

REVIEW PROTOCOL FOR BEHAVIORAL INSIGHTS TOPIC AREA

Highlights

- The objective of the reviews conducted in the behavioral insights topic area is to determine the quality of causal evidence on interventions that apply insights from behavioral science to labor-related contexts.
- To identify this set of studies, CLEAR, with the Behavioral Interventions for Labor-Related Programs study team, consulted with experts in behavioral design, asking them to identify causal impact studies of applications of insights from behavioral science to labor-related contexts. Therefore, this is not a systematic review.

Introduction

Behavioral insights seek to improve people’s decision making by accounting for how they behave in practice. Often, designers of labor programs—addressing such issues as employment, training, unemployment insurance, occupational health and safety, protection of workers’ rights, and enforcement of labor laws—assume that people make decisions after fully considering their options and then act on those decisions. However, behavioral science shows that this assumption often can be wrong. People procrastinate and forget to do important tasks. Too many choices and small hassles can overwhelm them. They think and act less efficiently when they face scarcity, whether of money, time, security, nutrition, or even emotional connection. Context and the way choices are framed matter enormously.

Interventions drawing on behavioral science try to account for these factors. They create choice architecture and “nudges” that make it easier for people to make choices that improve personal and public well-being. In the labor context, these interventions can take various forms. They can range from sending reminders to unemployed workers to participate in job search services to helping employers improve workplace safety by making it simpler to understand and respond to safety and health citations.

The objective of the reviews conducted in the behavioral insights topic area is to determine the quality of causal evidence on interventions that apply insights from behavioral science to labor-related contexts. These studies do not necessarily examine exclusively labor-related outcomes (although many do); rather, some studies attempt to illustrate the mechanisms by which labor-related outcomes of participants could be improved. Therefore, although the primary outcomes of interest are employment-related, the reviews also include other outcomes, as appropriate.

Eligibility Criteria

To identify studies for review, CLEAR, with the Behavioral Interventions for Labor-Related Programs study team, consulted with experts in behavioral design, asking them to identify causal impact studies of applications of insights from behavioral science that met one or more of the following criteria:

- **Labor-related context.** This criterion identified studies evaluating interventions that were applied in labor markets. However, the studies selected also include several that describe

interventions that are broadly applicable, such as those aimed at increasing administrative effectiveness.

- **Specific intervention.** This criterion identified studies that evaluated the effectiveness of a specific, identifiable behavioral intervention, as opposed to a package of interventions in which it is not possible to clearly identify which specific intervention or intervention component is causing an effect.
- **Rigorous evaluation.** This criterion identified studies of interventions that have been evaluated using a randomized controlled trial (RCT) or nonexperimental design.

Because CLEAR worked with subject matter experts to select studies, instead of conducting an extensive literature search, this topic area is not a systematic evidence review.

The CLEAR team reviewed the eligible studies according to the CLEAR Causal Evidence Guidelines, Version 2.1. The full set of guidelines is available at <http://clear.dol.gov>. Appendix A contains the complete list of studies reviewed in this topic area.

Causal Evidence Guidelines Specific to the Topic Area

The causal evidence guidelines specify three possible ratings for reviewed studies: high, moderate, and low. A high rating means we are confident that the estimated effects are attributable to the intervention, and not to other factors. A moderate causal evidence rating indicates that evidence exists that the study establishes a causal relationship between the intervention being examined and the outcomes of interest, but there may be other factors that were not included in the analysis that also could affect the outcomes of interest. Designs that do not meet the guidelines receive a low causal evidence rating, which indicates that we cannot be confident that the estimated effects are attributable to the intervention being examined.

