR	1978
East Irondequoit, Rochester (4,050)	1970	1975	Racine (26,303)	1975	1976

Examples of Merit Pay and Incentive Plans for School Support Staff

In June 1978, ERS sent a follow-up letter to respondents who indicated in their response that their school system currently or formerly had a merit pay or incentive plan for administrators, teachers, or support staff. Only those systems that had a merit pay or incentive plan that was discontinued after 1970 were included in the follow-up of systems with a past plan. The follow-up letter asked that ERS be sent copies of these school systems' current or past merit pay or incentive plans, along with any other pertinent materials that might be related to the plans, such as feasibility studies, evaluations of the plans, and collective bargaining provisions mentioning the plans.

The examples on pages 31-51 were sent in response to this request. They were selected to indicate the nature and scope of merit pay or incentive plans that were in operation in school year 1977-78. Two examples of recently discontinued merit pay plans (Goleta, California and Harford County, Maryland) also are included. Inclusion of materials in this Report does not imply endorsement by ERS or its sponsoring organizations.

E 1 ALHAMBRA SCHOOL DISTRICT NO. 68 (Phoenix, Arizona)
X Fall 1977 Enrollment: 7,750

Described below is Alhambra's Incentive Pay Program, one of a series of changes instituted in the Food Services Department to better meet established objectives. Reports from the school system indicated that, due to the hard work and cooperation of the cafeteria managers and the Food Service Director, more than \$50,000 a year that the school system had been spending to operate the cafeterias was put back into the Food Services Budget.

TO: Board of Trustees
Dr. Haddock [Superintendent]

FROM: Pearl Loutzenheiser
[Director of Food Services]

DATE: January 16, 1978

SUBJECT: PAY RAISE INCENTIVE

In an effort to increase participation and efficiency in the Food & Nutrition Department, Dr. Haddock, Mr. Hauer [Business Manager], and I have endeavored to construct an incentive pay plan. In order to qualify for the incentive increase, the individual cafeteria must increase participation by 2% over the preceding month's figures.

ALHAMBRA SCHOOL DISTRICT NO. 68 (Continued)

For those cafeterias who meet the criteria and hold the plate costing and labor production within the district average, each employee will be paid 2 hours additional labor during the following month. The cafeteria manager will be paid for 4 hours additional labor. An effort was made to tie this criteria in with plate costing and labor production, but it became too detailed and complicated for the bookkeeper to contend with on a monthly basis. Therefore, we felt we could use the district average that is obtained each month as a guideline to base this decision upon.

If a school were to meet the criteria for 3 consecutive months, the incentive pay would be double for the following month.

We will pay the incentive in February to each cafeteria that has made a 2% increase in either October, November, or December. None of the cafeterias met the criteria for 3 consecutive months.

Supportive data attached.

SCHOOL	MONTHLY AVERAGE DAILY PARTICIPATION			
	SEPT.	OCT.	NOV.	DEC.
ALHAMBRA	76.77	*81.74	80.85	81.07
ANDALUCIA	71.16	*73.34	74.17	74.97
BARCELONA	61.93	62.77	63.30	*65.47
CATALINA	73.82	74.97	75.28	*78.04
CORDOVA	64.93	*74.43	*76.97	78.60
GRANADA	63.52	61.36	58.16	*62.37
MADRID	77.05	75.17	74.74	*78.33
MONTEBELLO	74.69	*77.00	78.91	*81.53
SEVILLA	69.12	*71.31	72.64	*74.92
SIMPSON	69.33	70.16	70.62	*72.80
VALENCIA	74.55	*79.44	79.08	*83.55
WESTWOOD	78.75	79.57	81.12	82.12

*These cafeterias qualify for incentive pay in January.

ALHAMBRA SCHOOL DISTRICT NO. 68 (Continued)

ALHAMBRA	5 employees	- 2 hr. per pay period					\$27.30
	Manager	4	"	"	"	"	14.00
							\$41.30
ANDALUCIA	10 employees	- 2	"	"	"	"	60.30
	Manager	4	"	"	"	"	18.80
							\$79.10
BARCELONA	10 employees	- 2	"	"	"	"	59.80
	Manager	4	"	"	"	"	18.80
							\$78.60
CATALINA	11 employees	- 2	"	"	"	"	66.60
	Manager	4	"	"	"	"	18.80
							\$85.40
CORDOVA	5 employees	- 2	"	"	"	"	33.70
	Manager	4	"	"	"	"	18.80
							\$52.50
GRANADA	6 employees	- 2	"	"	"	"	38.60
	Manager	4	"	"	"	"	15.00
							\$53.60
MADRID	4 employees	- 2	"	"	"	"	21.20
	Manager	4	"	"	"	"	14.40
							\$35.60
MONTEBELLO	5 employees	- 2	"	"	"	"	29.70
	Manager	4	"	"	"	"	18.80
							\$48.50
SEVILLA	9 employees	- 2	"	"	"	"	58.30
	Manager	4	"	"	"	"	18.80
							\$77.10
SIMPSON	5 employees	- 2	"	"	"	"	28.70
	Manager	4	"	"	"	"	14.00
							\$42.70
VALENCIA	6 employees	- 2	"	"	"	"	39.80
	Manager	4	"	"	"	"	18.80
							\$58.60
WESTWOOD	5 employees	- 2	"	"	"	"	27.60
	Manager	4	"	"	"	"	15.20
							\$42.80

E X 2 GOLETA UNION ELEMENTARY SCHOOL DISTRICT (Goleta, California)

Fall 1977 Enrollment: 5,100

7.3 MERIT PAY PROGRAM

7.3.1 Employee Eligibility

A classified employee will become eligible for 2 percent additional pay after being at the top of the salary scale for three years. The employee will be

GOLETA UNION ELEMENTARY SCHOOL DISTRICT (Continued)

notified of eligibility, and it will be the responsibility of the classified personnel office to forward the merit pay evaluation form to the department head for completion.

