

NATIONAL CENTER ON
Performance Incentives

Texas Educator Excellence Grant (TEEG) Program: Year Two Evaluation Report

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EXECUTIVE SUMMARY

The history of performance pay programs and policies in Texas provides a backdrop to the state's Texas Educator Excellence Grant (TEEG) program and the Districts Awards for Teacher Excellence (DATE) program. The TEEG and DATE programs are state-funded and provide grants to schools and districts to implement locally-designed performance pay plans. Starting in the 2006-07 school year, the TEEG program operates annually in more than 1,000 schools, while 203 districts implemented district-wide performance pay plans using DATE funds in the 2008-09 school year.

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, policymakers attempted to reform the single-salary schedule and introduce performance pay for educators. Several lessons emerge from these first generation programs and play a significant role in the design and implementation of TEEG and DATE. Lessons learned include that (1) adequate, sustainable funding is imperative; (2) teacher involvement in program design fosters school personnel buy-in; (3) performance pay should reward educators for their contribution to student achievement outcomes as well as teacher and staff collaboration; and (4) programs will benefit from comprehensive, independent program evaluation.

This report presents findings from the second year of a multi-year evaluation of the TEEG program and preliminary findings about the design and implementation of the DATE program. An overview of key evaluation findings is presented below.

Texas Educator Excellence Grant (TEEG) Program

Second-year findings from the TEEG evaluation include the following:

- TEEG plans rely heavily on measures of student academic performance – especially achievement levels on state standardized assessments – and teacher collaboration to determine teachers' eligibility for bonus awards.
- Most eligible TEEG schools elect to participate in the program. Those that do not typically decline because of certain aspects of TEEG guidelines or other organizational constraints within their schools, but not out of outright opposition to performance pay policy.
- School personnel hold generally positive views about performance pay and the TEEG program. Inexperienced school personnel and bonus award recipients in TEEG schools have more positive attitudes towards performance pay and the TEEG program, as do personnel in charter schools. The attitudes of employees in schools that participated in consecutive years of the TEEG program (as compared to those in only one program year) become more positive over time.
- Teacher turnover in TEEG schools is greatly influenced by the receipt and size of TEEG bonus awards distributed to teachers. Similar to findings in GEEG schools, the probability of turnover increased sharply among teachers receiving no bonus award or a relatively small award, while it greatly decreased among teachers receiving large bonus awards.

- Contrary to findings in GEEG schools, evidence on associations between TEEG plan design features and student achievement gains in math and reading is inconclusive, making it important to further study these relationships when more data are available.
- While personnel in TEEG schools generally do not believe the program directly influences their professional behavior, they do report an overall increase in the use of high-quality instructional practice over time.
- Teachers' eligibility for TEEG bonus awards is more often determined by the performance of individual teachers than by school-wide or team-level performance.
- Similar to Governor's Educator Excellence Grant (GEEG) schools,¹ the actual distribution of bonus awards typically exhibits greater inequality than the proposed distribution of awards in TEEG plans submitted to the Texas Education Agency with their grant application.
- The distribution of first-year (i.e., Cycle 1) bonus awards to teachers varies noticeably among schools. However, more than three-quarters of schools proposed maximum TEEG bonus awards less than the minimum bonus award amount (\$3,000) recommended in state guidelines.
- The determination of schools' annual selection into the TEEG program is marked by volatility, driven largely by the instability of Comparable Improvement rankings and budgetary constraints. Shifts in the percentage of educationally disadvantaged students (%ED) at the school, along with changes in accountability ratings, also contribute to the volatility.
- Cycle 2 non-participating schools were different than Cycle 2 participants. They were more likely to be small schools, provide alternative instructional programs and all-grade configurations, serve a lower share of economically disadvantaged students, have previous negative encounters with other performance pay programs, and be ineligible for other cycles of the TEEG program.

District Awards for Teacher Excellence (DATE) Program

Preliminary findings from the DATE evaluation include the following:

- Most DATE participants received grants of \$200,000 or less and plan to use more than the required 60 percent of funds for teacher bonus awards.
- Over half of DATE participants include all district schools in their performance pay plans rather than targeting funds primarily in high-needs schools.
- On average, DATE districts have more minority students and are less likely to have high accountability ratings compared to other, non-participating districts in Texas.

¹ See *Governor's Educator Excellence Grant (GEEG) Program: Year One Evaluation Report* (August 2007) at http://www.tea.state.tx.us/opge/progeval/TeacherIncentive/GEEG_083107.pdf.

- Future evaluation initiatives will examine implementation of DATE plans in participating districts and the program’s impact on the attitudes and behavior of school personnel, organizational dynamics within districts and schools, teacher turnover, and student achievement gains.

These findings suggest that school and personnel characteristics, schools’ participation patterns in the TEEG program, and design features of schools’ performance pay plans influence program outcomes. The attitudes and behaviors of school personnel and teacher turnover are certainly influenced by these factors. While evidence on any relationship between plan design features and student achievement gains is currently inconclusive, further analysis using additional years of data will continue to examine this matter. Given findings from the GEEG evaluation, discovering an association between performance pay design features and student achievement gains in TEEG schools is foreseeable.

Key decision-makers in Texas are advised to pay close attention to the manner in which schools design their performance pay plans, particularly how they determine teachers’ eligibility for bonus awards and the size of those awards. Decision-makers might also reflect on the manner in which schools are selected into the TEEG program, given the high degree of volatility that marks schools’ program eligibility and implications that has for school personnel motivation over time.

Overall, the TEEG and DATE programs provide unique opportunities to learn about the differential effects performance pay plans have on the attitudes and experiences of school personnel, organizational dynamics within schools, teacher turnover, and student achievement gains. The TEEG program allows policymakers, practitioners, and researchers to learn about the impact of performance pay plans within high-poverty, high-performing schools, while DATE provides similar learning opportunities within a different context (i.e., that of an open-access, district-level program). Future evaluation initiatives will continue to explore how the unique characteristics of these state-funded programs – and the plans designed by their participants – influence the quality of teaching and student learning within Texas public schools.