
Evaluation of the Teacher Incentive Fund: Implementation and Early Impacts of Pay-for-Performance After One Year Executive Summary

September 2014

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EXECUTIVE SUMMARY

Recent efforts to attract and retain effective educators and to improve teaching practices have focused on reforming evaluation and compensation systems for teachers and principals. In 2006, Congress established the Teacher Incentive Fund (TIF), which provides grants to support performance-based compensation systems for teachers and principals in high-need schools. The TIF grants have two goals:

- Reform compensation systems to reward educators for improving students' achievement
- Increase the number of high-performing teachers in high-need schools and hard-to-staff subjects

The incentives and support offered through TIF grants aim to improve student achievement by improving educator effectiveness and the quality of the teacher workforce.

This is the first of four planned reports from a multiyear study focusing on the TIF grants awarded in 2010.¹ It examines grantees' implementation experiences and intermediate educator outcomes near the end of the first year of program implementation, before the first pay-for-performance payouts to teachers and principals. Future reports will address the impacts of such payouts on student achievement, educator mobility, and changes in educators' job satisfaction and attitudes toward their TIF programs.

This study has two main goals. First, it will inform program development and improvement by describing how grantees implemented their performance-based compensation systems, and the implementation challenges they faced. Second, it will test whether pay-for-performance bonuses affect the retention and recruitment of educators and, ultimately, student achievement.

This report describes programs implemented during the 2011–2012 school year by the 2010 TIF grantees. The main findings for all TIF districts include the following:

- **Fewer than half of districts reported implementing all required components of the TIF program, evidence that full implementation is a challenge.** Although 85 percent of TIF districts reported implementing at least three of the four required components for teachers, slightly fewer than half (46 percent) reported implementing all four.²
- **Consistent with the TIF grant goals, grantees expected pay-for-performance bonuses to be somewhat substantial and differentiated. However, districts expected most educators would receive a bonus, suggesting that the award criteria were not consistent with TIF guidance for challenging pay-for-performance bonuses.** TIF districts expected to award an average pay-for-performance

¹ TIF grants are often referred to by the round of the grant award. TIF 1, TIF 2, TIF 3, and TIF 4 correspond to the 2006, 2007, 2010, and 2012 grant awards, respectively. For this report, all references to TIF are for the 2010 awardees.

² According to the original TIF notice, grantees could not use TIF program funds for incentive payments until they had implemented a performance-based compensation system that included all of the required components. Although most grantees used the 2010–2011 school year as a planning year, once grantees began implementation they were expected to implement all of the required components.

bonus of about 4 percent of the average U.S. educators' salary. The maximum bonus expected by TIF districts was twice as large as the average bonus for teachers and 50 percent larger than the average bonus for principals. Districts also expected to award a pay-for-performance bonus to more than 90 percent of eligible teachers and principals.

The report also provides detailed findings on implementation and the effect of pay-for-performance bonuses on educators for a subset of 2010 TIF grantees. These grantees include 10 districts participating in a random assignment study of the pay-for-performance component of the TIF program during the 2011–2012 school year. The key findings for the 10 evaluation districts include the following:

- **Many educators misunderstood the performance measures and the pay-for-performance bonuses used for TIF.** For example, the measures that educators indicated were used to evaluate their performance sometimes differed from those reported by districts. In addition, more than half of teachers did not know they were eligible for pay-for-performance bonuses, and teachers reported a maximum pay-for-performance bonus that was lower than the amount reported by districts.
- **Most teachers and principals are satisfied with their professional opportunities, school environment, and the TIF program.** About two-thirds of teachers were satisfied with their jobs overall and were glad to be participating in the TIF program.
- **Educators in schools that offered pay-for-performance bonuses tended to be less satisfied than those in schools that did not offer such bonuses.** For example, fewer teachers in schools that offered bonuses were satisfied with the opportunities for professional advancement (68 versus 76 percent) and school morale (48 versus 55 percent). However, more teachers in schools offering pay-for-performance bonuses were satisfied with the opportunity to earn additional pay (64 versus 59 percent).

TIF Grants and Requirements

From 2006 to 2012, the U.S. Department of Education (ED) awarded about \$1.8 billion to support 131 TIF grants. ED awarded 16 grants in 2006, 18 in 2007, 62 in 2010, and 35 in 2012.

The 2010 TIF grants differed from prior TIF grants by providing more detailed guidance on the measures used to evaluate educators and on the design of the pay-for-performance bonuses. The 2010 grants required four program components in their performance-based compensation systems. This study focuses most heavily on one of those requirements: the impact of pay-for-performance bonuses.

Required Program Components of the Performance-Based Compensation Systems

The four required TIF program components are:

1. **Measures of educator effectiveness.** Grantees were required to use a measure of effectiveness for teachers and principals that included students' achievement growth and at least two observations of classroom or school practices. They had discretion to include additional measures.
2. **Pay-for-performance bonus.** Grantees had to offer bonuses to educators based on how they performed on the effectiveness measures. The bonuses were designed to

incentivize educators and reward them for being effective in their classrooms and schools. They had to be substantial, challenging, differentiated, and based solely on educators' effectiveness.