If an employee has reached the top step prior to a promotion or reclassification, eligibility will be from the date the top step in the prior class was reached.

An employee must have been employed for a period of six years with the district to be eligible.

Only those employees who are covered by the regular five-step salary schedule are to be considered for this program.

7.3.2 Criteria for Awarding Merit Pay

To be awarded merit pay, an employee must have consistently shown above average performance on the job. The employee's overall job performance must be an asset to the district and reflect pride in the position as a district employee.

7.3.3 Administering the Program

The administration of the merit pay program shall be the responsibility of the classified personnel department. The procedures under which merit pay for classified employees shall be administered shall be as follows:

1. When a classified employee becomes eligible for merit pay, both the employee and the principal and/or division head will be notified in writing by the classified personnel office;
2. The principal and/or division head will be required to certify in writing that the employee is worthy of merit pay in that the employee has consistently shown above average job performance.
3. If the principal and/or division head denies the merit pay increase, it must be stated in writing to the Superintendent and the classified personnel director why it was denied and the steps that are being taken to improve work performance.
4. If merit pay is approved, the classified personnel office will prepare a status notice to the payroll division which will then add merit pay to the employee's salary. The merit pay increase will be reported to Board of Trustees for ratification.
5. If merit pay is denied, the employee will be eligible after one year to be considered again.

7.3.4 Additional Merit Pay Increments

Every three years an employee will be eligible for an additional 2 percent merit pay increase, not to exceed a total of 10 percent. The same procedures will be followed as in the initial merit pay increase.

[Goleta's merit pay program for classified employees, begun in July 1969, was discontinued on June 30, 1977 because it "resulted in the 'merit' pay being approved in almost every case. For that reason it has been replaced by an automatic increase every three years." The new plan, started on July 1, 1977, follows.]

9.5 Longevity

- 9.5.1 The Merit Pay Program effective with the terms of this Agreement is repealed.

GOLETA UNION ELEMENTARY SCHOOL DISTRICT (Continued)

- 9.5.2 Bargaining unit members presently receiving Merit Pay shall continue to receive the amount of compensation that he/she may be presently receiving and shall be eligible to receive his/her next longevity increment when it would have fallen due under the Merit Pay Program, in accordance with the effective date of this Agreement.
- 9.5.3 A bargaining unit member shall be eligible for two (2) percent longevity pay after being at the top step of the salary scale for three (3) years.
- 9.5.4 If a bargaining unit member has reached the top step prior to a promotion or reclassification, eligibility shall be from date the top step was reached.
- 9.5.5 A unit member must have been employed by the District for a period of six years to be eligible.
- 9.5.6 Only those bargaining unit members who are covered by the regular five-step salary schedule are covered by this longevity program.
- 9.5.7 Every three years a unit member will be eligible for an additional two (2) percent longevity increase, not to exceed a total of ten (10) percent.
- 9.5.8 Longevity pay shall be in addition to the unit member's regular rate of pay.
- 9.6 CSEA shall have the right to request of the District and/or the Personnel Commission, during the term of this Agreement, that a position or group of positions within the bargaining unit be studied for possible reclassification as a result of gradual accretion of duties being performed by the incumbent in such position or positions. Such requests will include the information CSEA believes justifies the request(s).

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IRVINE UNIFIED SCHOOL DISTRICT (Irvine, California)
Fall 1977 Enrollment: 11,385

CLASSIFIED EMPLOYEES EVALUATION SYSTEM - 1977-78

Irvine Unified School District's classified employees evaluation system has been developed in the past few months in close cooperation with the California School Employees Association. A thorough job analysis was conducted on classified positions throughout the District. A major outcome of this analysis was grouping classified employees according to categories of jobs which have similar functions. This categorization resulted in ten divisions of classified employees such as Clerks, Food Service personnel and Transportation personnel. The intent in making these ten divisions was to more objectively and fairly evaluate employees based upon their performance of their job with its own major functions and tasks. This grouping resulted in a separate evaluation instrument for each of these classified job divisions. Although several items appear in all of the evaluation instruments, the instrument for each division is tailored to the job which is to be performed.

Evaluation Instrument - The evaluation instrument was designed to accurately reflect the major job functions which the employee performs. For each classified division there are approximately twenty job functions listed on the instrument. To begin the process of evaluation, the supervisor of classified employees will, in a conference with the employee, select those items from the evaluation instrument which are most important and pertinent to that employee's job. The conference is essentially a pre-evaluation conference in which the major goals or functions are decided upon and tasks are clarified. This pre-evaluation conference is to be scheduled within twenty working days following the employee's anniversary date.

Only ten items are to be selected upon which the employee will be evaluated. The total of ten will apply after certain items have been crossed off for "does not apply" and will include any

IRVINE UNIFIED SCHOOL DISTRICT (Continued)

additions of major functions peculiar to that specific job. It is extremely important that this conference provides a clear-cut understanding as to the items upon which the employee is to be evaluated.

