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*Executive Summary of*

# Race to the Top Performance Incentives in North Carolina

A Summative Report

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# **RACE TO THE TOP PERFORMANCE INCENTIVES IN NORTH CAROLINA: A SUMMATIVE REPORT**

## **Executive Summary**

### ***Purpose of this Report***

North Carolina's Race to the Top (RttT) program includes several initiatives designed to improve educator effectiveness and retain effective educators, all with a goal of improving student performance, particularly in the state's lowest-performing schools. The purpose of this report is to provide a summative assessment of the RttT performance incentive. In its first two years, the incentive was a \$1,500 bonus available to all certified staff in designated schools that met high growth. Beginning in 2012, a \$500 individual-level incentive in addition to the \$1,500 school-wide bonus was made available (and will continue to be available for incentives earned through the 2013-14 school year) to teachers of tested subjects whose classrooms exceed expected growth, regardless of school-wide performance.

### ***Data, Sample, and Methods***

Data from the report come from qualitative interviews and focus groups from seven bonus-eligible schools of various levels (elementary, middle, high) and award statuses (never awarded, awarded once, awarded twice). A total of 67 participants were interviewed in order to understand how teachers and administrators perceive and respond to the program.

### ***Key Findings from the Previous Evaluation Report***<sup>1</sup>

1. Bonus-eligible schools had disproportionately higher percentages of poor and minority students compared to North Carolina schools on average, and there was little difference in these characteristics between bonus-awarded and eligible but non-awarded schools.
2. There was little to no awareness of the performance incentive initiative in the bonus-eligible schools that were interviewed in the spring of 2012. Even among schools that received bonus pay, there was confusion about eligibility in future years.
3. Student performance and growth increased between 2010 (prior to the incentive) and 2012 for both bonus-awarded and bonus-eligible schools. The lack of awareness of the program suggests that the performance incentive had little to do with this improvement.
4. Teachers generally reported that, even if they had known about the performance incentive, it would not have changed their teaching practices, although bonus-awarded teachers appreciated the money after having received it. The perception that a performance incentive would not change their teaching practice was true of teachers and administrators at all school levels (elementary, middle, and high) and of all bonus status types (awarded and non-awarded).

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<sup>1</sup> <http://cerenc.org/wp-content/uploads/2011/10/FINAL-Bonus-Incentive-Program-Report-8-29-13.pdf>

5. Finally, when teachers were asked whether they supported a school-wide or individual bonus structure, 75 percent reported favoring a school-wide bonus and 25 percent reported favoring an individual bonus structure. Those who favored individual incentives tended to work in school environments that were less collaborative than those who favored the school-wide bonuses.

### ***Key Findings from this Final Summative Report***

1. Awareness of the program in general has increased, though after two years of eligibility, there is still some confusion among teachers about eligibility and terms of the program. Confusion appeared to be highest in schools that were saturated with other grants and programs. Awareness was highest in schools with strong communication and relationships with North Carolina Department of Public Instruction Instructional and School Transformation Coaches.
2. Very few teachers and administrators were aware of the additional classroom-level bonus available to tested-area teachers.
3. As before, a majority of teachers (73%) said that the performance incentive did not or would not play any role in their teaching because they claimed already to be working as hard as possible for their students. However, some of these teachers did recognize that performance incentives may play a role in *others'* teaching, which is consistent with the findings of the preliminary report. Approximately 24% of the sample believed that the performance incentive played some minor role, such as “extra motivation,” in either their own or their colleagues’ practice. Approximately 22% of the teachers the team interviewed reported a larger role of the performance incentive in their own or colleagues’ practice, such as extra tutoring or pulling low achievers out of elective classes to focus on tested content.
4. Aside from a few teachers, almost all elementary participants reported the performance incentive to have virtually no tangible impact on either their own or their colleagues’ teaching practice. Middle and high school teachers were more mixed, with just under 60% of teachers reporting that the incentive had affected or would affect teaching in some way at their school (though not always in a positive way).
5. When teachers reported significant improvements to either their own or their colleagues’ practice, they often attributed those changes to learning coaches, professional development and training, and collaboration and teamwork—not to the presence of the incentive.

### ***Implications***

The RttT performance incentive itself likely has had limited impact on teacher improvement and student growth. Despite growing awareness of the program, few teachers and administrators could communicate the details of the program, which suggests that the performance incentive probably was not a primary motivator for most teachers. If performance pay continues to be considered for teachers in North Carolina, careful attention to clear, concise, and consistent communication about the program must be a priority in order for the policy to be effective.

Most of the teachers interviewed believed that a performance incentive had not played or would not play any role in adjusting teaching practices; only about 22 percent (almost all of whom were

high school or middle school teachers) reported incentive-driven changes to classroom teaching practices or to broader school structures with a goal of maximizing students' test scores. In addition, of those who reported changes, not all were *positive* changes. For example, 20 percent of those who changed their practices reported changes like a decrease in their willingness to help their colleagues.

These findings suggest that performance incentives alone may not be the best strategy for increasing the effectiveness of teachers or the quality of schooling for low-performing students and schools. Instead, policy makers may consider directing more resources to recruiting highly-effective administrators and providing learning coaches and training opportunities—strategies that teachers and administrators from this study report as having improved the quality of teaching and learning in their schools.

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