

**NATIONAL CENTER ON  
PERFORMANCE INCENTIVES**

Policy Evaluation Report  
August 31, 2009

**Governor's Educator Excellence Grant (GEEG) Program:  
Year Three Evaluation Report**

Texas Education Agency  
William Travis Building  
1701 North Congress Avenue  
Austin, Texas 78701

Led By:

Vanderbilt  
Peabody College

In Cooperation With:

RAND  
Corporation

Mizzou  
University of Missouri-Columbia

# NATIONAL CENTER ON Performance Incentives

The National Center on Performance Incentives (NCPI) is charged by the federal government with exercising leadership on performance incentives in education. Established in 2006 through a major research and development grant from the United States Department of Education's Institute of Education Sciences (IES), NCPI conducts scientific, comprehensive, and independent studies on the individual and institutional effects of performance incentives in education. A signature activity of the center is the conduct of two randomized field trials offering student achievement-related bonuses to teachers. The Center is committed to fair and rigorous research in an effort to provide the field of education with reliable knowledge to guide policy and practice.

The Center is housed in the Learning Sciences Institute on the campus of Vanderbilt University's Peabody College. The Center's management under the Learning Sciences Institute, along with the National Center on School Choice, makes Vanderbilt the only higher education institution to house two federal research and development centers supported by the Institute of Education Sciences.

This policy evaluation report was prepared by the National Center on Performance Incentives under contract with the Texas Education Agency. We would also like to thank Bonnie Ghosh-Dastidar (NCPI), Dean Crader (University of Missouri-Columbia), and Radoslav Marinov (University of Missouri-Columbia) for the contributions to this research report as well. The views in this report do not necessarily reflect those of sponsoring agencies or individuals acknowledged.

Please visit [www.performanceincentives.org](http://www.performanceincentives.org) to learn more about our program of research and recent publications.

NATIONAL CENTER ON  
Performance Incentives

**Governors' Educator Excellence Grant (GEEG) Program:  
Year Three Evaluation Report**

**Matthew G. Springer**

*Vanderbilt University's Peabody College  
National Center on Performance Incentives*

**Jessica L. Lewis**

*National Center on Performance Incentives*

**Michael J. Podgursky**

*University of Missouri-Columbia*

**Mark W. Ehlert**

*University of Missouri-Columbia*

**Lori L. Taylor**

*Texas A&M University*

**Omar S. Lopez**

*Corporation for Public School Education K16*

**Art (Xiao) Peng**

*National Center on Performance Incentives*

---

**National Center on Performance Incentives  
Vanderbilt University Peabody College  
Peabody #43 • 230 Appleton Place  
Nashville, Tennessee 37203**

---

---

*Contributing Authors*

---

Matthew G. Springer  
Jessica L. Lewis  
Michael J. Podgursky  
Mark W. Ehlert  
Lori L. Taylor  
Omar S. Lopez  
Art (Xiao) Peng

*Prepared for*

Texas Education Agency  
1701 North Congress Avenue  
Austin, Texas 78701-1494  
Phone: 512-463-9734

---

*Contributors*

---

National Center on Performance Incentives  
Vanderbilt University's Peabody College  
Corporation for Public School Education K16  
Texas A&M University  
University of Missouri-Columbia

*Research Funded by*

Texas Education Agency

---

**COPYRIGHT NOTICE**

---

**Copyright © Notice** The materials are copyrighted © and trademarked ™ as the property of the Texas Education Agency (TEA) and may not be reproduced without the express written permission of TEA, except under the following conditions:

- 1) Texas public school districts, charter schools and Education Service Centers may reproduce and use copies of the materials and related materials for the districts' and schools' educational use without obtaining permission from TEA.
- 2) Residents of the state of Texas may reproduce and use copies of the materials and related materials for individual personal use only without obtaining written permission from TEA.
- 3) Any portion reproduced must be reproduced in its entirety and remain unedited, unaltered and unchanged in any way.
- 4) No monetary charge can be made for the reproduced materials or any document containing them; however, a reasonable charge to cover only the cost of reproduction and distribution may be charged.

Private entities or persons located in Texas that are **not** Texas public school districts, Texas Education Service Centers, or Texas charter schools or an entity, whether public or private, educational or non-educational, located **outside the state of Texas** *MUST* obtain written approval from TEA and will be required to enter into a license agreement that may involve the payment of a licensing fee or a royalty.

For information contact: Office of Copyrights, Trademarks, License Agreements, and Royalties, Texas Education Agency, 1701 N. Congress Ave., Austin, TX 78701-1494; phone 512-463-9270 or 512-936-6060; email: [copyright@tea.state.tx.us](mailto:copyright@tea.state.tx.us).

