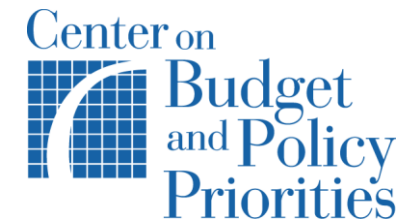


Using Incentives to Increase Engagement and Persistence in Two-Generation Programs

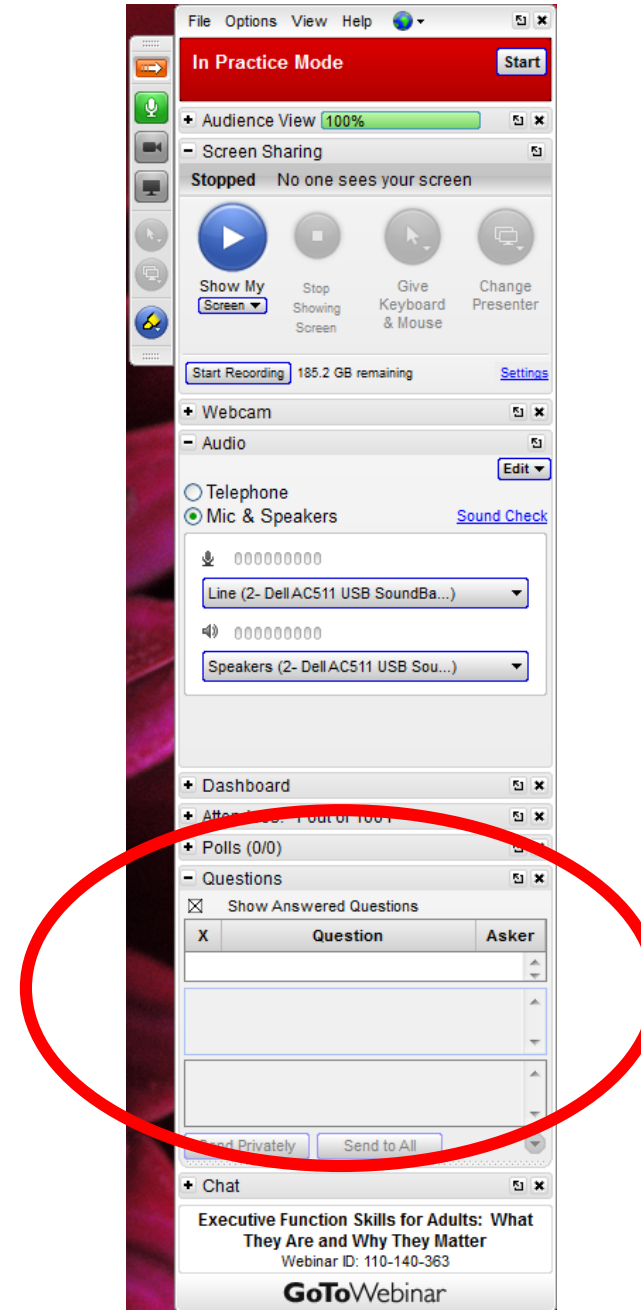


*Megan Stanley
&
LaDonna Pavetti*

Asking questions

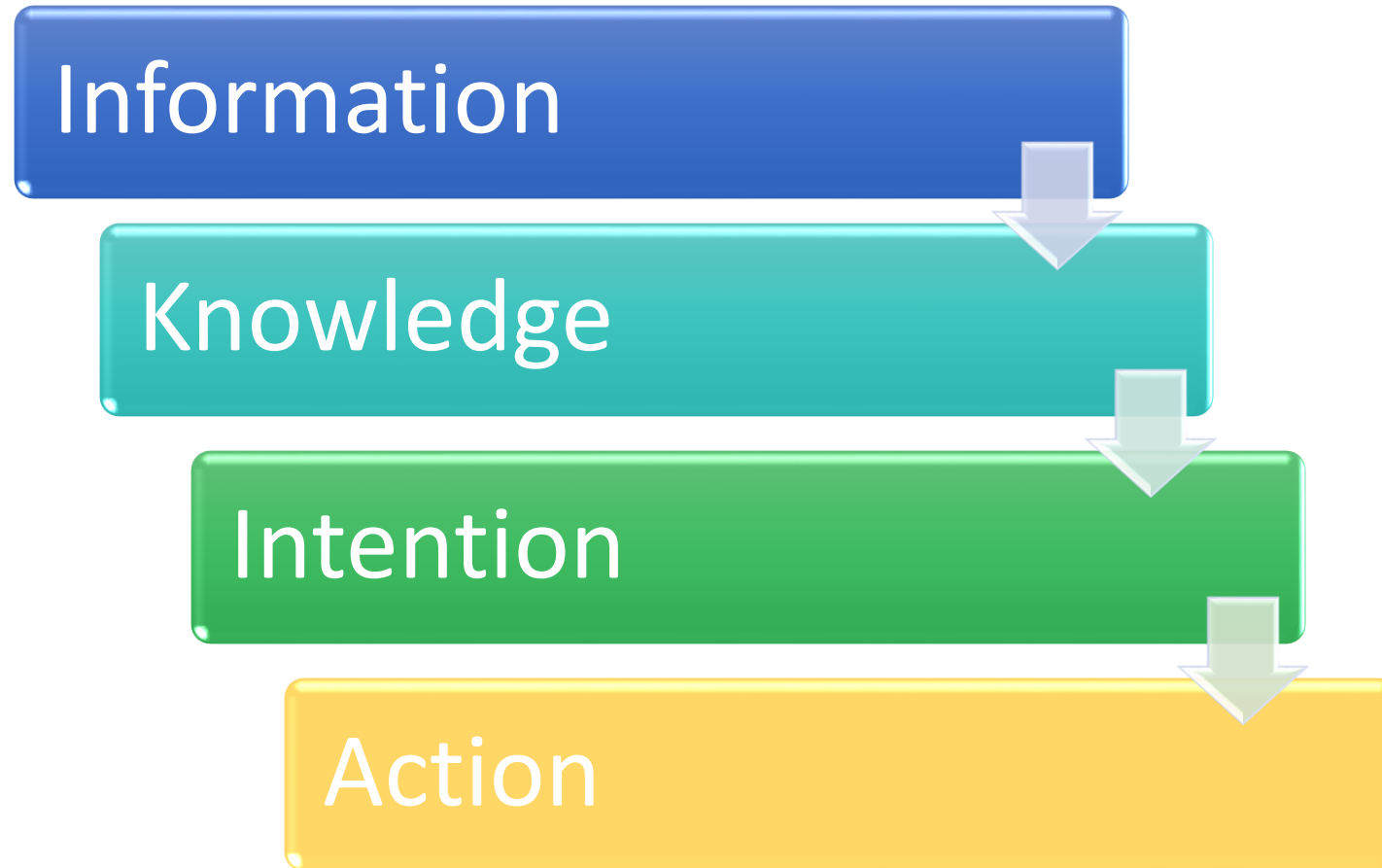