3. **Additional pay opportunities.** The performance-based compensation system had to include pay opportunities for educators to take on additional roles or responsibilities. These roles might include becoming a master or mentor teacher who directly counsels other teachers or develops or leads professional development sessions for teachers.
4. **Professional development.** TIF grantees had to support teachers and principals in their performance-improvement efforts. Support included providing information on the measures on which educators would be evaluated and more targeted professional development based on an educator's actual performance on the effectiveness measures.

In addition to these required components, grantees could include another program component—offering incentives to recruit and retain effective educators in hard-to-staff subjects within high-need schools.

The TIF Grant Competition

The 2010 TIF grant application notice differed from the other rounds of the TIF grants in an important way: it included a main competition and an evaluation competition.³ Applicants had to apply for one or the other. By holding two separate competitions, ED created a sample of grantees that, by virtue of having applied for an evaluation grant, had indicated their interest and willingness to participate in an evaluation to measure the impact of pay-for-performance bonuses on educators' and students' outcomes.

Applicants for evaluation grants had to meet the same requirements for the performance-based compensation system as non-evaluation grantees and some additional requirements. One important requirement was that evaluation grant applicants had to agree to participate in an impact evaluation of their TIF grants. They had to allow schools within a district to be randomly assigned to implement either all four required components of the performance-based compensation system, including pay-for-performance bonuses (the treatment group), or all components of the performance-based compensation system *except* pay-for-performance bonuses (the control group). Evaluation grantees also had to include at least eight elementary or middle schools in the evaluation and cooperate with additional data collection such as surveys of teachers and principals.

Another key difference between the main and evaluation grant requirements is that applicants for the evaluation grants received more specific guidance about the structure of their pay-for-performance bonuses. They received examples of pay-for-performance bonuses that were substantial (with an average payout worth 5 percent of the average educator's salary), differentiated (at least some educators could expect to receive a payout worth three times the average payout), and challenging to earn (only those who perform significantly better than average would receive bonuses). Although applicants for evaluation grants had discretion over the proposed structure of the pay-for-performance bonus, these examples provided additional guidance to applicants and could have influenced the design of their performance-based compensation systems.

³ The American Recovery and Reinvestment Act partially funded the 2010 TIF grants and also mandated a national evaluation of TIF.

The TIF Study

The purpose of this multiyear study is to describe the program characteristics and implementation experiences of all 2010 TIF grantees and estimate the impact of pay-for-performance bonuses within a well-implemented performance-based compensation system for evaluation grantees. Because educators' understanding of and responses to this policy can change over time, this study plans to follow the grantees for the duration of the five-year grants.

The study will address five research questions:

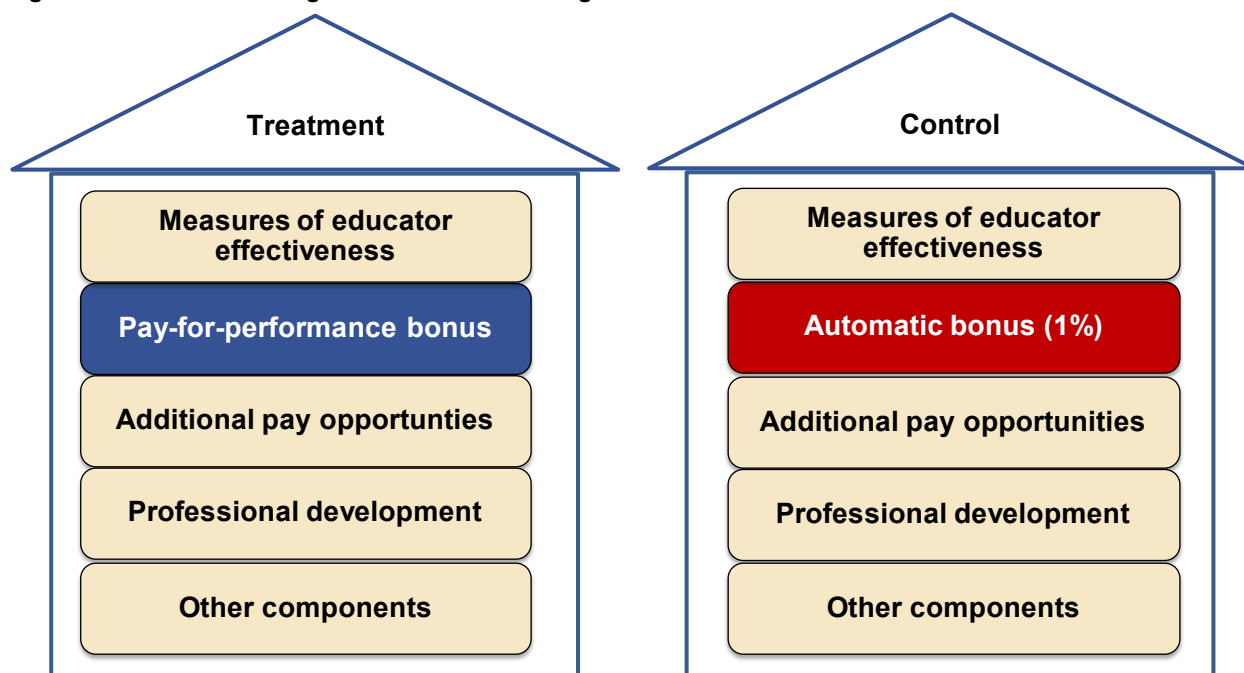
1. What are the characteristics of all TIF grantee districts and their performance-based compensation systems? What implementation experiences and challenges did TIF districts encounter?
2. How do teachers and principals in schools that did or did not offer pay-for-performance bonuses compare on key dimensions, including their understanding of TIF program features, exposure to TIF-funded activities, allocation of time, and attitudes toward teaching and the TIF program?
3. What is the impact of pay-for-performance bonuses on students' achievement on state assessments of math and reading?
4. How do pay-for-performance bonuses affect educator mobility, including whether mobility differs by educator effectiveness?
5. What performance-based compensation system features are associated with student achievement or educator mobility?

