CREDO’s Student Incentive Survey was deployed to 250 charter schools. 186 schools completed the survey (74% response rate). Of the schools that responded, 106 schools (57%) reported that they use a system of rewards and incentives with their students. This study examines a non-random sample of charter schools and their decisions to use or forego an incentive program in their school to see if the systems enhance academic achievement gains.

Across a variety of model specifications, reward systems are found to have stable and consistent positive impacts for student learning in reading. The effect holds across grades and across network and non-network charter schools. At the same time, there is no evident impact in math. In reading, the presence of a reward system contributes 0.11 standard deviation units to the average student’s learning. That effect size would add 4 percentile points to the average student’s performance each year the student participated in a rewards program.

Schools in which there is continuous or near-continuous assessment of student conduct produce larger gains in reading than schools that have reward systems but tally up less frequently.

The stronger the reported rating of how effective a reward system is, across the principal, teachers and other staff members, the larger the realized student learning gains. Where all the adults in a school gave the system the highest possible rating (a 10 on a 1 to 10 scale) the learning gains increased to 0.15 standard deviation units, or an increase of 5 percentile points.

In this analysis, membership in a charter network was found to produce impacts on academic gains ranging from 0.13 to 0.17 standard deviations, or around 5 to 6 percentile points. When a school operates a reward program, they realize similar academic gains for their students, over and above the advantage of network membership.