

Encouragement Emails Increase Participation in Reemployment Services

DOL Behavioral Interventions Project Brief

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Study background

The Department of Labor (DOL) Behavioral Interventions project was launched to explore the potential of using behavioral insights to improve the performance and outcomes of DOL programs. It is sponsored by the DOL Chief Evaluation Office and draws on insights from behavioral economics, psychology, and related fields.

In this brief, we present initial findings on the effects of an intervention designed to encourage Unemployment Insurance (UI) claimants to participate in their state's Reemployment and Eligibility Assessment (REA) pilot program and persist in their job search. For the study, selected Michigan Works! agencies and the W.E. Upjohn Institute partnered with the Department of Labor's Behavioral Interventions (DOL-BI) team to test the effectiveness of a series of seven email messages that supplemented an initial call-in letter to UI claimants from the Michigan Unemployment Insurance Agency (UIA). The messages incorporated insights from behavioral science and were designed to overcome barriers that may keep people from participating in the REA program and using reemployment services.

The study began in March 2015. The new emails were sent to 357 individuals who had valid email addresses and had been called in for mandatory REA services. Another group of 374 claimants received no messages other than the UIA's call-in letter. The effects of the new messages were measured using program and administrative data collected over seven months. In this brief, we report on how the new messages and the overall study were designed, and present initial findings about the messages' effect on REA participation and program completion.

KEY FINDINGS

- UI claimants who were sent email messages were more likely to start the REA program by scheduling their first session.
- UI claimants who received email messages were also more likely to complete the REA program.
- Once individuals attended their first REA session, they were equally likely to complete the program regardless of whether they had received emails or not.

INTERVENTION DESIGN

Existing process. Michigan's REA pilot program, which operated in selected areas of the state from January to September 2015, sought to help UI claimants return to work sooner than the average period of 14 weeks. Claimants who were selected to participate in the program were called in for mandatory, one-on-one REA sessions with a Michigan Works! representative. During the first REA session, the claimants received an orientation to available reemployment assistance services, a UI eligibility assessment, and labor market information. Staff also reviewed the claimant's recent

Study goal

Promote reemployment success and save taxpayer dollars by encouraging more UI claimants to participate in REA services, become reemployed sooner, and collect fewer unemployment benefits.

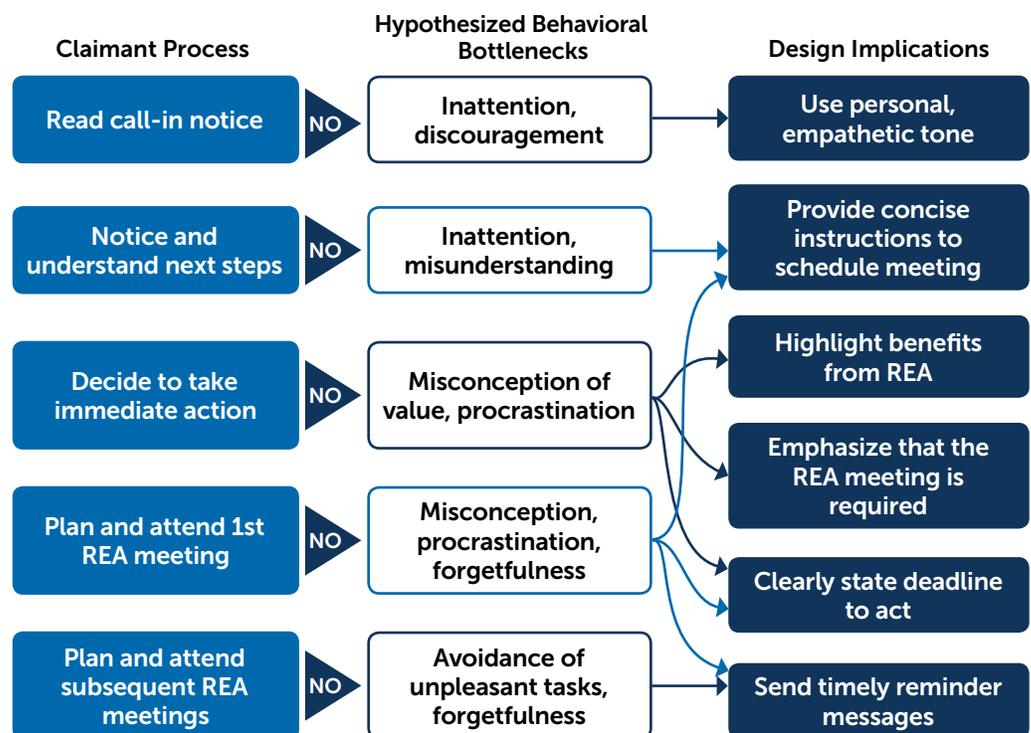
job search activities and created an individual reemployment plan, which could include referrals to training or other reemployment services. Claimants who continued to receive UI benefits in later weeks could be called in for two more REA sessions.