If you have a question about the presentation, expand the Question section on your tool bar. Type your question in the text box.

We will read and answer as many questions as possible after the presentation.



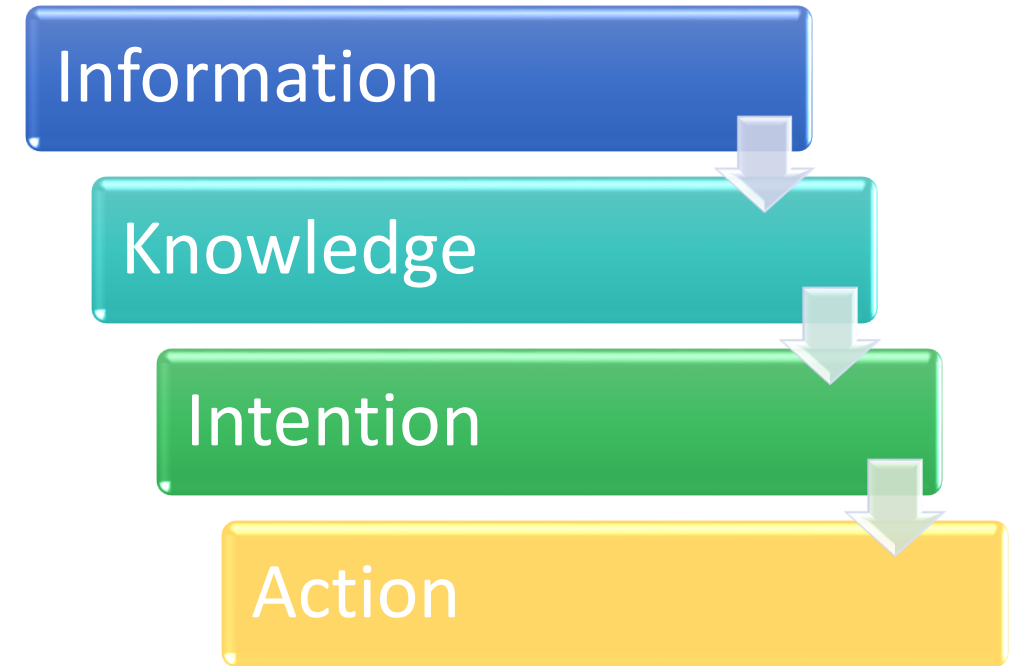
Key Concepts for Framing a Discussion About Incentives