This study includes information on implementation of TIF for all 2010 grantees (question 1) and more in-depth implementation and impact information from a subset of 12 districts selected through the evaluation competition (questions 2 through 5). In this first report, the study team focuses on early implementation of the TIF grants (questions 1 and 2), specifically, the features of districts' performance-based compensation systems, the structure of the pay-for-performance bonuses, and educators' understanding of their districts' programs. In addition, for evaluation grantees, the study team examines the impact of pay-for-performance bonuses on intermediate outcomes related to educators' attitudes, productivity, recruitment, and retention near the end of the first year of implementation.

Study Design

In addition to an implementation analysis conducted for all 2010 TIF grantees, the study uses an experimental study design for districts that received TIF funding through evaluation grants. As shown in Figure ES.1, schools within the 12 evaluation districts were assigned randomly—that is, completely by chance—to treatment and control groups. Treatment and control schools were expected to implement the same required components of the district's performance-based compensation system, except for the pay-for-performance bonus component. As a result, the study will measure the impact of pay-for-performance bonuses that are implemented within the context of broader performance-based compensation systems. The study is not designed to measure the impact of implementing a TIF grant or the multiple components of a performance-based compensation system.

Figure ES.1. Random Assignment Evaluation Design



Teachers and principals in treatment schools were eligible to earn a pay-for-performance bonus; teachers and principals in control schools were eligible to receive an automatic bonus worth approximately 1 percent of their salary. The TIF grant notice required the 1 percent bonus in control schools. The 1 percent bonus ensured that all educators in evaluation schools received some benefit from participating in the study, either a pay-for-performance bonus or the automatic bonus. Therefore, the impact of pay-for-performance estimated in this study is based on two potential effects (i) bonuses in treatment school were differentiated based on educator performance, and (ii) bonuses in treatment schools were a little larger on average, than in control schools. The random assignment process created two groups that, on average, were initially similar in terms of student achievement, school type, enrollment, school location, student race and ethnicity, and student socioeconomic status. This study design ensures that inferences about the effect of pay-for-performance bonuses are based solely on the offer of the bonuses and not on other characteristics of districts, schools, or educators.

Data Sources

Data for this report came from multiple sources. The sources enabled us to examine implementation broadly in all TIF districts and to report on more detailed aspects of implementation in the evaluation districts, including the experiences of principals and teachers. Some of the evaluation grantee analyses in the report are limited to 10 of the evaluation districts because 2 of the evaluation districts were not prepared to conduct random assignment of schools until the end of the school year in spring 2012. Those 2 districts were not administered principal and teacher surveys in 2012.

Data on district characteristics. To compare characteristics—such as students’ race and ethnicity, students’ eligibility for free and reduced-price lunch, average district enrollment, and geographic information—of all TIF 2010 districts with those of U.S. districts, the study team used information from the Common Core of Data (2009–2010).

Data on TIF implementation in all districts. To describe TIF program features and implementation experiences of TIF districts in general, the study team administered a survey to all TIF district administrators in December 2011.

Additional data on TIF implementation in 10 evaluation districts. The study team supplemented data obtained from the district surveys with information obtained through telephone interviews and technical assistance documents to describe in more detail TIF programs and implementation experiences in evaluation districts. The team conducted telephone interviews with staff in evaluation districts (such as the TIF program manager or director) in summer 2012. Technical assistance documents included needs assessments conducted in fall 2010 and spring 2011, and communication materials used by districts and grantees during the 2010–2011 planning year.

