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Behavioral Interventions in Labor Programs

SUMMARY

In 2017, the Chief Evaluation Office (CEO) funded contractors Mathematica Policy Research, American Institutes for Research, ideas42, the W.E. Upjohn Institute for Employment Research, and Urban Institute to explore how insights from behavioral science can be used to improve the performance and outcomes of Department of Labor programs.

These studies offer new tools to improve outcomes by combining what we know from psychology and economics, which suggest that a deeper understanding of decision-making and behavior could improve program design and operation. For example, small changes in the environment, program operations, or default rules can reduce barriers to engagement or facilitate desired behaviors. This project will apply behavioral insights to DOL programs and rigorously test whether the changes improve performance or outcomes. It will include evaluations of 3-5 behavioral trials.

This Department of Labor-funded study was a result of the annual process to determine the Department's research priorities for the upcoming year. It contributes to the labor evidence-base to inform various labor programs and policies and addresses Departmental strategic goals and priorities. Learn more about current and completed trials on the <u>Behavioral Interventions topic page</u>.

KEY TAKEAWAYS

- Behavioral science research, also referred to as behavioral economics or behavioral insights, has shown that subtle changes to programs and policies can have profound effects.
- A review of existing research found:
 - Promising interventions that may improve program participation include emphasizing people's values or goals, providing clear instructions, sending reminders, and personalizing communications.
 - Promising interventions that can help people facing unemployment persist in their job search include reframing setbacks, creating a sense of urgency, setting clear and specific job search plans, and supporting emotional processing.
 - Promising interventions to increase employer compliance with regulations can include providing clear action steps, encouraging honesty by requiring a signature at the beginning of a form, and invoking social norms.





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- Promising interventions to reduce hiring biases include limiting access to demographic information and structuring the hiring process to limit subjective influences.
- Promising interventions to improve an employer's use of advantageous services include reducing hassles, encouraging immediate action, and more clearly communicating how and why a program works.

SEE THE FULL STUDY

TIM EFRAM E: 2017-2022 SUBMITTED BY: Mathematica

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CEO CONTACT: Chief Evaluation Office@dol.gov

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