Evaluation Conference - Supervisors will evaluate employees according to the following rating scale:

- 5 - Exceeds all expectations
- 4 - Exceeds some expectations; above satisfactory performance
- 3 - Meets expectations; satisfactory performance
- 2 - Meets some expectations; unsatisfactory; needs to improve
- 1 - Does not meet minimum requirements/expectations

With five points for each item and a total of ten items, the highest possible score is 50. In a normative survey conducted for classified personnel, the mean or average score was 33. Those persons scoring from 28 to 39 represent 50% of all employees in the school district. It is highly important that the evaluation accurately reflects a person's performance in relationship to the group of Irvine Unified School District classified employees. Those persons scoring a 45 or above will be an extremely small percentage as will those scoring 21 and below.

To summarize the placement process, a score of 21 or below freezes the employee in Column B with the starting salary of that range. Those employees who perform unsatisfactorily in certain areas and score between 22 and 27 will also remain in Column B and they will move in that range according to the score they received on the evaluation. As is illustrated in the table, this could be as high as a 4.4% increase for the person scoring 27. The employee scoring 28 or above will move to the next column and be placed in the range according to the evaluation score. The mean is a score of 33 which provides an anniversary date salary of \$638 and an 11% increase for that particular employee. The person scoring a 47 will receive a 14% increase and an anniversary date salary of \$660.

Classified Salary Placement - Employees will be placed upon the 1977-78 salary schedule based upon an evaluation prior to July 1, 1977 and then adjusted on that schedule based upon an evaluation prior to their anniversary date. Using the Food Service Assistant as an example, the comparison between the 1976-77 and the 1977-78 schedules is as follows:

1976-77 CLASSIFIED SALARY SCHEDULE - MONTHLY

	A	B	C	D	E
Food Service Assistant #1	547	574	603	633	665

1977-78 MERIT SALARY SCHEDULE - MONTHLY

	A	B	C	D	E
Food Service Assistant #1	563-598	591-628	621-660	651-692	684-727

The following table, using the Food Assistant example, gives the salary and percentage of increase resulting from the evaluation scores:

IRVING UNIFIED SCHOOL DISTRICT (Continued)

Evaluation Score	July 1		Anniversary Date		Step E	
	Salary	% Increase	Salary	% Increase	Salary	% Increase
21 & below	591	3.0			684	3.0
22	592	3.1			685	3.1
23	593	3.3			686	3.3
24	595	3.6			688	3.6
25	596	3.9			690	3.9
26	598	4.1			692	4.1
27	599	4.4			694	4.4
28	601	4.7	630	9.7	696	4.7 \$10.00
29	603	5.0	631	10.0	698	5.0 \$10.00
30	604	5.3	633	10.3	700	5.3 \$10.00
31	606	5.6	635	10.6	702	5.6 \$10.00
32	608	5.9	637	10.9	704	5.9 \$10.00
33 (Mean)	609	6.0	638	11.0	706	6.0 \$10.00
34	610	6.3	639	11.3	707	6.3 \$10.00
35	611	6.5	640	11.5	708	6.5 \$10.00
36	612	6.7	641	11.7	709	6.7 \$10.00
37	613	6.9	642	11.9	710	6.9 \$10.00
38	614	7.0	643	12.0	712	7.0 \$10.00
39*	616	7.3	645	12.3	714	7.3 \$10.00
40	618	7.6	646	12.6	716	7.6 \$10.00
41	619	7.9	648	12.9	718	7.9 \$10.00
42	620	8.0	649	13.0	719	8.0 \$10.00
43	622	8.3	650	13.3	720	8.3 \$10.00
44	624	8.6	652	13.6	722	8.6 \$10.00
45	626	8.9	654	13.9	724	8.9 \$10.00
46	628	9.0	660	14.0	727	9 + \$10.00
47	628	9.0	660	14.0	727	9 + \$10.00
48	628	9.0	660	14.0	727	9 + \$10.00
49	628	9.0	660	14.0	727	9 + \$10.00
50	628	9.0	660	14.0	727	9 + \$10.00

*Any score of 39 and above qualifies an employee beginning his sixth year for Service Merit Pay.

IRVINE UNIFIED SCHOOL DISTRICT (Continued)

