

## Behavioral Insights for Work Support: Lessons from the BIAS Project

*Research in behavioral science has shown that small changes in the environment can make it easier for people to act and make decisions that support their goals. The Behavioral Interventions to Advance Self-Sufficiency (BIAS) project, launched in 2010, was the first major project to apply behavioral insights to the human services programs that serve poor and vulnerable families in the United States. The project was sponsored by the Office of Planning, Research and Evaluation of the Administration for Children and Families in the U.S. Department of Health and Human Services, and led by MDRC. The goal of the project was to learn how tools from behavioral science could be used to deliver program services more effectively and, ultimately, improve the well-being of low-income children, adults, and families. The BIAS project targeted three domains: child support, child care, and work support.*

One of the goals of Temporary Assistance for Needy Families (TANF) is to increase the economic security of recipients' families through employment. This goal also characterizes Paycheck Plus, a pilot program that simulates an expanded Earned Income Tax Credit (EITC) by offering a relatively large supplement to low-income, single workers without dependent children. However, it can be challenging for these work support programs to fully achieve their objectives if participants do not engage with the programs or understand their requirements.

The BIAS project focused on two problems related to work support programs: engaging families in a welfare-to-work program and encouraging attendance at an informational meeting about an earnings supplement program intended to provide an incentive to work.

### *Problem Focus 1: Engaging Families in the Welfare-to-Work Program*

In many human services programs, failure to engage with required activities or services could result in sanctioning or other penalties. In Los Angeles, some TANF recipients with young children had been exempt from participating in the welfare-to-work program, but lost this exemption in 2013 when state policy changed. The BIAS team worked with Los Angeles County to increase

the number of TANF recipients who reengaged in the county's welfare-to-work program.

### *Problem Focus 2: Increasing Meeting Attendance for an Earnings Supplement Program*

Paycheck Plus is a pilot EITC-like program that is being offered to select low-income single adults in New York City and Atlanta. Eligible clients can receive a cash incentive if they work and file their taxes. In order for the program to succeed, participants must understand clearly what they need to do to qualify for the incentive. Eligible clients enrolled in the program about a year before they could receive their first bonus payment, so program operators invited them to an interim meeting to remind them of the program's benefits and participation requirements, and to encourage them to find work or to continue working if they were already employed. The BIAS team designed interventions to increase the number of clients who attended this meeting.

The following pages describe each state's problem of interest, behavioral intervention design, and findings. The first description is about engaging families in California's welfare-to-work program; the second is about increasing attendance at the informational meeting in New York.

## BEHAVIORAL INTERVENTIONS TO ADVANCE SELF-SUFFICIENCY



# Work Support: Los Angeles, California — TANF

## DEFINE.

Some Temporary Assistance for Needy Families (TANF) recipients with young children in Los Angeles had previously been exempt from participating in the county's welfare-to-work program but lost this exemption in 2013 when state policy changed. The Los Angeles County Department of Public Social Services began scheduling appointments with formerly exempt parents to reengage them in the program. The county made at least four attempts via mail and phone to contact participants and inform them of the new requirements before the appointment, but many participants were still not attending the scheduled mandatory appointment. The goal of the BIAS intervention was to increase the number of TANF recipients who reengaged in the county's welfare-to-work program.

## DIAGNOSE & DESIGN.

The team identified a number of barriers in the reengagement process: (1) reengagement notices may be complex and hard to understand; (2) recipients were used to receiving benefits without program participation requirements; (3) recipients may plan to attend a reengagement meeting and then forget or have trouble showing up for the meeting; (4) recipients may prioritize other needs; or (5) recipients may be concerned about succeeding in a program emphasizing work.

The team designed two different notices: one highlighted the losses participants might experience by not attending the reengagement appointment and the other highlighted the benefits they might receive by attending. Both notices also identically incorporated other behavioral techniques, including simplification, personalization, and implementation prompting. A sticky note with a personalized message to the participant was also attached to the notices.

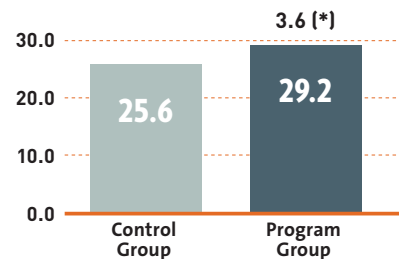
## TEST & FINDINGS.

Participants were randomly assigned to one of three groups: (1) a control group that received only the county's standard outreach (n = 814); (2) a program group that received the notice emphasizing the benefits of attending, plus the standard outreach (n = 814); or (3) a program group that received the notice emphasizing potential losses, plus the standard outreach (n = 814).

