KiuFunza Teacher Performance Pay

1. What is KiuFunza?

Teacher performance pay is an incentive system that links teacher bonus payments to KKK skills (reading, writing and numeracy) mastered by their students. KiuFunza - short for **Kiu ya Kujifunza** or Thirst to Learn - is a program that has been implementing and testing such systems in Tanzania since 2013.

In these pilots, teachers are paid according to how much their students have learned: the more children in their class master basic skills (according to an independent test), the higher the performance bonus. The performance bonus is paid on top of the normal salary, so there is no risk to existing salaries. The KiuFunza bonus system targets teachers in Standards I, II and III, because these teachers are responsible for KKK and have the largest classrooms.

KiuFunza

Twaweza
ni sisi

KIUFUNZA

KiuFunza = 'Thirst for Learning'

1
Learning Outcomes
Improve

2
Incentivize
Performance

3
Student
Performance

01 | KiuFunza seeks to improve students' learning outcomes in Standards I, II, and III

02 | KiuFunza hypothesizes that the offer of a cash payment to teachers when students pass tests in Kiswahili, maths, (and English in Std III) will incentivize performance improvements

03 | Both teachers and head teachers are paid for each child who passes; incentivizing individual subject teachers and the school leader to focus on student performance

The idea of performance pay is simple. What matters in education *is whether children learn*. What is the underlying cause of teachers' lack of motivation, search for outside jobs and non-attendance? **Motivation**. KiuFunza takes a very powerful motivator (cash) and links it to learning outcomes.

The core intervention design of KiuFunza is simple too: at the start of the school year, program staff visit a school, communicate the bonus offer and enlist teachers; at the end of the school year they assess students; then, based on test scores, payments are calculated and incentives are paid at the start of the next year. Importantly, schools and administrators receive a report on student performance by grade-subject to help them identify gaps and improve their practice.

KiuFunza specifically **does not offer teacher training nor any additional support** to teachers to help them to capitalise on the incentive offer. Instead **KiuFunza targets teacher motivation only**, not their ability or opportunities to deliver better learning.

2. What has KiuFunza achieved so far?

KiuFunza incentives have recently (2019-2021) been paid to teachers in the regions marked in red and green on the map. Districts in Kigoma and Tanga (green) were also part of earlier phases of KiuFunza (2013-2016), as are the districts marked in blue. In all cases, the regions and districts were randomly selected from all regions in the country and all districts in those regions. Each region, district and school in mainland Tanzania was eligible to be part of KiuFunza.
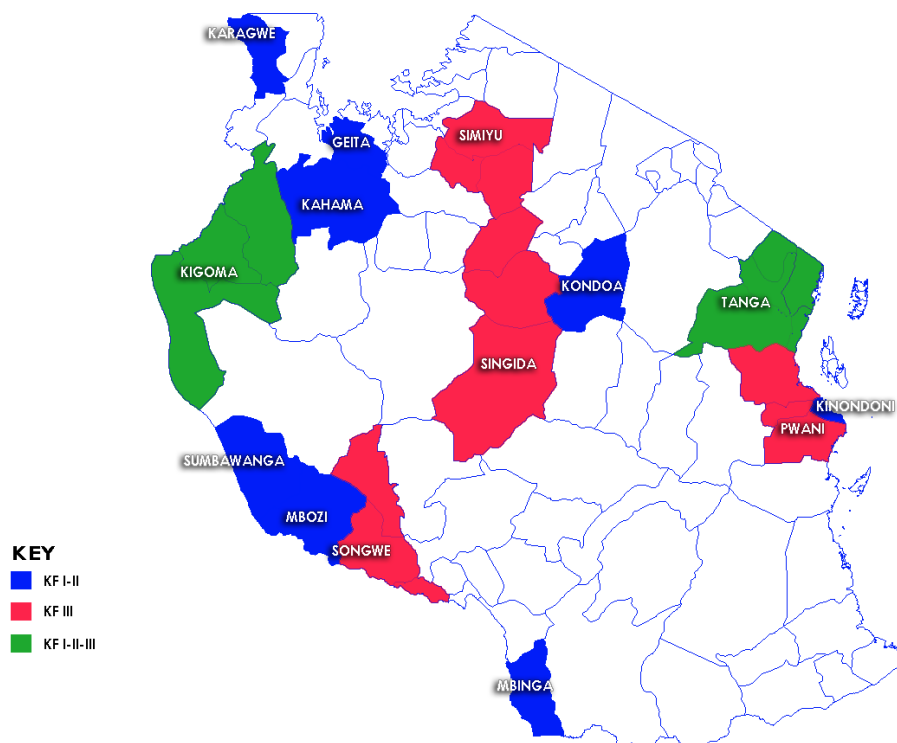
Over the three implementation phases between 2013 and 2021, KiuFunza has paid bonuses equal to a total value of just over 1.6 billion Tsh (see Table 1). Over the years, 5,660 teacher payments have been made (some teachers received payments in more than one year). The additional motivation and teacher effort have benefitted the learning outcomes for 250,175 student-years.[1]

The average per teacher bonus is a modest 3.5% of the average annual teacher salary. Because this is a performance bonus, some teachers earn much more than the average and some much less. The bonus amount depends on how many students a teacher teaches *and* how well their students perform on the KiuFunza KKK tests.