Data on teachers' and principals' attitudes and behaviors in 10 evaluation districts. The study team used teachers' and principals' survey responses to examine their understanding of the TIF program in their districts and to estimate the impact of pay-for-performance bonuses on their attitudes and behaviors. These surveys were administered to all principals in the evaluation schools and a sample of teachers in treatment and control schools in spring 2012. The teacher sample included all 1st- and 4th-grade teachers, and 7th-grade math, English language arts, and science teachers.

Methods

The study team's analysis of the broad implementation of TIF for 2010 grantees relies on responses to the district survey. By calculating means or percentages, as appropriate, and giving equal weight to each district, we describe implementation of TIF in all districts and compare the experiences of evaluation districts with those of non-evaluation districts. To assess the alignment between educators' understanding of the program and reports from evaluation districts, we compared mean responses for each of the three groups of survey respondents—districts, principals, and teachers.

To estimate the impact of the pay-for-performance component of TIF on educators' attitudes and behaviors in evaluation districts, we compared survey responses of educators in treatment and control schools. We also conducted analyses separately by subgroups (such as how districts measured educators' performance, the maximum value of their pay-for-performance bonuses, and teaching assignments) to assess how impacts on educators' behaviors differed by program characteristics.

Study Sample and Characteristics of TIF Districts

Study sample. The final study sample for this report consisted of 153 TIF 2010 grantee districts, composed of 141 non-evaluation districts and 12 evaluation districts. For 10 evaluation districts, we also provide information about the experiences, behaviors, and attitudes of educators. The evaluation districts include 137 study schools in which all principals and a sample of 826 teachers were administered surveys.

Characteristics of TIF districts compared with all U.S. districts. The characteristics of the 2010 TIF districts are important for understanding the local contexts and types of districts interested in implementing the performance-based compensation system required by the TIF grant. Compared with all U.S. districts, TIF districts were significantly larger, were more likely to be located in urban

areas, had a higher proportion of disadvantaged and minority students, were more heavily located in the South, and were less likely to be in states with collective bargaining requirements.

Summary of Findings

The analyses presented in this report are based on information collected during the 2011–2012 school year, the first year of TIF implementation for most districts. By this time, districts had designed and communicated their performance-based compensation systems. Educators should have been provided information on the program’s components but they had not yet received (1) information on how they fared on their districts’ performance measures for the 2011–2012 school year or (2) any performance-based bonuses. Thus, the views and experiences of educators are based on only part of the process playing out, that is before receipt of any possible bonuses.

Key Findings About All 2010 TIF Districts and Their Programs

This section describes implementation findings from all 153 TIF districts. These results are based on the district survey administered in spring 2012.

Fewer than half of districts reported implementing all required components of the TIF program.⁴ Although 85 percent of TIF districts reported implementing at least three of the four required components for teachers, 46 percent reported implementing all four required program components for teachers. While most districts only had difficulty implementing one of the four required components, that component varied by district.

Most TIF districts generally met the grant requirements for measuring educator effectiveness. More than 80 percent of TIF districts reported using student achievement growth to evaluate teachers, 95 percent measured teacher effectiveness based on at least two formal classroom observations, 90 percent reported using student achievement growth to evaluate principals, and 75 percent reported using observations to evaluate principals. The approaches TIF districts used to measure student achievement growth varied. Most frequently, TIF districts reported measuring achievement growth for the entire school (76 percent) to evaluate teachers, followed by measuring individual teachers (69 percent) and subgroups of teachers (48 percent). Forty-two percent of TIF districts used growth measures at all three levels to evaluate teachers.

On average, expected pay-for-performance bonuses were 4 percent of the average U.S. educator’s salary, and the expected maximum pay-for-performance bonus was approximately double the average bonus. Districts also expected to provide some bonus to more than 90 percent of teachers and principals. The average TIF district expected to pay an average pay-for-performance bonus of \$2,462 to teachers in grades and subjects subject to annual accountability testing and a maximum bonus of \$5,355. Districts expected to award an average principal bonus of \$3,888 and a maximum bonus of \$6,282. The average TIF district expected that 93 percent of teachers in tested grades and subjects and 95 percent of principals would earn bonuses.

⁴ The TIF application notice also required grantees to collect and evaluate additional forms of evidence to measure educator effectiveness as part of the core elements to support program implementation. We do not include it here because it was not one of the four prioritized program components. However, in Chapter III we describe the types of additional evidence used by grantees.

Most TIF districts offered teachers additional pay opportunities, but fewer offered such opportunities to principals. Most TIF districts (87 percent) reported offering teachers additional pay opportunities, particularly for serving as mentor teachers (66 percent) or master or lead teachers (55 percent). Master and mentor teachers were offered the largest incentives—an average maximum of \$7,145 for master or lead teachers and \$3,735 for mentor teachers. Only 15 percent of TIF districts reported offering principals incentives to take on additional responsibilities.