B. Merit Salary Schedule (1977-78)

POSITION	A	B	C	D	E**
Food Service Asst. I	563-598	591-628	621-660	651-692	684-727
Food Service Asst. II	606-643	637-676	667-708	701-744	736-781
Instructional Aide I	606-643	637-676	667-708	701-744	736-781
Food Service Asst. III	651-692	684-727	719-764	755-802	794-843
Switchboard Operator	669-710	703-746	738-784	775-823	815-866
Instructional Aide II	669-710	703-746	738-784	775-823	815-866
Clerk I	685-728	720-765	756-803	795-844	835-886
Clerk II	738-784	775-823	815-866	856-909	900-955
Receptionist	738-784	775-823	815-866	856-909	900-955
Clerk III	759-806	797-846	837-888	878-932	923-980
Bus Driver	759-806	797-846	837-888	878-932	923-980
Multilith Operator I	759-806	797-846	837-888	878-932	923-980
Night Custodian I	777-826	825-867	857-910	901-956	945-1003
Groundskeeper I	777-826	825-867	857-910	901-956	945-1003
Clerk-Data Input	796-845	836-887	877-931	922-979	967-1028
Dispatcher Driver	796-845	836-887	877-931	922-979	967-1028
*Secretary I	796-845	836-887	877-931	922-979	967-1028
Maintenance Technician II	817-868	858-911	902-957	946-1004	994-1056
Night Custodian II	817-868	858-911	902-957	946-1004	994-1056
Groundskeeper II	817-868	858-911	902-957	946-1004	994-1056
Warehouse Delivery Person	817-868	858-911	902-957	946-1004	994-1056
P.E. Equipment Person	817-868	858-911	902-957	946-1004	994-1056
P.E. Matron	817-868	858-911	902-957	946-1004	994-1056
Head Custodian Elementary	817-868	858-911	902-957	946-1004	994-1056
Pressman/Graphic Artist	817-868	858-911	902-957	946-1004	994-1056
Multilith Operator II	817-868	858-911	902-957	946-1004	994-1056
Head Custodian-Elem.(split shift)	829-880	871-924	913-969	959-1018	1006-1069
*Secretary II	829-880	871-924	913-969	959-1018	1006-1069
Bookkeeper I	849-901	891-947	937-994	983-1044	1033-1096
Publications Technician	849-901	891-947	937-994	983-1044	1033-1096
Lead Custodian	849-901	891-947	937-994	983-1044	1033-1096
Groundskeeper III	849-901	891-947	937-994	983-1044	1033-1096
Guidance Technician	871-925	916-973	961-1020	1008-1070	1059-1125
Bookkeeper II	871-925	916-973	961-1020	1008-1070	1059-1125
Head Custodian-Middle School	871-925	916-973	961-1020	1008-1070	1059-1125
Lead Groundskeeper	871-925	916-973	961-1020	1008-1070	1059-1125
Maintenance Technician III	871-925	916-973	961-1020	1008-1070	1059-1125
*Secretary III	871-925	916-973	961-1020	1008-1070	1059-1125
Apprentice Inspector	892-947	938-995	984-1045	1035-1098	1086-1153
*Secretary IV	916-973	961-1020	1009-1072	1060-1125	1113-1182
Head Warehouse Person	938-995	984-1045	1035-1098	1086-1153	1140-1211
Staff Assistant	985-1046	1035-1100	1087-1154	1141-1212	1198-1273
Audio-Visual Technician	985-1046	1035-1100	1087-1154	1141-1212	1198-1273
Maintenance Technician IV	1009-1071	1061-1126	1114-1183	1170-1242	1228-1304
Personnel Analyst	1009-1071	1061-1127	1114-1183	1170-1242	1228-1304
Budget Analyst	1123-1192	1179-1252	1238-1315	1300-1381	1365-1449
Construction Inspector	1185-1258	1245-1322	1308-1389	1373-1458	1441-1530
Senior Construction Inspector	1277-1356	1341-1424	1408-1495	1478-1569	1552-1648

* This applies only to those secretaries not having been designated as "Confidential Employees."

** Employees on Step E (1977-78) will have the upper merit ranges increased by \$10.00.

IRVINE UNIFIED SCHOOL DISTRICT (Continued)

MAJOR STEPS - CLASSIFIED PERSONNEL EVALUATION CYCLE

Following is an outline of the major steps to be taken in the evaluation of classified personnel. They should be used as guidelines for immediate supervisors of classified personnel in order to promote a timely and efficient evaluation procedure.

STEP I PERSONNEL SELECTION

Use policies and procedures as defined by Personnel Services

STEP II TWO MONTH EVALUATION

Use job description and evaluation instrument. Send completed form to Office of Educational Planning/Evaluation

STEP III FIVE MONTH EVALUATION

Use job description and evaluation instrument. Send completed form to Office of Educational Planning/Evaluation.

STEP IV GOAL SETTING CONFERENCE

Within 20 days after 5 month evaluation, engage in goal setting conference with employee.

The evaluation instrument was designed to accurately reflect the major job functions which the employee performs. For each classified division there are approximately 20 job functions listed on the instrument. To begin the process of evaluation, the supervisor of classified employees will, in a conference with the employee, select those items from the evaluation instrument which are most important and pertinent to that employee's job. The conference is essentially a pre-evaluation conference in which the major goals or functions are decided upon and tasks are clarified. This pre-evaluation conference is to be scheduled within 20 working days following the employee's anniversary date.

Only 10 items are to be selected upon which the employee will be evaluated. The total of 10 will apply after certain items have been crossed off for "does not apply" and will include any additions of major functions peculiar to that specific job. It is extremely important that this conference provides a clear-cut understanding as to the items upon which the employee is to be evaluated.

STEP V EVALUATION CONFERENCE

Within 20 days prior to employee's anniversary date, conduct the evaluation conference. This evaluation conference is to be conducted along the following guidelines:

- A. If the evaluation score is within the 30-36 range, or does not deviate more than 3 points from the prior evaluation, share the evaluation with the employee and send the completed form to the Office of Educational Planning/Evaluation for immediate processing.
- B. If the evaluation score is outside of the 30-36 range and/or deviates more than 3 points from the prior evaluation, do NOT share the evaluation with the employee. Send the form to the Office of Educational Planning/Evaluation for review. Upon completion of the review and return to the evaluator, the evaluation is to be shared with the employee. Upon completion of the evaluation conference, send the evaluation form to the Office of Educational Planning/Evaluation for immediate processing.

IRVINE UNIFIED SCHOOL DISTRICT (Continued)

ANNIVERSARY DATE

This is the date of hire. The employee's anniversary date establishes the date of eligibility to move a step on the salary schedule and also establishes his eligibility for service merit pay. If the employee starts work on the first to fifteenth day of the month, the first of that month shall be considered his/her anniversary date. If the employee starts work after the fifteenth of the month, his/her anniversary date will be the first day of the following month.

STEP VI ANNUAL GOAL SETTING CONFERENCE

Within 20 working days following the anniversary date, a new goal setting conference is to be held with the employee. Conduct this conference according to STEP IV.

STEP VII MONITOR EMPLOYEE PERFORMANCE

"Prompt feedback is far more important in changing behavior than is the intensity of feedback."