The Path to Action: A Behavioral Perspective



The Path to Action Definitions

- **Knowledge:** For information to become knowledge, individuals need to absorb it and understand its meaning for them. This means it needs to be relevant to their needs and circumstances. Do not assume that information given has become knowledge.
- **Forming Intentions:** For individuals to use knowledge to form intentions, they need to understand how they can benefit from the program, they need to want what the program offers, and they need to believe the benefits outweigh the costs. *This is the time for goal-setting.*
- **Taking Action:** Action begins when an individual has started taking concrete steps toward their goal and is committed to the program. Once an individual reaches this stage, the task shifts from convincing her/him of the programs' value to keeping them motivated and engaged.



The Intention-Action Gap

We often see an **intention-action gap**, both with participants and in our own lives.

Think of a time in your own life of when you planned to do something but it never happened. One example is meaning to go to the gym, or read a book, but never getting around to it.

This can occur when there are barriers to action, competing priorities, or someone is “stuck” and needs help figuring out the next step.



Understanding The Importance and Impact of Present vs. Future Orientation

Present-Oriented

- Mostly focused on the immediate
- Many people in poverty are, by necessity, present-oriented and not planning long-term (scarcity mindset)
- Constant immediate needs make it hard to prioritize something in the long-term
- *Someone who doesn't have money to pay rent next week is likely to be focused on what they can do NOW to make ends meet*

Future-Oriented

- Ability to plan long(er) term and see “big picture”
- Is able to see the benefit of making sacrifices in the short-term for better opportunities in the future
- Includes programs that have a bigger impact in the future (like getting a degree)
- Programs should assume that it takes a lot of effort to be future-oriented, especially when an individual is struggling to make ends meet

Intrinsic vs. Extrinsic Motivation

We use incentives to motivate people, but not all motivation is equal

Intrinsic Motivation

- Driven by internal, non-tangible rewards
- Gives us feelings of satisfaction, accomplishment, and self-worth
- Performing activities or engaging in behaviors because we want to do them, not because we get something tangible for it