The evaluation found that sending an additional behavioral message increased the percentage of program group members who engaged in the program within 30 days of their scheduled appointment to 29.2 percent, a statistically significant increase of 3.6 percentage points over the control group's rate of 25.6 percent. This increase was largely driven by the notice that highlighted potential losses, which showed a statistically significant 4.4 percentage point increase in engagement at 30 days, while the notice emphasizing

potential gains, when compared with the control condition, did not produce a statistically significant impact at 30 days. No impacts were found for either group after 60 and 90 days. The additional outreach cost less than \$2 per person.

## POSITIVELY ENGAGED 30 DAYS AFTER SCHEDULED APPOINTMENT DATE (%)



NOTE: Statistical significance levels are indicated as: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.

## CONCLUSION.

This intervention was added to a fairly intensive campaign to increase engagement among the target population. Given that this was one additional piece of mail on top of at least four other attempts to reach participants and convey the importance of participating, it is notable that it helped participants to engage earlier than they would have otherwise. Further research with larger samples in different contexts is needed to explore whether “loss messaging” is consistently more effective than “gain messaging” in encouraging participants to engage in activities.

FOR MORE DETAILS, SEE THE FULL REPORT: Framing the Message: Using Behavioral Economics to Engage TANF Recipients



The Behavioral Interventions to Advance Self-Sufficiency (BIAS) project was the first major opportunity to use a behavioral economics lens to examine programs that serve poor and vulnerable families in the United States.



## Work Support:

### New York, New York — Paycheck Plus

#### DEFINE.

The Paycheck Plus Demonstration is evaluating whether offering single New Yorkers an earnings supplement on top of the existing earned income tax credit improves their economic well-being and encourages employment. Demonstration participants were given an invitation and an offer of \$50 to attend an optional informational meeting about Paycheck Plus. The BIAS interventions aimed to increase the number of participants who attended.

#### DIAGNOSE & DESIGN.

The BIAS team identified three potential bottlenecks affecting attendance: (1) participants may mistrust or not understand materials explaining the meeting; (2) they may understand but decide not to attend; or (3) they may decide to attend, but forget or have trouble getting to the meeting because of “hassle factors.”

The team designed messaging for meeting invitations and reminders that incorporated behavioral concepts including implementation prompting, loss aversion, prominent deadlines, simplification, and the endowed progress effect (when people feel they have made progress toward their goals, they are more committed to achieving those goals). After the first round of meetings, the team designed a version of the informational meeting that could be delivered over the phone.

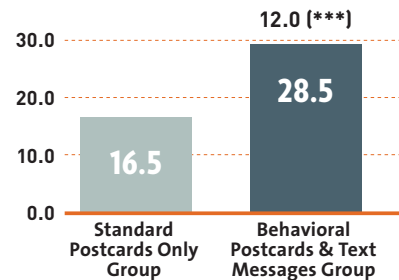
#### TEST & FINDINGS.

The team evaluated these interventions in two rounds. In Round 1, participants were randomly assigned to four groups: a control group that only received postcards with standard (not behavioral) messaging (n = 756); a program group that received postcards and text messages with standard messaging (n = 745); a program group that only received postcards with behavioral messaging (n = 740); and a program group that received postcards and text messages with behavioral messaging (n = 737). Round 2 included participants who did not attend a meeting during Round 1. All participants in Round 2 received behaviorally informed communications, but they were randomly assigned either to be invited to attend the meeting in person (n = 1,169) or to attend the meeting by phone (n = 1,162). This round assessed whether changing the format of the meeting increased participation.

In the first evaluation, the combination of behavioral postcards and text messaging produced the biggest impact and increased meeting attendance by 12 percentage points, a statistically significant change from 16.5 percent to 28.5 percent, compared with the lightest-touch approach of sending standard postcards alone (the control group). Both behavioral messaging compared with standard messaging, and adding text messages com-

pared with postcards alone, produced statistically significant increases. In Round 2, participants in the phone group responded to the marketing materials more quickly than those in the in-person group, but in the end there was no statistically significant difference in response rates between the groups.

#### ROUND 1: ATTENDED MEETING (%)



NOTE: Statistical significance levels are indicated as: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.

#### CONCLUSION.

Behaviorally informed messaging produced a statistically significant increase in the percentage of participants who attended meetings in Round 1 and was most effective when a postcard was combined with text messaging. This finding reinforces the value of considering both the content and the delivery mode of outreach. The failure to find statistically significant impacts at the end of Round 2 when the meeting was offered by phone demonstrates the essential role of evaluation to determine the best ways of engaging various populations.

FOR MORE DETAILS, SEE THE FULL REPORT: The Power of Prompts: Using Behavioral Insights to Encourage People to Participate