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1   The total is *student-years*, not individual students, as some students are in the program for more than one school year.

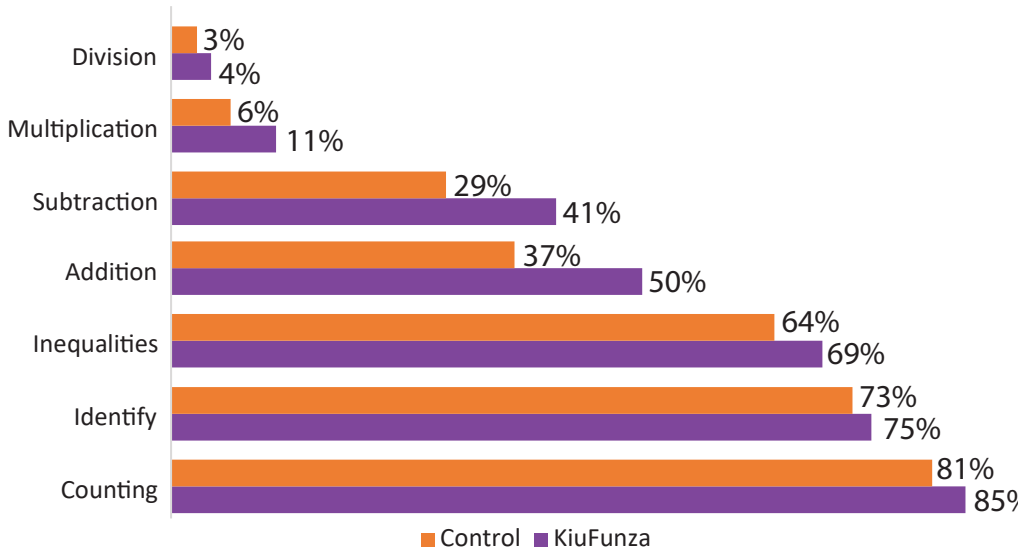| KiuFunza Cash on Delivery	Students targeted	Teachers paid	Bonus money earned TZS
TOTAL	250,175	5,660	1,615,459,040
By year			
2021	26,751	547	204,000,000
2020	27,777	534	204,000,000
2019	27,463	560	204,000,000
2016	48,064	922	251,827,040
2015	36,701	892	315,000,000
2014	42,706	1,124	237,492,000
2013	40,713	1,081	199,140,000

3. What impact has KiuFunza made on student learning?

The KiuFunza program has been the subject of a number of rigorous impact evaluations, implemented by independent researchers affiliated with the Abdul Latif Jameel Poverty Action Lab (J-PAL). These impact evaluations show that all phases of KiuFunza improved student learning, but lessons were learned on how to better design and implement the incentives. After testing several incentive designs, the most cost-effective model was found to be an intervention that we labelled Stadi (Skill Pay): this is a novel proficiency design, first developed and tested in Tanzania in 2015-16, with bonus rewards for curriculum skills (e.g. reading a few sentences, subtraction). This design is currently used for the entire KiuFunza program.

The impact research found that the Stadi reward system in 2015-16 resulted in student learning improvements equivalent to **three additional months of schooling** at a cost of less than a month of salary. KiuFunza therefore offers good value for money compared to other programs that provide inputs such as more books or teacher training.

Recently, KiuFunza incentives have caused substantial positive learning effects across all phases, and across all KKK skills. The graph below illustrates this for Standard 3 maths skills in 2021, but other standards and skills show similar results. The graph shows that students in KiuFunza "treatment" schools perform better across all assessed skills, but they perform particularly well on the core incentivized skills of addition and subtraction. KiuFunza also improves pass rates for the difficult skills of multiplication and division.
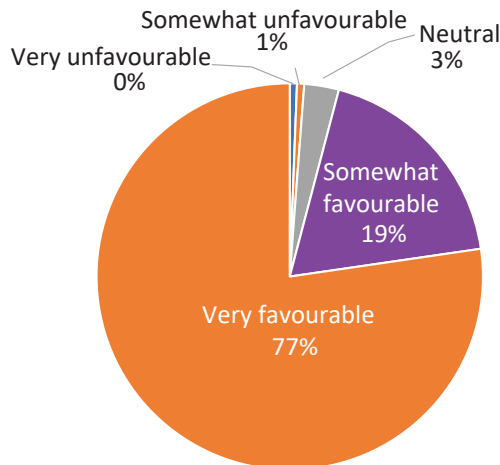
Skill pass rate (2021) Grade 3 Arithmetic

Skill	Control	KiuFunza
Division	3%	4%
Multiplication	6%	11%
Subtraction	29%	41%
Addition	37%	50%
Inequalities	64%	69%
Identify	73%	75%
Counting	81%	85%

Preliminary estimates show that the KiuFunza pass rate improvements add up to the equivalent of at least one third of a school year. That is, one third of a school year is added to what a student normally learns. The research further shows that low-performing students benefit most from the program.