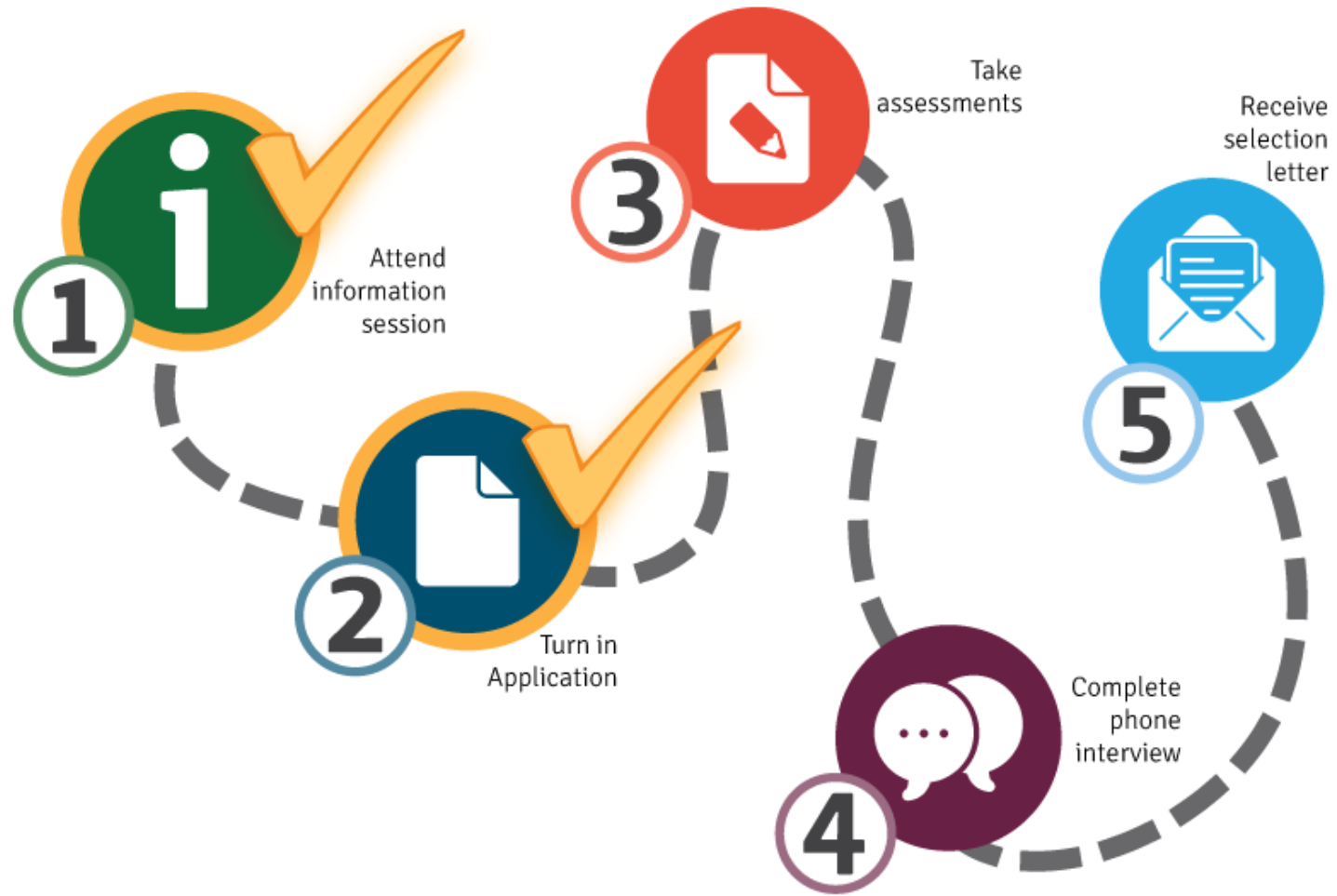
Extrinsic Motivation

- Occurs when we are motivated to perform a task or behavior to get a reward
- When I do X, I know I will get Y (contingent, tangible reward), often called a “carrot”
- Motivation driven by external factors. This means when the incentive is taken away, the motivation might go away, too (if the person isn’t also intrinsically motivated)

Note: Monetary incentives increase extrinsic, not intrinsic motivation

Successful programs end up increasing intrinsic motivation

Example from CAP Tulsa



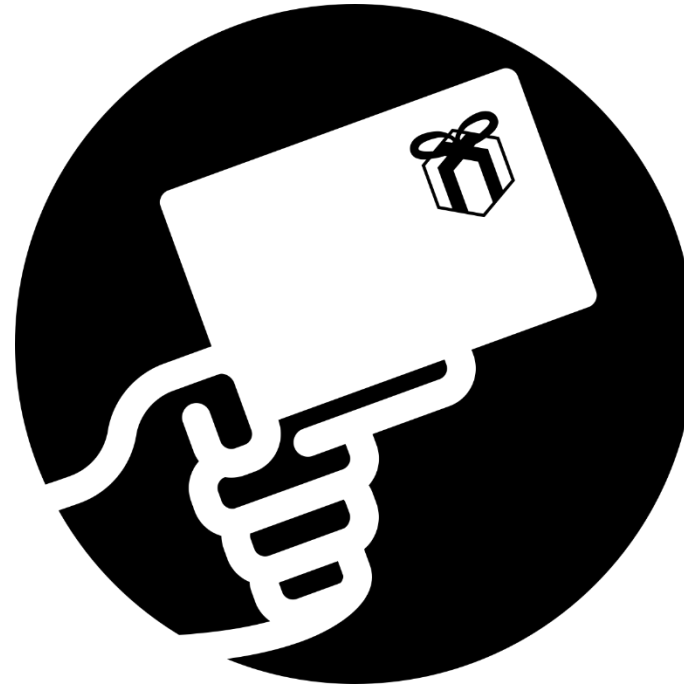
Incentives Basics

What Are Incentives?