As part of this pilot program, the Michigan UIA generated weekly lists of claimants and sent them letters explaining that they had to schedule their first REA session within 14 days. Claimants were also informed that if they failed to schedule and attend an REA session within 14 days, their UI benefit payments would be suspended. Despite this warning, in the first three months of the REA program, 43 percent of the claimants who were called in failed to schedule their initial session, and 19 percent did not attend their first scheduled appointment.

Low participation rates in the REA program are of concern because evidence suggests the program is effective. For instance, results from a recent evaluation of the REA program in Nevada showed that it was successful in reducing UI duration by about three weeks and also produced significant savings for the UI Trust Fund (Michaelides, Poe-Yamagata, Benus, and Tirumalasetti 2012).ⁱ In addition, the UI claimants who participated in Nevada's REA program were 20 percent more likely to be working in the first two quarters after they started the program, suggesting that the REA services helped them become reemployed.

Behavioral factors. In late fall 2014 and winter 2015, the DOL-BI project team conducted in-depth discussions with Michigan Works! and Upjohn Institute staff, observed and interviewed UI claimants who were getting REA services, reviewed program materials, and analyzed existing data to uncover potential behavioral factors that might lead UI claimants to fail to engage in the REA program or to limit their job search. Figure 1 shows the possible behavioral bottlenecks that we identified.

Figure 1. Behavioral bottlenecks and email design implications



As the figure shows, three central themes emerged:

1. Discouragement and avoidance of unpleasant tasks. Claimants may respond negatively to the punitive tone of the UI call-in notice and may not read the entire letter or further engage with the REA program.

2. Inattention, procrastination, or forgetfulness. Claimants may not notice the initial UIA call-in letter, or may delay and forget to schedule their REA.

3. Misunderstanding. Claimants may not understand the value of the REA services because the UI call-in letter provides few details about the program.

New process. Figure 1 and Exhibit 1 at the end of this brief show how the email messages for the study were designed to address the potential barriers we identified:

- **A positive tone** fostered a positive relationship, captured claimants' attention, and emphasized the benefits of the REA program.
- **Concise instructions** conveyed the ease of scheduling a session and encouraged claimants to act right away.
- **Reminder messages** were designed to forestall potential inattention, procrastination, and forgetfulness.
- **Planning prompts** encouraged concrete job search organization to reduce procrastination.

Research question

Would sending a series of encouraging email messages prompt more UI claimants to begin participating in and complete REA services?

STUDY DESIGN

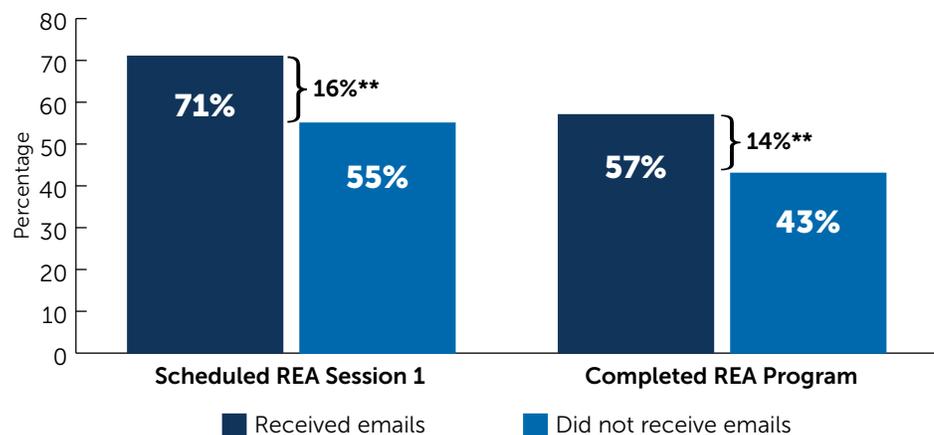
To test the effectiveness of the email messages, the study team randomly selected and sent emails to half of the UI claimants who were referred each week to receive REA services (the treatment group). The other UI claimants (the control group) did not receive any additional communications beyond the UI call-in letter. Random assignment began on March 16, 2015, and ended on September 28, 2015. The trial ultimately included UI claimants in Kalamazoo, St. Joseph, Branch, and Calhoun Counties.

