

# InFOCUS

## Transfer Incentives for High-Performing Teachers

\$20,000 incentive for high-performing teachers to move to low-performing elementary schools helped raise math and reading tests scores

**4 to 10**

percentile points

Many education policy experts have raised concerns that disadvantaged students, who are often concentrated in low-performing schools, do not have the same access to highly effective teachers as other students. To address this issue, the U.S. Department of Education, Institute of Education Sciences (IES) sponsored an evaluation conducted by Mathematica Policy Research of an intervention known to study participants as the Talent Transfer Initiative (TTI).

### ABOUT THE INTERVENTION

TTI offered a financial incentive to the teachers with the highest scores year after year on value-added measures (estimates of their ability to raise test scores, after accounting for differences between students) if they would transfer to a lower-achieving school in the same district and remain there for at least two years.

### KEY FINDINGS

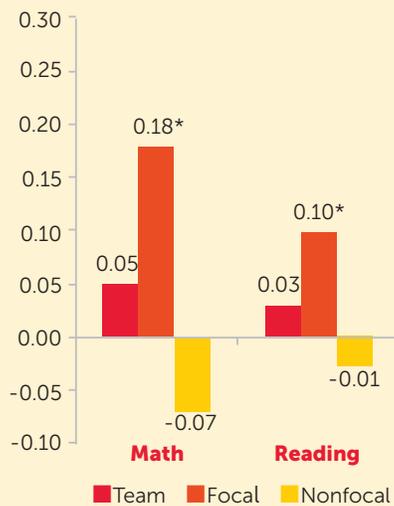
Evaluation of the TTI intervention revealed that a \$20,000 incentive for high-performing teachers to move to low-performing schools has helped raise the math and reading test scores of elementary students by 4 to 10 percentile points. Although there was no evidence of impacts in middle schools, the combined impact on elementary and middle school grade teams was positive and significant for reading by the second year after the transfer. In comparison to reducing class size (a policy designed to achieve similar impacts), the cost of producing these gains through TTI were estimated to be \$7,000 cheaper for each team than it would have been to reduce class size by adding enough teachers to produce a similar effect. In elementary schools, TTI was \$13,000 cheaper than the class-size reduction benchmark.

**About 22% of the selected teachers applied for the transfer, and 5% (81 teachers) ultimately transferred.** These teachers filled 88% of the targeted teaching vacancies in low-performing schools.

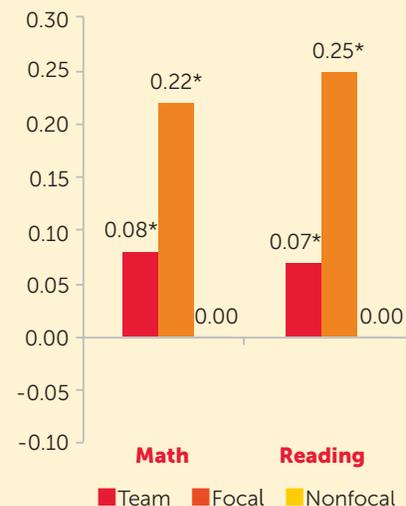
**TTI increased test scores in elementary schools, but not in middle schools.** In classrooms targeted by TTI, impacts on elementary math and reading scores ranged from 10 to 25 percent of a standard deviation, depending on the subject and year. This is equivalent to increases of 4 to 10 percentile points. Impacts on the grade team as a whole were positive in the second year, equal to 8 and 7 percent of a standard deviation in math and reading, respectively—or about 3 percentile points. Although there was no evidence of impacts in middle schools, the combined impact on elementary and middle school grade teams was positive and significant for reading by the second year after the transfer. Researchers also found that different outcomes in elementary versus middle schools could in part reflect differences between districts, which varied considerably in terms of impacts and where they offered TTI (elementary or middle schools).

The largest impacts were in elementary schools, where the cost savings could be as large as \$13,000 per grade at a given school.

### Test-Score Impacts in Elementary Schools (Year 1)



### Test-Score Impacts in Elementary Schools (Year 2)



Source: District administrative data.

Note: A team consists of all classroom teachers in the grade and subject for a school. Focal teachers are those who filled study vacancies. Nonfocal teachers are the rest of the teachers on the team.

\*Statistically significant at the 0.05 level, two-tailed test.

**Most TTI teachers stayed on the job even after payments ended.** TTI had a positive impact on teacher-retention rates during the first two years, while transfer teachers were receiving bonus payments. Ninety-three percent of TTI teachers remained in their positions during that period, versus 70% of traditionally hired teachers. Moreover, most (60%) of the teachers in the TTI group also continued to teach in the low-performing schools in their third year, after the payments ended.

**Compared with similar interventions, TTI was more cost-effective.** The largest impacts were in elementary schools, where the cost savings could be as large as \$13,000 per grade at a given school, compared with other interventions that can be equally effective in raising test scores, such as reducing class size. Including middle schools, where achievement impacts were not significant, and assuming that the total impacts persist into a third year, the cost savings exceeded \$40,000 per grade.

## ABOUT THE STUDY

Sponsored by IES, this multisite randomized experiment was used to study the TTI intervention in 10 large, economically diverse school districts across seven states. The districts identified schools with the lowest test scores and singled out grade-subject teams with teaching vacancies. The researchers randomly assigned each team to either a treatment group, where the principals could interview and hire a TTI-transfer candidate eligible for \$20,000, or to a control group, where the school principals filled the vacancies however they normally would. Researchers then followed the students and teachers in both the treatment and control groups for two years and compared their outcomes.

To view the full report, Transfer Incentives for High-Performing Teachers: Final Results from a Multisite Randomized Experiment, please visit Mathematica's website [www.mathematica-mpr.com](http://www.mathematica-mpr.com) or the U.S. Department of Education Institute of Education Sciences website: <http://ies.ed.gov/>