- Something that is intended to make us change our behavior or actions
- Something that encourages a person to do something (like make a decision) or to work harder
- A payment or reward to stimulate greater output, investment, or engagement
- *Something we all have come into contact with- from childhood to the workplace*

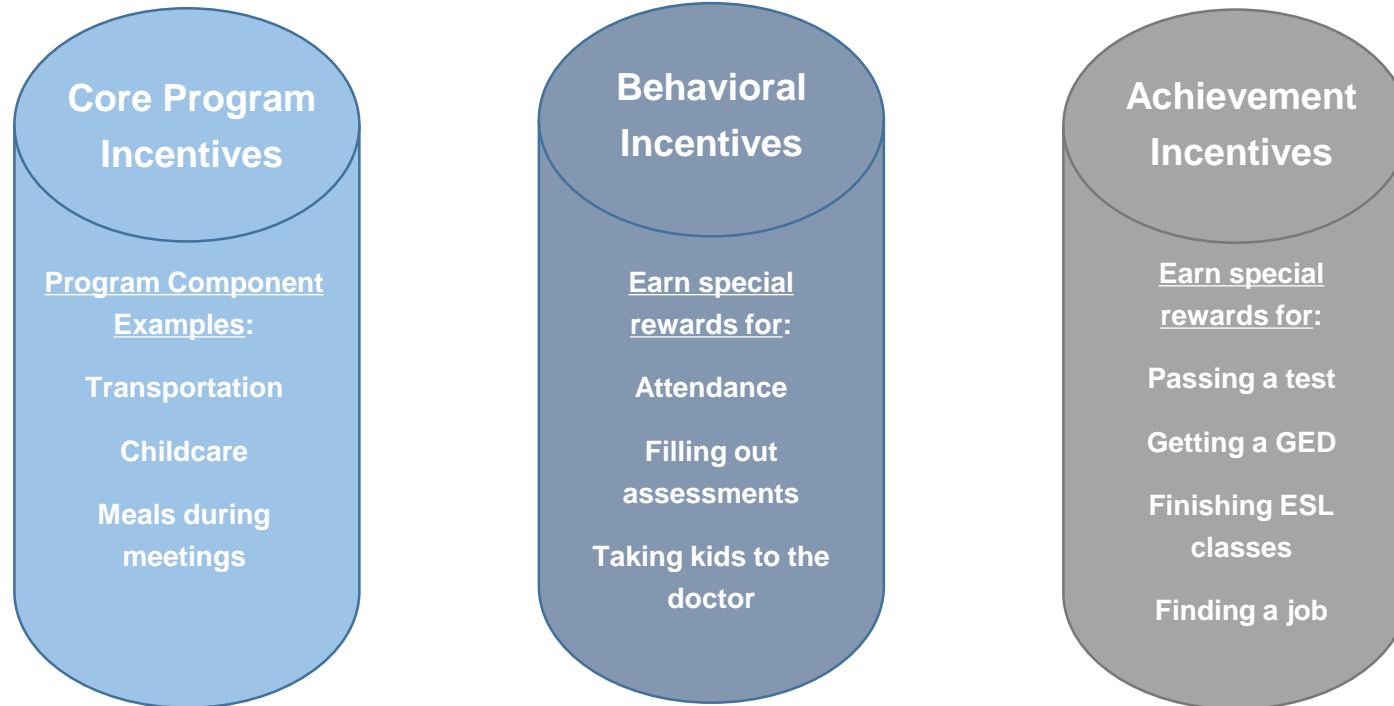
Types of Incentives

- **Monetary**- giving someone cash, a gift card, or a check
- **Tangible**- items like household goods, toys, etc. that have a financial value
- **Nonmonetary**- giving praise, recognition, certificates, etc.



Categories of Incentives

Some programs provide stipends or gift cards as a part of the program (core program incentives), while other incentives are based on specific actions and achievements

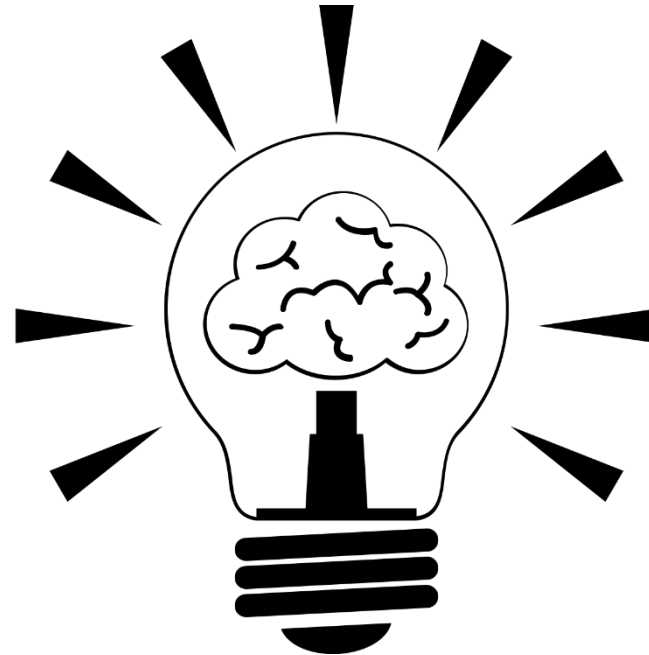


Using Incentives:

Program Considerations

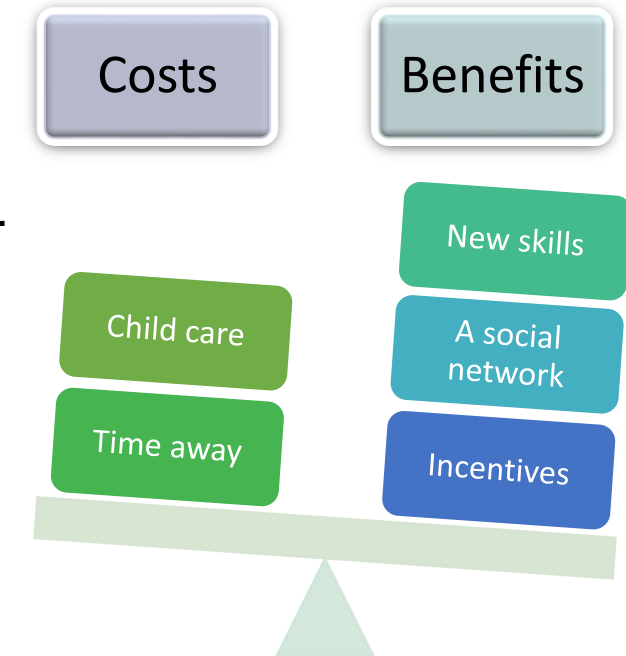
What Problem Are You Trying to Solve?

- A lack of engagement?
- Low levels of ongoing commitment?
- Lack of persistence towards goal attainment?



Costs & Benefits: Why Incentives Matter (and work)

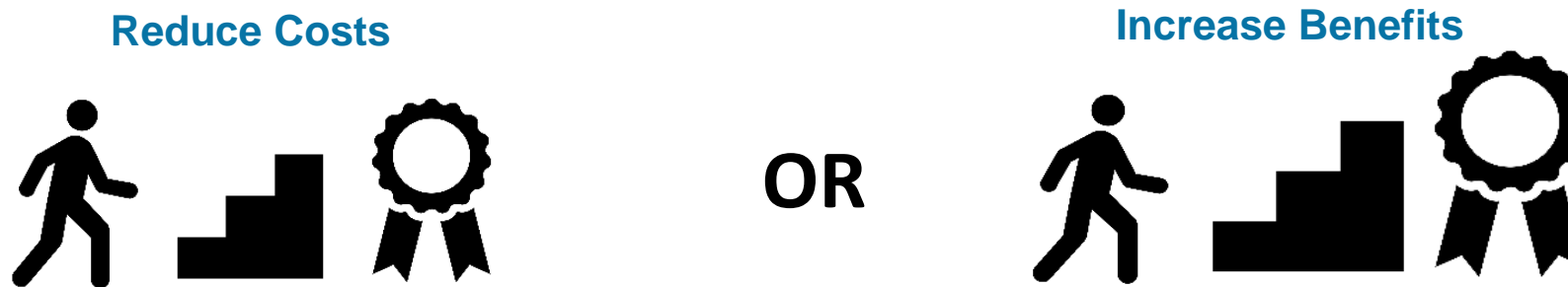
- Costs mean anything someone has to give up or forego to participate.
 - These can be very real “costs” like paying for transportation or child care
 - Or less tangible, like time away from their family
- Benefits are all the positive things someone gets from participating.
 - Gaining new skills and knowledge
 - A new and supportive social network
 - A new work credential
 - A feeling of accomplishment and success
 - A path to higher wages



It is important to keep in mind that that staff and participants may have different views of what the costs and benefits are. Ultimately, the best way to know is to talk to participants!

Why Use Incentives?

- Program participation is costly and given their current situation, the individuals you are targeting may not be able to see the long-term benefits of participating.
- Incentives can be used to reduce these barriers or costs, or to increase the benefits. These potentially can help to keep people engaged and persisting towards their goals.