STEP VIII REPEAT EVALUATION PROCESS AS INDICATED IN STEP V

E **4** BRISTOL PUBLIC SCHOOLS (Bristol, Connecticut)
X Fall 1977 Enrollment: 10,692

MERIT LONGEVITY: CRITERIA, ELIGIBILITY, PROCEDURES FOR SECRETARIAL EMPLOYEES

LONGEVITY

Merit Longevity increments shall be granted to educational secretarial employees covered under the prevailing agreement.

The increment shall be in addition to the qualifying employee's salary and computed as follows:

15 years of full-time continuous service.....\$150.

ELIGIBILITY

Secretarial employees eligible for longevity must submit an application to the Longevity Committee for review every year.

No one who receives a longevity award in any one year will automatically receive such an award in any subsequent year. Any secretarial employee being considered for the longevity award will be expected to provide supporting information related to the criteria agreed upon for such award, if requested by the award committee.

Secretarial employees covered under the prevailing agreement shall be eligible for consideration for the longevity award upon completion of fifteen (15) years of full-time, continuous service with the Bristol Public School System, prior to September 1 of the year of application.

PROCEDURES

Longevity Committee

A committee comprised of employee and employer representation shall jointly recommend to the Board of Education for approval the names of educational secretaries eligible for the Longevity award on a yearly basis.

BRISTOL PUBLIC SCHOOLS (Continued)

Application for the longevity award shall be made by the deadline date, as designated on the notice.

The committee shall review applications and submit recommendations to the Board of Education for approval at the February Board meeting.

Payment shall be reflected in the first paycheck in March and will be incorporated into one's yearly salary for retirement benefits.

Following committee review meeting, longevity applicants shall be notified of recommendation or denial, in writing, by the Assistant to the Superintendent for Business.

CRITERIA

The longevity payment shall be awarded based on, but not limited to, the following criteria:

1. Continuous satisfactory performance of duties;
2. Wealth of knowledge gained through years of experience in the school system which results in an added value to the position, to the immediate supervisor, and to the overall school system;
3. Initiative and willingness to assume extra responsibilities;
4. Leadership and participation in professional association committee work and/or in-service projects;
5. Service to the community -- creating a favorable image in maintaining good public relations with the school and community;
6. Written recommendation by immediate supervisor.

BOARD OF EDUCATION
Bristol, Connecticut

APPLICATION FOR
LONGEVITY AND PROFESSIONAL GROWTH AWARD

Application for 1977 - 78

Name _____
Last First Middle Initial

Home address _____

Home telephone _____ School _____

Date/s service began (include full dates and places)
List full-time continuous service only

From _____	To _____	Where _____
From _____	To _____	Where _____
From _____	To _____	Where _____
From _____	To _____	Where _____

Total years of continuous service as of Sept. 1, 1977: _____

BRISTOL PUBLIC SCHOOLS (Continued)

Criteria under which you feel you qualify for the award. Please circle appropriate numbers

1 2 3 4 5 6*

*Recommendation from Immediate Supervisor must accompany application.

You may be requested to supply supportive information for committee review.

Please return on or before January 1, 1978 to: Mr. John E. Smith
Asst. to the Supt. for Business

Application and recommendation will become part of employee's personnel file.

SUPERVISOR'S RECOMMENDATION FOR SECRETARIAL MERIT LONGEVITY AWARD -- (Must accompany application)

Please check one:

_____ I do recommend _____ name

for consideration for merit longevity award.

Comment: (Please specify)

_____ I do not recommend _____ name

for consideration for merit longevity award.

Comment: (Please specify)

School

Supervisor's Signature

Date

Application and recommendation will become part of employee's personnel file.

BRISTOL PUBLIC SCHOOLS (Continued)

Timetable for Secretarial Merit Longevity -- effective 1978-79 school year

September 1	Date for computation of completed years of service.
December 15	Send notice and application to secretarial employees through office of Assistant to the Supt. for Business.
January 1	Deadline for application returns.
January 2-15	Committee meets to review applications and submit recommendations for Board approval at the February Board of Education meeting. Notify applicants.
February	Board of Education approval of secretarial merit longevity recommendations at the Board's regular monthly meeting.
March	Process awards for payroll implementation in first paycheck in March.

MEMORANDUM OF AGREEMENT FOR 1977-78 school year

Timetable for secretarial merit longevity will be adjusted to reflect merit longevity payments to secretarial employees no later than the first paycheck in June.

Asst. to the Superintendent for Business

Chairman, Longevity Committee - BESA

Date

E 5 MANITOU SPRINGS PUBLIC SCHOOLS (Manitou Springs, Colorado)
X Fall 1977 Enrollment: 1,175

CLASSIFIED EMPLOYEE EVALUATION AND MERIT PAY

Background and Definitions

The employees of School District 14 are categorized into two major groups: certified and classified. The certified employees include those with certificates issued by the Colorado Department of Education. These include teachers, counselors, librarians, and administrators. The classified employees are those who provide support services to the certified staff and who are not required to have specific certification for their jobs. They include cooks, bakers, cafeteria workers, bus drivers, custodians, maintenance workers, bookkeepers, secretaries, aides, and their supervisors.

The Evaluation System

Two years ago the Board directed the Superintendent to develop an evaluation system and merit pay program for all classified employees. Before that time no systematic written evaluation of classified employees had been conducted and all salary increases were based on a flat, across-the-board percentage raise each January 1.