4. What do teachers say about performance pay?
The research teams asked teachers for their opinion about performance pay. The results are consistent across years: teachers love performance pay. Almost all subject teachers support the idea of providing bonuses linked to learning tests. And a majority of teachers give priority to a pay raise that includes performance pay, over a flat pay increase.

Somewhat unfavourable 1%
Neutral 3%
Very unfavourable 0%
Somewhat favourable 19%
Very favourable 77%

In general teachers feel overburdened and under-valued and performance pay motivates them. It shows that the system cares about what they do. In qualitative research, teachers were asked to say how they feel when they are in a KiuFunza school. Some of their statements are shown in the graphic below.

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Teachers are Unequivocal that KiuFunza is Positive

I have more security.

I have become a better teacher.

KiuFunza focusses us on the child

A positive feedback loop of whole school improvement has been established.

5. Why is performance pay worth doing?

Tanzania has done very well on student access to schooling. We need to build on the huge success of enrollment with a focus on learning and motivated teachers. This is especially important in the early grades (Standards I, II and III). Here skills must be taught as a foundation for all future learning – if these are missed children have little chance of doing well later.

Motivated and inspired teachers are key to achieving this, but large and growing class sizes are a daily challenge. This challenge is especially large in Standards I, II and III where foundational skills need to be taught and learned. Class sizes will get larger, not smaller, in the coming years. Paying a bonus for each student who masters a skill turns this challenge around and creates an opportunity for the teacher: teachers can earn larger bonuses if they teach more children. Teachers now become masters of their own success, achieving official and financial recognition for

their effort. Qualitative evidence shows that it creates a positive energy in the school community.

Performance pay has the following practical advantages, compared to other reforms:
- • The idea is simple and popular among teachers, the key audience.
- • Performance pay does not require teachers to do anything except focus on specific learning outcomes.
- • There is no teacher training (although performance pay and 3R training can reinforce each other).
- • The most successful teachers and schools are those that organise themselves with creativity to improve learning.

6. Government support for KiuFunza

Twaweza has been supported by the Government of the United Republic of Tanzania from the start of KiuFunza. In 2013, the program was launched by the Minister in the President's Office - Regional Administration and Local Government, Hawa Ghasia. In 2014, the then Deputy Minister, Kassim Majaliwa (now Prime Minister) visited KiuFunza schools in Dar es Salaam. After learning about the effectiveness of KiuFunza, in 2017, TAMISEMI Minister George Simbachawene called upon Twaweza to design a performance pay program that can be scaled to benefit more students, teachers and schools. In his words:

"*You can pay a teacher 10 million shillings as their salary and they will tell you straight away why it is not enough money. But when you give that same teacher one hundred thousand as a reward for their performance, you will inspire them to do more and better.*"

This government support has resulted in the last KiuFunza implementation in six regions between 2019 and 2022 (KiuFunza III). During this phase, School Quality Assurance Officers were part of the KiuFunza implementation teams. The President's Office - Regional Administration and Local Government provided various types of support, including design advice, data and access to implementation schools. The National Examination Council of Tanzania (NECTA) reviewed and provided advice on the student assessments.

7. Conclusion

There are three strong arguments for improving student learning through teacher incentives and improved motivation. First, recent scientific studies show that children in performance pay schools **learn more basic skills**. These studies were conducted in Tanzania and compare student learning in large representative samples of public primary schools with the performance bonus to those without. This matters, because test scores are a good predictor of students' future school and life success.

Second, performance pay is **cost-effective**: it provides more learning improvement per Tanzanian shilling spent than many other programs tested around the world. These other tested programs

KIUFUNZA

KiuFunza Wakes Teachers Up

| 1 | 2 | 2.1 | 2.2 |
| Purposeful Educators | Quick motivator | Social affirmation | Effort, results, payment |

01 | KiuFunza scaffolds of an underlying self identity as purposeful educators

02 | Bakshishi is a quick motivator that is sweeter than a salary rise because...

02.1 | It is a public undertaking with the potential for social affirmation

02.2 | It makes explicit the relationship between effort, results, & payment