- Rewarding or incentivizing small steps in the beginning may be a way to get people “hooked” and feeling successful (i.e., increasing intrinsic motivation), which may increase the chances they will remain engaged.

Addressing Costs with Participants

- Since one of the things likely keeping participants from engaging (or keeping them from persisting) is costs or barriers, make sure you address this up front.
- Using messaging material that directly speaks to known costs and what your program does to mitigate them can move people from intention to action when deciding whether to initially attend/engage
- For example, a flyer or mailing used to reach out to potential participants might say:
 - Worried about how to get here? We can provide a transportation stipend
 - Concerned about childcare? Our program provides free childcare during workshops and classes
- Or, it might add in an incentive while implicitly addressing a cost:
 - Since our program takes place in the evening, we provide a free meal for all attendees and their children

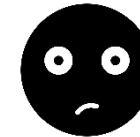
Scaling Incentives

Incentives should be scaled to the level of effort required to be successful

- Incentives should be based on how large the cost or barrier is, or how much effort has to be exerted to complete the necessary task. Filling out paperwork, for example, is a less effortful action than passing your GED test.
- Small, but frequent, incentives may be necessary and effective at the beginning to increase engagement and momentum. These tasks may not be incentivized the same way later in the program (or at all).
- For individuals focused on the present, one large incentive at the end of the program, or once a year is unlikely to be effective. Think about how that could be broken into smaller incentives along the way, or what nonmonetary incentives could be added to the program.
- Large incentives at the end of a program (e.g., earning a credential or a completing a course) may be appropriate, but should not be the only incentive provided if early engagement or persistence are problems.

What Stands in the Way for Parents?

- **Logistical challenges:** lack of reliable transportation and/or reliable childcare
- **Time constraints:** ever-changing work schedules; family responsibilities
- **Ambivalence/uncertainty about the payoff:** Is the time and effort worth it?
- **Other Priorities:** What else is going on in my life that is demanding my attention?
- **Present Orientation:** Lots of immediate needs- can only think about what I need now



Programmatic Reasons for Not Engaging or Persisting

There are several reasons why potential participants might not engage in the program or disengaged at some point in the program:

- ❖ Messaging issues:

- They don't know enough about the program.
- They don't think the program will benefit them and may have had past failures in similar programs.

- ❖ The actual or perceived immediate costs that a program imposes are too high.

- ❖ Parents understand the benefits, but don't think they will have a long-term effect that outweighs the cost.

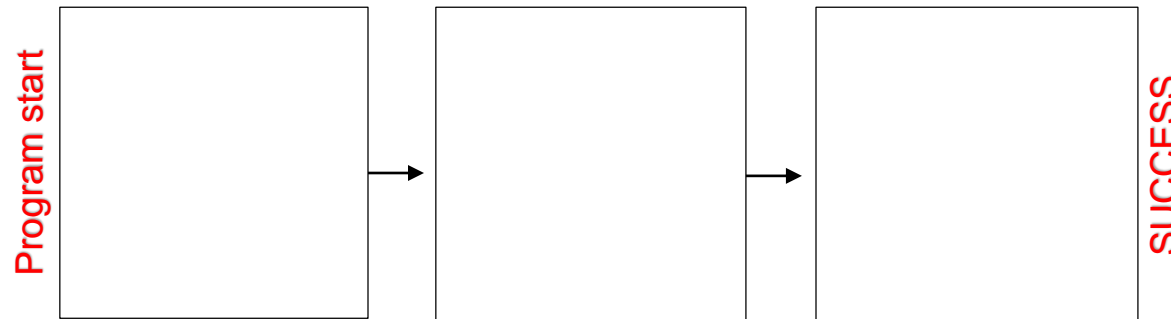
Incentives cannot solve messaging (i.e., knowledge) problems, but they can potentially solve cost-benefit problems.