## EXECUTIVE SUMMARY

The Governor's Educator Excellence Grant (GEEG) program was federally- and state-funded and provided three-year grants to schools to design and implement performance pay plans from the 2005-06 to 2007-08 school years. GEEG was implemented in 99 high poverty, high performing Texas public schools.

Performance pay for teachers entered Texas state policy deliberations during the 1980s, a decade marked as one of the most active periods of school reform in Texas. As early as the Texas Teacher Career Ladder program in 1984, policy makers attempted to reform the single-salary schedule and introduce performance pay for educators. Several lessons emerged from those first generation programs and played a significant role in the design and implementation of contemporary performance pay programs in Texas, such as GEEG. Specific lessons include the importance of (1) adequate, sustainable funding; (2) teacher involvement in program design; (3) rewarding educators for their contribution to student performance and professional collaboration; and (4) conducting independent, comprehensive program evaluations.

This report builds on the previous GEEG evaluation reports<sup>1</sup>, presenting findings from a three-year evaluation of the program. Overall, the report discusses the implementation experiences of GEEG program participants, paying close attention to the manner in which participating schools designed their performance pay plans, and program outcomes. An overview of key evaluation findings is presented below.

### **Design of GEEG Performance Pay Plans**

- GEEG plans relied heavily on measures of student achievement – especially performance levels and results from state standardized assessments – along with teacher collaboration to determine teachers' eligibility for bonus awards.
- Teachers' eligibility for bonus awards was typically determined by an individual teacher's performance. School-level performance was also frequently used.
- The distribution of GEEG bonus awards varied noticeably among schools, but most proposed bonus award models that did not align with minimum and maximum dollar amounts recommended in state guidelines. State guidelines advise that Part 1 bonus awards be no less than \$3,000. Most GEEG schools (79.9%) proposed a *minimum* award less than \$3,000, and almost half of all GEEG schools (46.3%) proposed a *maximum* award of less than \$3,000.

---

<sup>1</sup> See the following reports for previous evaluation findings: *Governor's Educator Excellence Grant (GEEG) Program Year One Interim Report: Campus Plans and Teacher Experiences* (2007); *Governor's Educator Excellence Grant (GEEG) Program: Year One Evaluation Report* (2007); *Governor's Educator Excellence Grant (GEEG) Program: Year Two Evaluation Report* (2009). All reports can be located at <http://ritter.tea.state.tx.us/opge/progeval/TeacherIncentive/index.html#gceeg/>.

- The probability of receiving a GEEG bonus award and the actual amount received is especially related to a teacher's subject-area assignment and whether or not a teacher was new to the school. Differences in a teacher's overall years of experience and educational attainment did not explain differences in the bonus awards received by individuals.

### **GEEG Implementation Experiences and Challenges**

- A strong share of GEEG principals reported that schools could have improved implementation of their performance pay plans if given clearer program guidelines, assistance in developing teacher performance measures, and administrative support developing and monitoring GEEG plans.
- However, GEEG principals had overall positive perceptions of the program's impact on their schools. The majority disagreed with statements about potential negative ramifications for their schools (e.g., increased resentment among teachers), while most agreed with positive statements (e.g., increasing student learning, improving teaching practices).

### **Educator Attitudes, Instructional Practice, and School Environment in GEEG Schools**

- Most personnel in GEEG schools supported the principle of performance pay and there was no decline in that support during the three years of GEEG's operation.
- Personnel did not believe GEEG undermined collaboration or workplace collegiality. In fact, the majority of respondents viewed their colleagues, principals, and overall work environment positively. Both recipients and non-recipients of bonus awards, as well as new and veteran teachers, held these positive views.
- While personnel reported that the GEEG performance criteria motivated them to earn awards, most stated that their schools' plans did not affect their instructional practices. Somewhat contradictory, a notable percentage of GEEG educators did report increased use of targeted instructional planning and delivery practices; there was also a slight increase in reports of increased use of student assessment results.

### **Impact of GEEG on Teacher Turnover**

- Following the first year of the GEEG program, teacher turnover was consistently lower in GEEG schools than in non-GEEG schools, but there is little evidence of this difference persisting into subsequent program years.
- The receipt and size of actual bonus awards had a strong impact on teacher turnover in GEEG schools, with the probability of turnover falling as the size of the bonus award increased. And, when plans were designed to reward all teachers equally, failure to receive an actual award was an especially strong predictor of teacher turnover.

- During all three years of GEEG, schools relying exclusively on student achievement levels to measure teachers' contribution to student success had significantly lower turnover rates than did schools using solely measures of student performance gains. The degree to which GEEG plans were more or less individualistic did impact turnover rates, but inconsistently so over the three program years.

