Behavioral Interventions for Labor Programs

Presentation at NAWRS Research Academy
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Presentation Overview

I. Why are behavioral insights relevant to labor and other human services programs?

II. Overview of our project

III. Examples of possible behavioral trials
I. Why Are Insights from Behavioral Economics Relevant for Labor and Other Human Services Programs?
What we have learned...

**Limited cognitive resources**
- Limited attention
- Automatic habits
- Flawed rules of thumb
- Focus on the urgent, immediate

**Complex context**
- Social norms
- Reference points
- Frame changes as losses or gains
- Presentation of alternatives

**Time inconsistency**
- Limited self-control
- Forget important plans
- Discount the future
- Over-optimistic planning

**Subjective construal**
- Self-identity
- Mood and attitude
- Give self but not others benefit of doubt
Social Norms

7000 high school students drop out every school day.
That’s a stack of desks 12 Empire State Buildings high.

boostup.org/TriState

Visit boostup.org/TriState and help keep students in school.
Behavioral Intervention for Social Norms

- 2-3% reduction in electricity use
- Equivalent to raising energy prices 18-34%
- “Social” Value: $900 million/year
II. Overview of the DOL Behavioral Interventions Project
Goals of the Project

CEO and Mathematica/ideas42 will be working with various DOL agencies to:

• **Identify important problems** for which behavioral solutions may be a good fit

• Design **low-cost behavioral solutions and rigorous evaluations** to assess their impacts

• Rapidly **test these solutions**

• **Share results** and recommend next steps
Partner Benefits

• Timely technical assistance at no cost

• Effective leveraging of agency resources

• High impact potential

• Increased capacity for innovation
Our Approach

DEFINE → DIAGNOSE → DESIGN → TEST
Considerations for Selection of Behavioral Trials

• High priority, policy-relevant problems

• Behavioral elements of the problem(s)

• Scale of the problem(s)

• Program elements that can be adjusted

• Existing performance metrics and administrative data
III. Examples of Possible Behavioral Trials
Various Program Elements Can Offer Opportunities for Behavioral Trials

1. Information
2. Communications
3. Paperwork
4. Enrollment
5. Choice
6. Response
7. Incentives
For More Information

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