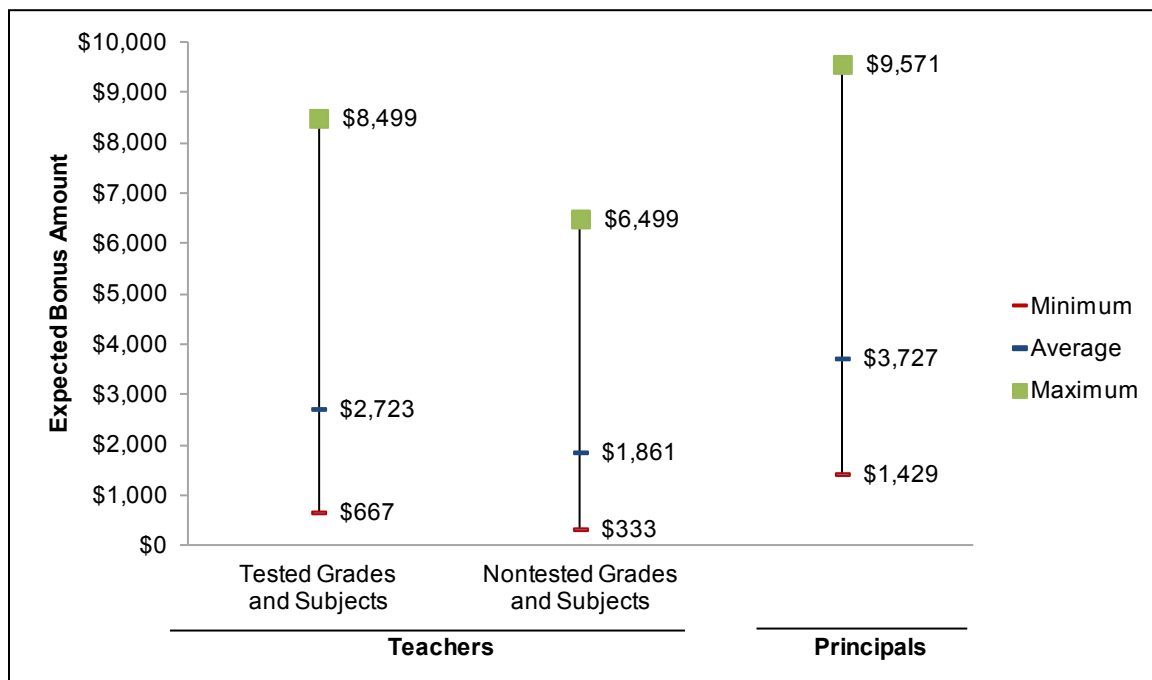
Key Implementation Findings for Evaluation Districts

This section describes implementation findings primarily for 10 of the 12 evaluation districts. The first two findings are based on all 12 evaluation districts; the remaining findings exclude the 2 districts that were not prepared for random assignment until the end of the 2011–2012 school year. In addition to the district survey, these results are based on data collected from technical assistance documents, interviews with district staff, and surveys of teachers and principals.

About three-quarters of the evaluation districts implemented all of the required components of TIF for teachers. All the evaluation districts reported using at least two formal classroom observations and student achievement growth to measure teachers' effectiveness, and offering pay-for-performance bonuses and additional pay opportunities. Fewer evaluation districts implemented the component that required observations of principals—one-quarter did not conduct observations of principals using trained observers.

Consistent with the TIF grant goals, evaluation districts expected pay-for-performance bonuses to be substantial and differentiated. However, the districts expected most educators would receive a bonus, suggesting that the award criteria were not consistent with TIF guidance for challenging pay-for-performance bonuses. Evaluation districts expected average pay-for-performance bonuses to be 4.8 percent of the average U.S. teacher's salary, very close to the 5 percent provided as an example in the TIF grant notice. However, average bonuses for principals were expected to be 4.0 percent of the average U.S. principal's salary, lower than the 5 percent example in the grant notice. Evaluation districts expected their bonuses to be differentiated, with the maximum bonuses offered for teachers and principals 3.1 and 2.6 times greater than the average, respectively. Evaluation districts expected that more than 75 percent of educators would receive some type of bonus, suggesting that the bonuses were not consistent with guidance in the TIF evaluation competition notice to offer payments only to those who perform significantly better than average. In Figure ES.2, we show the maximum, average, and minimum pay-for-performance bonuses that evaluation districts expected for teachers and principals.