FINDINGS

The email messages caused more UI claimants to start the REA program. The UI claimants who received the email messages were 16 percentage points more likely to schedule their first REA session (Figure 2).

The email messages also caused more UI claimants to complete the REA program. As Figure 2 shows, the UI claimants who received emails were 14 percentage points more likely to complete the REA program, either by attending the three mandatory REA sessions or becoming reemployed.

Figure 2. Impact of emails on percentage of UI claimants who scheduled REA Session 1 and on completion rates for the REA program



**Difference is statistically significant at the 0.01 level.

Once individuals attended their first REA session, they were equally likely to complete the program regardless of whether they received emails or not. In both groups (treatment and control), about 80 percent of the UI claimants who initiated REA services completed the program. However, this result may reflect both changes in the program's participants (due to higher attendance by individuals who otherwise would not have participated) and the potential effects of the reminder emails for the second and third REA sessions (which may have brought in individuals who otherwise may not have attended).

IMPLICATIONS AND NEXT STEPS

The results of this study show that emails informed by behavioral science principles can increase the rates of take-up and completion of services in an effective program. The tested email messages increased the number of UI claimants who scheduled a first REA session and then completed the program. Notably, those who received email messages and attended their first meeting continued to participate in the program at the same rate as UI claimants who did not receive emails. This suggests that prompting one simple behavior at the outset (scheduling and attending one meeting) may promote sustained efforts later on, especially when paired with reminders.

Follow-up research will determine if these improvements in participation and program completion bring about increases in employment rates and earnings among UI claimants and corresponding reductions in the UI benefits that are claimed. Final results are anticipated in early 2017.

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¹ Michaelides, M., E. Poe-Yamagata, J. Benus, and D. Tirumalesetti. (2012). Impact of the Reemployment and Eligibility Assessment (REA) initiative in Nevada. *Employment and Training Administration Occasional Paper, 2012-08*.

Exhibit 1. Introductory email sent to randomly selected Michigan Works! REA program participants

Dear {Firstname}

Hi, I'm Darlene at Michigan Works! Southwest. Soon you will receive a letter from the Unemployment Insurance Agency asking you to schedule a Reemployment and Eligibility Assessment within 14 days. The Michigan Unemployment Insurance Agency requires your participation in REA to continue unemployment benefits, but we at Michigan Works! Southwest view REA as an opportunity to help you get back to work.

Please call me at [269-488-7619](tel:269-488-7619) for Kalamazoo, [269-592-2049](tel:269-592-2049) for Three Rivers, or [877-256-8294](tel:877-256-8294) for Branch and Calhoun counties (whichever office is more convenient for you) as soon as possible to schedule your Reemployment and Eligibility Assessment.

We will work with you one-on-one to help you get reemployed in a good job. We can provide a variety of effective reemployment services at no cost to you. All our services are always provided free. We look forward to meeting you soon.

Sincerely
Darlene, REA Coordinator



What to Do Next:

1. Call me today at [269-488-7619](tel:269-488-7619) (Kalamazoo), [269-592-2049](tel:269-592-2049) (Three Rivers), or [877-256-8294](tel:877-256-8294) (Branch and Calhoun) to schedule your REA appointment. I can be reached during regular business hours, Monday through Friday.
2. Bring the following materials to your appointment:
 - o Your government issued photo identification.
 - o Your recent monthly record of work search (UIA form 1583).
 - o Your resume (if you don't have one, we can help you write one).
3. Come to your appointment at one of the following locations (click the link for addresses):

- [Michigan Works! Kalamazoo](#)
- [Michigan Works! Three Rivers](#)
- [Michigan Works! Branch County](#)
- [Michigan Works! Calhoun County](#)

More Details about Michigan Works! REA:

Our new reemployment services program for REA participants is designed to help easily satisfy your job search requirements and make sure your unemployment benefits are not interrupted. You will meet one-on-one with an experienced reemployment services counselor to review your continued eligibility for UI benefits, discuss your recent job search efforts, and develop a personalized reemployment strategy using variety of employment services available at Michigan Works! Southwest.

Uses a personal and empathetic tone

Provides a clear deadline

Emphasizes benefits of participation

Clearly lists next steps

Includes more information on what to expect