MANITOU SPRINGS PUBLIC SCHOOLS (Continued)

To implement the system an "Employee Evaluation Form" [a 5-point scale including items such as "accuracy," "alertness," "creativity," "friendliness," etc.] was selected for use by the district. Then, each Director, Principal, or other administrator was specifically assigned evaluation responsibilities as follows:

Evaluator: Building Principal

- Assigned staff: 1. Building Secretary
2. Aides (teacher and library)
*3. Building Custodians
4. Nurse

Evaluator: Director of Food Service

- Assigned Staff: 1. Cooks
2. Bakers
3. Cafeteria Workers
4. Ute Pass Elementary Kitchen Manager

Evaluator: Ute Pass Elementary Kitchen Manager

- Assigned Staff: 1. U.P.E. kitchen workers

Evaluator: Director of Transportation

- Assigned Staff: Bus drivers

Evaluator: Director of Buildings and Grounds

- Assigned Staff: 1. Maintenance man
*2. Input into principal's evaluation of custodians

Evaluator: Director of Finance

- Assigned Staff: Finance assistant

Evaluator: Superintendent

- Assigned Staff: 1. Director of Finance
2. Director of Food Service
3. Director of Buildings and Grounds
4. Director of Transportation
5. Secretary to the Superintendent
6. Utility Custodian

Each evaluator must evaluate the staff assigned twice each year: in April and again in October. These evaluations must be discussed with the employee being evaluated and are signed by both the evaluator and the staff member being evaluated. They are then turned into the Superintendent.

The Superintendent scores each evaluation form to calculate an average score between one and five for the evaluation. A score of five would indicate a perfect employee and a score of one would indicate someone who should be released. The average of each of the two evaluations on the employee are then added together to create an average score for the year. For example, if the employee had a score of 3.8 on the first evaluation and a score of 4.2 on the second evaluation the average for the two would be 4.0.

Turning Evaluation into Merit Pay

After averages are calculated for the employees they are placed on a bar graph. At this point the Superintendent must make some decisions about how to create different levels of salary increases and what level to set as an average raise. The average raise is determined by the overall

MANITOU SPRINGS PUBLIC SCHOOLS (Continued)

increase in revenue for the new budget year. The next step is to distribute the individual merit increases in such a way as to have the entire package of classified raises equal the predetermined percentage for increases.

To some extent this is a subjective activity. In an attempt to remain as objective as possible, the bar graph is developed with no names attached so that when the lines are drawn across it to set the percentage increases no single employee (by name) is identified as getting a higher or lower increase.

Having drawn the lines and set the percentage increases the superintendent then calculates the exact raise for each employee and sees how the total package of raises compares to the original budgeted amount. This will never work out to be exactly the same amount as the original budgeted amount because of two factors. First, there are never exactly the same number of employees above the average as below the average and, second, the salary of each employee varies so that a 10% raise for an employee who earns \$4,000 per year is obviously not balanced by a 6% raise for an employee who earns \$7,000 per year. Even though 8% was used as the average raise, the total package was 8.8%.

There are several problems with our system. First, we have too much inconsistency in rating due to the "human" variable. We have five different people (four principals and the superintendent) evaluating the secretaries and the custodians. Second, evaluators sometimes boost their evaluations on employees with whom they are highly pleased so that they will get the best raises. This causes higher ratings than even the good employees should receive. Third, feedback from employees has been quite negative. Instead of a lower raise being a motivator to do better on the job during the next year to receive a higher evaluation and raise, the lower rated employees have become more "sour grapes" about the process. On the other extreme, the employees receiving the highest ratings and raises have kept quiet about them because they don't want to seem like they are "bragging" to their coworkers. Thus, there have been more negative than positive attitude shifts relative to the program. On the other hand, we are doing at least partially what we set out to do and that is to reward productivity.

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WICHITA PUBLIC SCHOOLS (Wichita, Kansas)
Fall 1977 Enrollment: 47,541

PERSONNEL SERVICES DIVISION - CLASSIFIED PERSONNEL

P4517.05 MERIT RATING - CLASSIFIED EMPLOYEES

BOARD POLICY:

MERIT SALARY INCREASES MAY BE APPROVED FOR EMPLOYEES WHO DEMONSTRATE HIGH QUALITY JOB PERFORMANCE. ALL RECOMMENDATIONS FOR MERIT CONSIDERATION SHALL BE SUBMITTED TO A REVIEWING COMMITTEE FOR FURTHER ACTION. COMMITTEE RECOMMENDATIONS ARE SUBJECT TO THE AVAILABILITY OF BUDGETED MONIES AND FINAL APPROVAL BY THE BOARD OF EDUCATION.

Administrative Implemental Procedures:

1. Employees recommended for merit consideration must have completed one (1) year of service in their present positions.
2. Employees cannot be recommended for merit consideration if they have received a merit increase within the last two (2) years unless the employee has had a change in classification and job assignment.
3. Employees are recommended for merit consideration by their immediate supervisors. The supervisors must process and justify their request through their respective divisional directors.