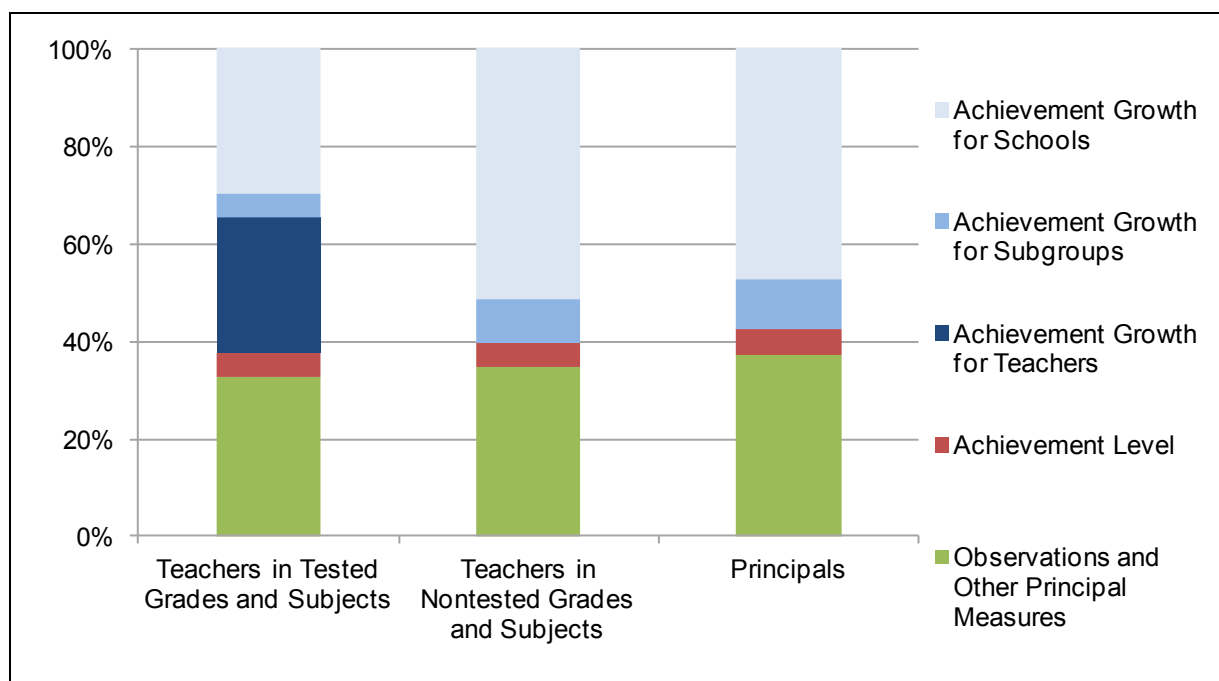
Figure ES.2. Expected Pay-for-Performance Bonuses for Teachers and Principals in Evaluation Districts, Averages Across Districts



Source: District survey administered to evaluation districts.

Note: Based on survey questions about the expected distribution of TIF-funded pay-for-performance bonuses, given 10 categories of bonus amounts ranging from \$0 to \$15,000 or more. Although surveys were administered to all evaluation districts, only six of 12 were able to answer questions about the expected range of pay-for-performance bonuses for teachers and principals.

Evaluation districts offered separate bonuses for different types of performance measures. **Teacher bonuses for performance based on student achievement growth were larger than bonuses for performance based on classroom observations.** Eight of the 10 evaluation districts offered a separate bonus for each type of achievement growth measure (for example, one bonus for student achievement growth for the whole school and one for student achievement growth in a teacher’s classroom) and a separate bonus based on classroom observations of teachers. The two remaining districts used a classroom observation measure to determine teachers’ eligibility for a bonus based on achievement growth. On average, bonuses based on achievement growth comprised more than half of the expected total bonuses for teachers (62 percent) and principals (55 percent). In Figure ES.3, we show the relative weight of each type of performance measure for evaluation districts.

Figure ES.3. Relative Weight of Each Type of Performance Measure Used for Pay-for-Performance Bonuses in TIF Evaluation Districts

Source: Technical assistance documents.

Note: Ten evaluation districts. Because some evaluation districts combined a principal observation measure with other measures, such as surveys of teachers and parents, we combine these measures into one category for principals.

In evaluation districts, educators' reported awareness of evaluation measures often differed from districts' reports; principals' reports were more consistent with districts' reports. About two-thirds (68 percent) of teachers reported being evaluated on student achievement growth measures, 78 percent of teachers reported being evaluated through formal observations, and 89 percent of principals reported being evaluated on the basis of student achievement growth for their entire school (Table ES.1). In contrast, all of the evaluation districts reported using these measures to evaluate teachers and principals in TIF schools.

Teachers and principals in treatment schools reported lower rates of eligibility for pay-for-performance bonuses and lower expected pay-for-performance bonuses than districts reported. Figure ES.4 shows the maximum pay-for-performance bonuses expected by teachers and principals, and the maximum pay-for-performance bonuses districts reported they expected to award to teachers and principals. Although all teachers and principals in treatment schools were eligible for pay-for-performance bonuses, fewer than half (48 percent) of the teachers and 55 percent of principals in treatment schools thought they were eligible. On average, teachers in treatment schools perceived that the maximum pay-for-performance bonus was about \$2,800—less than a third of the maximum amount evaluation districts expected to offer teachers. Even among teachers in treatment schools who thought that they were eligible for pay-for-performance bonuses, the teachers believed that the maximum amount was about \$5,800. On average, principals in treatment schools thought that they could earn up to about \$4,700 in pay-for-performance bonuses—less than half the amount evaluation districts expected to award to treatment principals.