Attrition in randomized controlled trials. The causal research in this topic area includes studies with experimental designs and studies with nonexperimental designs. CLEAR assesses the quality of evidence for RCTs using standards adapted from those of the Institute of Education Sciences' What Works Clearinghouse.¹ RCTs can receive a high causal evidence rating if there are no obvious confounding factors in the design and the level of attrition is low. This topic area uses the conservative attrition standard, presuming that attrition in studies of programs for at-risk youth may be linked to their labor market outcomes. If CLEAR determines that an RCT cannot receive a high causal evidence rating, it uses the CLEAR nonexperimental causal evidence guidelines to review the study.

Control variables for nonexperimental designs. CLEAR causal evidence guidelines for nonexperimental design studies were developed in consultation with a technical working group of methodological experts. The guidelines cover most nonexperimental designs, including fixed effects, difference-in-differences, instrumental variables, and regressions. Nonexperimental designs and RCTs with high attrition can receive a moderate causal evidence rating if they include adequate controls and can demonstrate or adjust for anticipating the intervention and confounding factors. To meet the requirements for a moderate causal evidence rating, nonexperimental studies and RCTs with high attrition in this topic area must control for the following:

¹ See <http://ies.ed.gov/ncee/wwc/InsidetheWWC.aspx> for details.

- Age
- Race/ethnicity
- Gender
- Pre-intervention measure of the outcome

Regression methods that incorporate a matching design, which uses statistical methods to create a comparison group that is as similar as possible to the group receiving the program, must match on each of the control variables listed above or must include them as controls in the regression.

APPENDIX A STUDIES REVIEWED

Studies with a High Causal Evidence Rating

Altmann, S., Falk, A., Jäger, S., & Zimmermann, F. (2015). Learning about job search: A field experiment with job seekers in Germany. Unpublished manuscript.

Bhargava, S., & Manoli, D. (2015). Psychological frictions and the incomplete take-up of social benefits: Evidence from an IRS field experiment. *American Economic Review*, 105(11), 3489-3529.

Related report:

Bhargava, S., & Manoli, D. (2013). Why are benefits left on the table? Assessing the role of information, complexity, and stigma on take-up with an IRS field experiment. Working paper.

Saez, E. (2009). Details matter: The impact of presentation and information on the take-up of financial incentives for retirement saving. *American Economic Journal: Economic Policy*, 1(1), 204-228.

Shu, L., Mazar, N., Gino, F., Ariely, D., & Bazerman, M. (2012). Signing at the beginning makes ethics salient and decreases dishonest self-reports in comparison to signing at the end. *Proceedings of the National Academy of Sciences*, 109(38), 15197-15200.

Spera, S., Buhrfeind, E., & Pennebaker, J. (1994). Expressive writing and coping with job loss. *Academy of Management Journal*, 37(3), 722-733.

van Hooft, E., & Noordzij, G. (2009). The effects of goal orientation on job search and reemployment: A field experiment among unemployed job seekers. *Journal of Applied Psychology*, 94(6), 1581-1590.

Study with a Moderate Causal Evidence Rating

Liebman, J., & Luttmer, E. (2011). Would people behave differently if they better understood Social Security? Evidence from a field experiment. National Bureau of Economic Research working paper no. 17287. Cambridge, MA: NBER.

Studies with a low causal evidence rating

Brown, J. R., Kapteyn, A., & Mitchell, O. S. (2016). Framing and claiming: How information-framing affects expected social security claiming behavior. *Journal of Risk and Insurance*, 83(1), 139-162.

Related report:

Brown, J., Kapteyn, A., & Mitchell, O. (2011). Framing effects and expected Social Security claiming behavior. Working paper no. 17018. Cambridge, MA: National Bureau of Economic Research.

DellaVigna, S., Lindner, A., Reizer, B., & Schmieder, J. (2014). Reference-dependent job search: Evidence from Hungary. Unpublished working paper.

Markussen, S., Røed, K., & Schreiner, R. C. (2015). Can compulsory dialogues nudge sick-listed workers back to work? (IZA Discussion Paper No. 9090). Bonn, Germany: Institute for the Study of Labor (IZA).