WICHITA PUBLIC SCHOOLS (Continued)

4. An employee receiving a merit increase shall advance one step on the salary schedule.
5. The Classified Reviewing Committee shall review annually merit pay increases awarded to each classified employee who has been advanced to the meritorious Step X or Y. Should the employee's meritorious performance not continue to warrant the merit placement, he/she should be placed on Step 12 of their respective salary range.
6. The immediate supervisor and/or a divisional or operational director who wishes to recommend a classified employee for merit consideration shall make the recommendation in writing providing pertinent information identifying, supporting, and justifying reasons why the classified employee should receive merit consideration and forward such material to the Director of Classified Personnel. The supervisors should refrain totally from notifying the classified employees that are being recommended for merit consideration.
7. The following set of guidelines may be used by the supervisor for proposing merit consideration:
 - a. Employees must have outstanding technical and operational knowledge of their jobs.
 - b. Employees must keep up to date with current changes in their respective jobs.
 - c. Employees must assume their assigned duties and responsibilities in an outstanding manner with limited supervision.
 - d. Employees must have shown initiative and the willingness to assume additional duties and responsibilities above and beyond their regular daily assignments.
 - e. The employee should consistently demonstrate outstanding qualities in the following areas:
 - (1) Cooperation
 - (2) Attention to job responsibilities
 - (3) Attitude toward fellow employees
 - (4) Emotional stability
 - (5) Adaptability
 - (6) Initiative
 - (7) Effective knowledge of skills
 - (8) Positive attitude toward job duties
 - (9) Dependability
8. The maximum number receiving merit pay increases per fiscal year shall be subject to the availability of budgeted monies and shall not exceed five percent of our total number of classified employees. It is not the intent of the merit operational plan to allow a certain number of merit pay increases per fiscal year, nor is it the intent for each division to have a percentage quota of merit pay increases approved on an allotment basis.

E 7 HARFORD COUNTY PUBLIC SCHOOLS (Bel Air, Maryland)
X Fall 1977 Enrollment: 33,618

WAGES

PAY RATES

A clerical, custodial, maintenance or food service employee is paid in accordance with his job classification on a standard salary schedule. Pay raises are not automatic; they are determined by job responsibilities, an annual evaluation which is made by the principal and supervisor, and the availability of funds. All such raises are effective on July 1 of each year.

Aides, health technicians, library technicians, school nurses and transportation employees are paid on a salary schedule that provides for automatic step increases.

MERIT SALARY INCREMENT

A merit salary increment is a one-step increase in salary which will be granted annually, upon approval of the Superintendent, to a clerical, custodial, maintenance or food service employee whose work has been consistently satisfactory. Such merit salary increments may be awarded annually until an employee reaches the maximum of the grade to which his position is assigned by the Superintendent. The employee must have been on active pay status for six months to qualify for a merit salary increment.

Aides, health technicians, library technicians, school nurses and transportation employees do not qualify for merit salary increments; they are paid on a salary schedule that provides for automatic annual step increases.

OUTSTANDING MERIT SALARY INCREMENT

This increment may be earned by a clerical, custodial, maintenance, or food service employee who performs the duties and responsibilities of his position in a "sustained" outstanding manner and whose work is continuously well above expectations. The employee may be advanced one or more steps within his grade.

Aides, health technicians, library technicians, school nurses, and transportation employees do not qualify for outstanding service award increments; they are paid on a salary schedule that provides for automatic annual step increases.

[Harford County reported to ERS that merit pay for support staff was used from 1967 to 1976, but was discontinued because employees preferred the security of automatic step increases.]

E 8 BRANDYWINE PUBLIC SCHOOLS (Niles, Michigan)
X Fall 1977 Enrollment: 2,257

SECRETARIAL SALARY SCHEDULE

All positions are assigned a classification for salary purposes. The ranking of the classification is based upon training needed, level of performance needed, and responsibility level.

CLASSIFICATION I

Administrative Secretary
 Senior High School Secretary
 Junior High School Secretary
 Community Schools Secretary

BRANDYWINE PUBLIC SCHOOLS (Continued)

CLASSIFICATION II

Purchasing Clerk
 Guidance Secretary
 Merritt, Bell, Bertrand Schools Secretaries
 Athletics Secretary

CLASSIFICATION III

Winkler School Secretary
 Assistant Secretary
 Administrative Clerk
 Library Secretaries

PERFORMANCE INCREASES - A possible percentage increase based upon job performance will be given according to the following salary range scale:

Years of Experience	PERCENTAGE OF BASE SALARY			
	2 Rating (Satisfactory)	3 Rating (Above Satisfactory)	4 Rating (High Performance)	5 Rating (Superior Performance)
0	100	108	116	124
1	102	110	118	126
2	104	112	120	128
3	106	114	122	130
4	108	116	124	132

To determine the hourly rate, the percentage is multiplied by the minimum salary of the employee's classification.

Any evaluation below average will receive the minimum hourly rate. The evaluation from the preceding year will be used as the basis for possible merit pay.

E 9 PEARL RIVER SCHOOL DISTRICT (Pearl River, New York)
X Fall 1977 Enrollment: 3,200

In April 1978, the assistant to the superintendent for personnel recommended to the superintendent that the following salary increases be included in the 1978-81 collective negotiation agreement between the Board of Education and the district's clerical and teaching assistant associations:

year	total salary increase	salary increase based on evaluation (for a one year period and dropped at the end of each year)
1978-79	4.5%	0 - 1.5%
1979-80	4.5	0 - 2.0
1980-81	5.0	0 - 2.5

The 1977-78 salary agreement between the Board and the district's carpenters association stipulated that all unit employees who had completed their probationary period would receive a \$500 increase, less their merit increase for the 1975-76 year. Employees could also receive a merit increase according to the following schedule:

PEARL RIVER SCHOOL DISTRICT (Continued)

<u>evaluation rating</u>	<u>merit increase</u>
unsatisfactory	\$ 0
satisfactory	65
more than satisfactory	200
superior	325

E 10 FAIRFAX COUNTY PUBLIC SCHOOLS (Fairfax, Virginia)
X Fall 1977 Enrollment: 132,152

AN ORDINANCE TO ESTABLISH A MERIT SYSTEM OF PERSONNEL ADMINISTRATION
 IN FAIRFAX COUNTY, VIRGINIA

Adopted by the Board of County Supervisors of Fairfax County, Virginia, on January 2, 1957, and concurred in by the School Board of Fairfax County on June 4, 1957. BE IT ORDAINED by the Board of County Supervisors of Fairfax County, Virginia, as follows: (CHAPTER 3, ARTICLES 1, 2, 3, 4, and 5 of the Code of the County of Fairfax)

ARTICLE 1

Personnel Administration

Section 3-1-1. Purpose of Article.