Table ES.1. Performance Measures Used to Evaluate Teachers and Principals, as Reported by Educators and District Representatives

	Percentage of Respondents Reporting the Measure Was Used		
	Teacher Report	Principal Report	District Report
Teacher Performance Measures			
Student achievement growth	68.0*+	56.3*	100.0
Classroom observations	78.1*+	97.5	100.0
Sample Size—Range^a	809–811	133–134	10
Principal Performance Measure			
Student achievement growth for the school	n.a.	88.7*	100.0
Sample Size	n.a.	127	10

Sources: Teacher, principal, and district surveys.

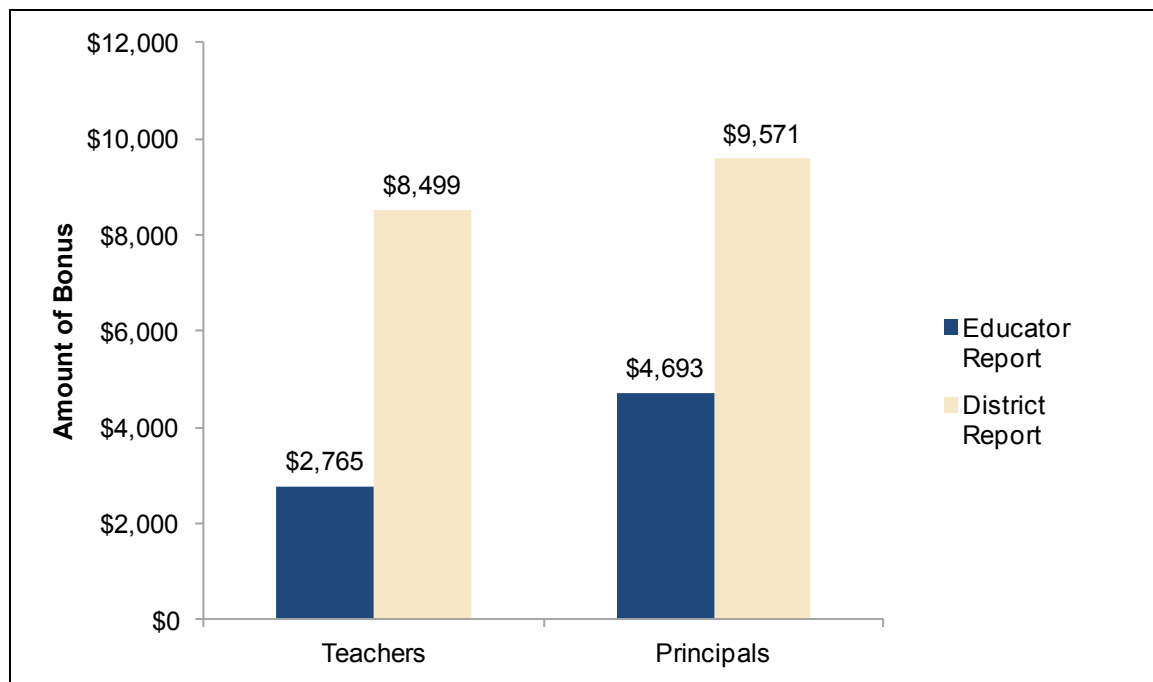
^aSample sizes are presented as a range based on the data available for each row in the table.

*Difference from the district report is statistically significant at the 0.05 level, two-tailed test.

+Difference between teacher and principal reports is statistically significant at the 0.05 level, two-tailed test.

n.a. = not applicable.

Figure ES.4. Maximum Possible Size of Pay-for-Performance Bonuses for Treatment Teachers and Principals, as Reported by Respective Educators and Districts



Sources: Teacher, principal, and district surveys.

Note: Figures indicate respondents' average report of the maximum possible size of teachers' or principals' pay-for-performance bonuses. A total of 395 treatment teachers and 67 treatment principals responded to this survey question from 10 of the evaluation districts.

Many teachers were also not aware that they could earn additional pay for additional responsibilities. Only 61 percent of teachers reported that they or their colleagues in the same school were eligible to earn additional pay for extra responsibilities, even though all evaluation districts reported offering this type of additional pay.

Key Findings on Impacts of Pay-for-Performance Bonuses on Educators' Attitudes and Beliefs for Evaluation Districts

Finally, we summarize key findings on the impact of pay-for-performance on the attitudes and beliefs of teachers and principals in study schools within the 10 evaluation districts in which teacher and principal surveys were administered in 2012. We asked teachers and principals generally about their satisfaction with evaluation measures, professional opportunities, and school environment, as well as about their attitudes specifically toward TIF.

