

**Performance Incentives in Education: The Role of Goal Mismatch** (with Pol Campos-Mercade and Erik Wengström)

Students often face incentives to reach performance goals, for instance, to receive a scholarship, enter a college, or be hired for a job. This paper uses a field experiment to study how incentives to reach performance goals affect students, whether the effects vary for students at different parts of the performance distribution, and whether allowing students to choose their own goal improves their performance. We find that incentives backfire: students offered incentives perform worse than their control counterparts. These negative effects are mainly driven by mismatched goals: the negative treatment effects are concentrated among low-ability students who are assigned a high goal and among students with high aspirations who are assigned a low goal. The effects are also negative but not statistically significant from zero when students are allowed to choose their own goal. Our results show that incentives for performance goals can harm students' performance, especially among students whose goals are mismatched.