The purpose of this Article is to place personnel administration on a merit basis which will attract and retain for the public service in the County employees with integrity and superior capacity; to strengthen the effectiveness of the County Executive form of government in the County through the improvement of methods of personnel administration; and to establish procedures by which present employees of the County, who have proven their ability, may qualify for and obtain promotions to more responsible positions in the service of the County. The authority for this Article is contained in §15.1-734, Va. Code Ann., which reads as follows: "All appointments shall be on the basis of ability, training and experience of the appointees which fit them for the work which they are to perform." (1-2-57, §1; 1961 Code, §9-1.)¹

Section 3-1-2. County service and divisions thereof.

- (a) All offices and positions of trust or employment shall be included in the County Service. It shall be divided into an exempt service and a competitive service.
- (b) Exempt Service. The exempt service shall consist of the following:
 - (1) Elected officials including constitutional officers and persons appointed to fill vacancies in elective offices and their appointed deputies or assistants.
 - (2) Members of board and commissions.
 - (3) The County Executive and the *Superintendent of Schools*. [Emphasis added.]
 - (4) *The professional instructional staff of the School Board which shall include all teachers, principals and supervisors of instruction who occupy positions not covered by the classification and compensation plans adopted by the Board of Supervisors on June 15, 1955; provided, that any class of such employees may be transferred to the competitive service on request of the School Board.* [Emphasis added.]

¹As to appointment, tenure, suspension or removal and compensation of officers and employees, see Va. Ann. Code, § § 15.1-734, 15.1-735 and 15.1-736.

FAIRFAX COUNTY PUBLIC SCHOOLS (Continued)

- (5) Assistant registrars and all election officials employed by the Electoral Board.
 - (6) Part-time employees whose employment does not exceed twenty (20) hours per calendar week and temporary employees whose tenure of employment is limited to one hundred eighty (180) calendar days or less within any calendar year.
- (c) Competitive Service. All other employees of the County are in the competitive service. They shall be appointed, promoted, demoted, transferred or dismissed solely on the basis of merit and fitness. The competitive service includes the following:
- (1) All department heads and employees in departments under the direct control of the County Executive.
 - (2) The Library Director and all employees in the county library system.
 - (3) The Welfare Director and all employees of the Department of Public Welfare. (Subject to the approval of the State Merit System Council.)
 - (4) The general registrar of voters and all office employees of the Electoral Board located in the central registration office; except, that if any provision of this Article is in conflict with any law of the state concerning or affecting employees of the Electoral Board, this Article shall not apply.
 - (5) Firemen and all other employees of the Fire and Rescue Services.
 - (6) The County Agent and all employees of the Department of Cooperative Extension and Continuing Education.
 - (7) All employees in departments where the department head is an elected official; provided, that they are not specifically included in the exempt service.
 - (8) *All noninstructional staff of the School Board.* [Emphasis added.]
 - (9) All other employees not specifically included in the exempt service as stated in Subsection (a) of this Section and all future employees except those excluded by state law or by amendment to this Article. (1-2-57, § 2; 1961 Code, § 9-2.)

Section 3-1-16. Compensation Plan.

- (a) There shall be a compensation plan consisting of a salary range for each class in the position classification plan, which shall provide for regular increments within such range to be earned by length of service and *performance exceeding satisfactory work performance.* [Emphasis added.] Each such range shall be determined with due regard to the salary ranges for other classes and to the relative difficulty and responsibility of characteristic duties of positions in the class, the minimum qualifications required, the prevailing rate paid for similar employment by private and public agencies in the Washington Metropolitan Area, and shall compare therewith, and any other factors that may properly be considered to have a bearing upon the fairness or adequacy of the salary range.
- (b) The Compensation Plan adopted by the Board of Supervisors, effective June 15, 1955, as subsequently amended, shall continue in effect until amended in accordance with the provisions of this Article. All actions by the Board of Supervisors concerning the salary rates of members of the competitive service shall be taken in the form of amendments of the Compensation Plan.
- (c) At least once each fiscal year, the Personnel Director shall review the Compensation Plan in consultation with the County Executive. The County Executive's recommendations

FAIRFAX COUNTY PUBLIC SCHOOLS (Continued)

for amendment or revision shall be forwarded to the Board of Supervisors, together with the comments thereon of the Commission.

- (d) The above provisions shall not be taken to preclude the adoption of more than one (1) pay schedule within the Compensation Plan; provided, that each pay schedule as adopted conforms to the requirements and standards of this Article. (1-2-57, § 16; 1961 Code, § 9-16; 2-73-9; 34-73-9.)

Section 3-1-17. Employees Advisory Council; members; duties.

- (a) In accordance with rules and procedures adopted by the Commission, there shall be an Employees' Advisory Council to provide a continuing medium through which all employees in the competitive service may contribute their advice and suggestions for the improvements of a career merit system and other aspects of the government of Fairfax County.
- (b) In addition to conferring with the Personnel Director, the County Executive, Division Superintendent and the Commission, the Employees' Advisory Council may undertake to sponsor such voluntary recreational, welfare, educational and related activities as will contribute to employee well-being and to building harmonious and effective relations among all employees of Fairfax County and their families. . . .

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