Most teachers and principals in treatment and control schools reported being satisfied with their professional opportunities, performance measures, and school environment. More than 65 percent of teachers reported being satisfied with how they were evaluated, and about 70 percent of teachers were satisfied with their jobs overall. About 85 percent of principals reported being satisfied with the feedback on their performance.

A lower percentage of teachers in treatment schools than in control schools reported that they were satisfied with performance measures, professional opportunities, school environment, and the TIF program, but a higher percentage were satisfied with their opportunities to earn extra pay. As shown in Table ES.2, teachers in treatment schools were less satisfied than teachers in control schools, on average, with the use of classroom observations as an evaluation measure, their professional opportunities, the quality of interaction with their colleagues, and school morale. Fewer teachers in treatment than control schools believed that TIF was fair and that it increased their job satisfaction. Teachers in treatment schools were also more likely to respond that the TIF program caused them to feel increased pressure to perform. The overall pattern of lower satisfaction among teachers in treatment schools compared with their control school counterparts had one exception: teachers in treatment schools were more satisfied with opportunities to earn extra pay.

A lower percentage of principals in treatment schools than in control schools reported that they were satisfied with school morale and with colleagues' contributions to student learning; yet principals' attitudes toward the TIF program were similar. Principals in treatment schools reported significantly lower satisfaction with school morale than principals in control schools (71 versus 88 percent) and were less likely to be satisfied with colleagues' contributions to student learning (94 versus 100 percent). However, there was no difference in principals' attitudes toward TIF, such as whether TIF contributed to greater teacher collaboration and whether the TIF program had been clearly communicated to them.

Teachers in treatment schools reported spending more time on instruction than teachers in control schools, but not more time overall on other activities during school hours. Teachers in treatment schools reported that they spent 48 minutes more on classroom instruction in the most recent full week of teaching than teachers in control schools. However, the difference in time spent on all activities—including supervising students, preparation time, and professional development—was not statistically significant.

Table ES.2. Teachers' Satisfaction with Performance Measures, Professional Opportunities, School Environment, and TIF Program

	Treatment	Control	Impact
Attitudes Toward Aspects of Teaching	Percentage Who Are Somewhat or Very Satisfied		
Classroom Observations as an Evaluation Measure	68.4	77.0	-8.6*
Opportunities for Professional Advancement	67.8	75.7	-7.8*
Quality of Interaction with Colleagues	73.6	80.6	-7.0*
School Morale	48.1	54.9	-6.8*
Opportunities to Earn Extra Pay	64.0	58.9	5.1*
Number of Teachers—Range^a	405–408	405–412	
Attitudes Toward TIF Program	Percentage Who Agree or Strongly Agree		
My Job Satisfaction Has Increased Due to the TIF Program	27.1	32.0	-4.9*
The TIF Program Is Fair	53.0	57.6	-4.6*
I Feel Increased Pressure to Perform Due to the TIF Program	62.9	54.1	8.7*
Number of Teachers—Range^a	399–403	394–403	

Source: Teacher survey.

^aSample sizes are presented as a range based on the data available for each row in the table.

*Impact is statistically significant at the .05 level, two-tailed test.

Principals in treatment schools reported that TIF changed the way they recruited teachers to their schools, but not how they assigned staff within schools. Although principals in treatment and control schools tended to emphasize similar points to recruit teachers, more treatment than control school principals (1) used pay-for-performance bonuses to recruit teachers (26 versus 17 percent), and (2) used the TIF program as a recruiting incentive (46 versus 29 percent). For most measures, principals did not indicate they used different criteria to assign teachers to grades and subjects. Principals in treatment schools were significantly less likely (by about 10 percentage points) than those in control schools to report using a teacher's ability to raise test scores in their staffing decisions.

A small percentage of teachers or principals overall reported that TIF influenced their career choices, but teachers in treatment schools were more likely to report that TIF influenced their choice of where to teach. Fewer than 6 percent of teachers and 14 percent of principals reported that TIF affected their choice of schools. However, more treatment than control school teachers reported that TIF affected where or what they taught (5.5 versus 3.6 percent). Treatment school principals were even more likely than control school principals to report that they stayed at their current school because of TIF (10 versus 3 percent).

Looking Forward

This study was designed to provide implementation information for the 2010 TIF grantees. For the subset of grantees that received evaluation grants, the evaluation examines the impact of pay-for-performance bonuses as part of a comprehensive reform system within a large, multisite random assignment study design. Targeted technical assistance supported program implementation in the 12 evaluation districts to help ensure the proper implementation of their performance-based compensation systems.

Because educators' understanding of and responses to this policy may change over time, this study plans to follow the districts throughout the five-year grants. In addition to examining any changes in the findings presented here, future reports will examine the impact of the pay-for-performance component on student achievement and educator mobility after one or more years of TIF implementation.

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