### **GEEG and Student Achievement Gains**

- The evidence regarding GEEG program impacts on student achievement is inconclusive. Depending on the specification, the analysis indicates that GEEG had a weakly positive, negative or negligible effect on student achievement gains. The instability in the estimates may be related to common measurement problems associated with standardized tests or the statistical methods used to control for selection bias.
- There is no evidence of a significant association between student achievement gains and plan design features proposed by GEEG schools. However, the small number of GEEG schools adopting any given plan design necessarily makes these estimates imprecise, and could be masking significant effects.
- Intermediate outcomes such as educator attitudes, instructional practice, and school environment may offer more appropriate measures for evaluating the GEEG program. Teacher turnover provides another important outcome for understanding GEEG's impact in schools.

These findings suggest that school and personnel characteristics and GEEG plan design features influenced many of the outcomes of interest for evaluating the GEEG program. The attitudes and behaviors of school personnel, school environment, and teacher turnover were certainly affected by these factors. However, there is limited evidence that GEEG had an effect on student achievement gains, and no evidence that GEEG plan design features influenced student achievement gains. Examination of GEEG's impact on student achievement is limited by the criteria for selecting schools into the program, other state-funded performance pay programs operating concurrently with GEEG, and the likely volatility of student performance measures available to measure student performance outcomes.

While funding for the GEEG program comes to an end, these findings are still relevant for key decision-makers in Texas. As other state-funded performance pay plans continue, policy makers and practitioners are advised to pay close attention to the manner in which schools are selected into performance pay programs and the design of their performance pay plans, particularly how they determine teachers' eligibility for bonus awards and the size of those awards. Additionally, the state's continued commitment to performance pay programs – under the umbrella of the District Awards for Teacher Excellence (D.A.T.E.) program – allows researchers to refine their understanding of the ways in which locally-designed performance pay plans influence the quality of teaching and student learning within schools; an issue of increasing importance both state-wide and nationally as performance pay continues as a prominent strategy for education reform.

The complete report is located at the following website:

[http://ritter.tea.state.tx.us/opge/progeval/TeacherIncentive/GEEG\\_Y3\\_0809.pdf](http://ritter.tea.state.tx.us/opge/progeval/TeacherIncentive/GEEG_Y3_0809.pdf)

## NCPI Faculty and Research Affiliates

James W. Guthrie

**Executive Director**, *National Center on Performance Incentives*

**Professor of Public Policy and Education**  
*Vanderbilt University's Peabody College*

Matthew G. Springer

**Director**, *National Center on Performance Incentives*  
**Research Assistant Professor of Public Policy and Education**, *Vanderbilt University's Peabody College*

Dale Ballou

**Associate Director**  
*National Center on Performance Incentives*  
**Associate Professor of Public Policy and Education**, *Vanderbilt University's Peabody College*

Leonard Bradley

**Lecturer in Public Policy**  
*Vanderbilt University's Peabody College*

Timothy C. Caboni

**Assistant Dean for External Relations**  
*Vanderbilt University's Peabody College*

Mark Ehlert

**Research Analyst**  
*University of Missouri-Columbia*

Timothy J. Gronberg

**Professor of Economics**  
*Texas A&M University*

Laura Hamilton

**Senior Behavioral Scientist**  
*RAND Corporation*

Janet S. Hansen

**Vice President & Director, Education Studies**  
*Committee for Economic Development*

Brian A. Jacob

**Walter H. Annenberg Professor of Education Policy**  
*University of Michigan*

Dennis W. Jansen

**Professor of Economics**  
*Texas A&M University*

Cory Koedel

**Assistant Professor of Economics**  
*University of Missouri-Columbia*

Vi-Nhuan Le

**Behavioral Scientist**  
*RAND Corporation*

Jessica L. Lewis

**Research Associate**  
*National Center on Performance Incentives*

J.R. Lockwood

**Statistician**  
*RAND Corporation*

Daniel F. McCaffrey

**Head of Statistics, Senior Statistician**  
*RAND Corporation*

Patrick McEwan

**Assistant Professor of Economics**  
*Wellesley College*

Shawn Ni

**Professor of Economics**  
*University of Missouri-Columbia*

Michael J. Podgursky

**Professor of Economics**  
*University of Missouri-Columbia*

Brian M. Stecher

**Senior Social Scientist**  
*RAND Corporation*

Lori L. Taylor

**Assistant Professor**  
*Texas A&M University*

**NATIONAL CENTER ON  
PERFORMANCE INCENTIVES**

Examining Performance Incentives in Education

National Center on Performance Incentives  
Vanderbilt University Peabody College  
Peabody #43, 230 Appleton Place  
Nashville, Tennessee 37203

(615) 322-5538

[www.performanceincentives.org](http://www.performanceincentives.org)