

Teacher Bonuses

This is one of a series of evidence-based strategies to help states and school districts invest Covid relief aid effectively. Read all 18 strategies in FutureEd's [Covid Relief Playbook](#).

While all our nation's children have been impacted by Covid, students in low-income communities have been hit hardest. One way to support to those students and communities is to offer teachers bonuses to work in schools with concentrated poverty, which are often hard to staff.

THE RESEARCH

A 2013 [report](#) sponsored by the U.S. Department of Education's Institute of Education Sciences (IES) studied the impact of providing incentives for high-performing teachers to move to underserved schools. IES implemented the program, known as the Talent Transfer Initiative (TTI), in 10 school districts across seven states. TTI offered the highest performing teachers (as measured by increase in student achievement in their classrooms) \$20,000 over two years if they transferred and committed to teaching in schools with poor test scores.

The study found several promising outcomes. First, the transfer incentives successfully filled 88 percent of vacancies at hard-to staff-schools. Further, the initiative had a positive impact on math and reading test scores in targeted elementary classrooms, though there was not a significant impact on middle school student achievement. Lastly, there was a positive impact on teacher-retention rates during the two-year duration of the bonuses, with a 93 percent retention rate among teachers who were receiving the bonuses, compared to 70 percent among those who were not. However, after the payments stopped, the retention rate of the high-performing teachers fell to the same level as those teachers who had never received bonuses.

A 2006 [study](#) from the Sanford Institute of Public Policy at Duke University examined the impact of teacher bonuses on retention rates in low-performing North Carolina public schools. From 2001 to 2004, the program gave an annual bonus of \$1,800 to certified math, science and special education teachers working in public secondary schools with either high poverty rates or low test scores. The researchers then looked at teacher turnover rates before and after implementing the bonuses and found that the bonus payment reduced mean turnover rates of the targeted teachers by 17 percent.

Similarly, a 2009 [study](#) looked at California's Governor's Teaching Fellowship (GTF) initiative, which offered \$20,000 to academically talented, novice teachers who committed to teaching in a low-performing school for at least four years. Newly licensed teachers applied for the four-year program. They received the grant in full at the onset and had to pay back \$5,000 per year of service not completed. The results of the study indicated that although the GTF incentive increased the probability of the recipients teaching in low-income schools, the four-year retention rates remained the same for both recipients of the incentive and other teachers, suggesting that the \$20,000 bonus did attract teachers to low performing schools but did not have a significant effect on teacher retention. While the study cannot be rated under ESSA's tiers of evidence because it does not measure impact on student outcomes, the intervention was effective for recruiting, but not retaining, teachers.

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WHAT TO CONSIDER

The results of these studies are mixed regarding student achievement, and it is important to note that teachers often leave after the minimum period required for a bonus. Policymakers may want to use teacher bonuses to target high priority but short-term instructional needs in low-income communities, such as additional math and reading specialists during the post-pandemic period. Another concern is that other district schools may suffer if they lose their best teachers to incentive programs. Further, if the teachers receiving extra pay do not make a long-term commitment to their new schools, teacher bonuses can wind up contributing to turnover.

RESEARCH

- [Transfer Incentives for High Performing Teachers: Final Results from a Multisite Randomized Experiment](#): **STRONG FOR POSITIVE IMPACT ON ELEMENTARY SCHOOL READING OUTCOMES**
- [Would Higher Salaries Keep Teachers in High-Poverty Schools? Evidence from a Policy Intervention in North Carolina](#): **MODERATE FOR INCREASING RETENTION FOR MIDDLE AND HIGH SCHOOL MATH, SCIENCE, AND SPECIAL EDUCATION TEACHERS**
- [Do Financial Incentives Help Low-Performing Schools Attract and Keep Academically Talented Teachers? Evidence From California](#)