Designing an Incentive Program:

The Key Ingredients

Know What Success Looks Like

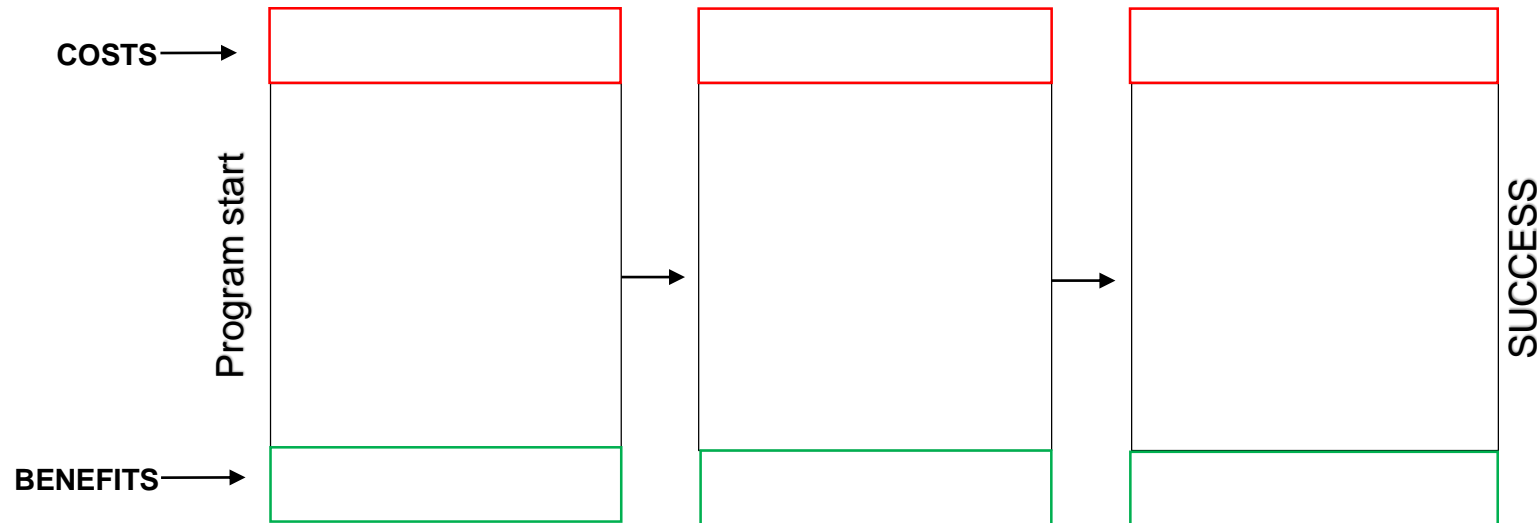
- In order to address programmatic and participant issues, you first need to know what success means for your program and parents.
 - How will parents know when they are successful?
 - How will you know when they are successful?
- Having this vision in mind allows you to backwards map the program, starting with success and listing all the necessary actions to get there (both for parents and program staff).



Know the Costs and Benefits Along the Way

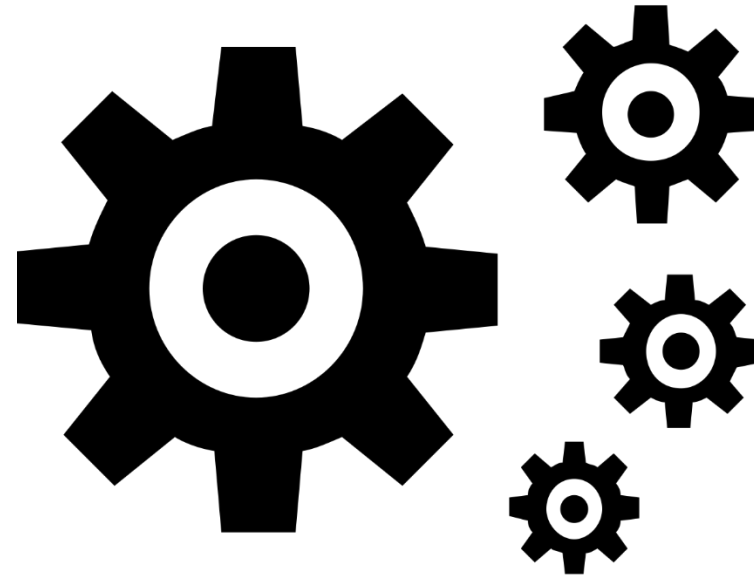
Using the map of your program from start to success...

- Think about the costs and benefits for each of the actions or expectations along the way. Be as detailed as possible. Remember ABC's (All the Benefits and Costs)
- Then you can see where to place incentives to reduce costs or increase benefits.
- This can also be helpful in showing potential points of disengagement and what happens up to that point



Know Your Program Possibilities and Constraints

- **Your budget:** How much can you afford for incentives?
- **Administrative feasibility:** What resources do you have to manage an incentive program?
- **Program constraints:** How often you can give incentives and in what form?



Know the Priorities of Your Target Population

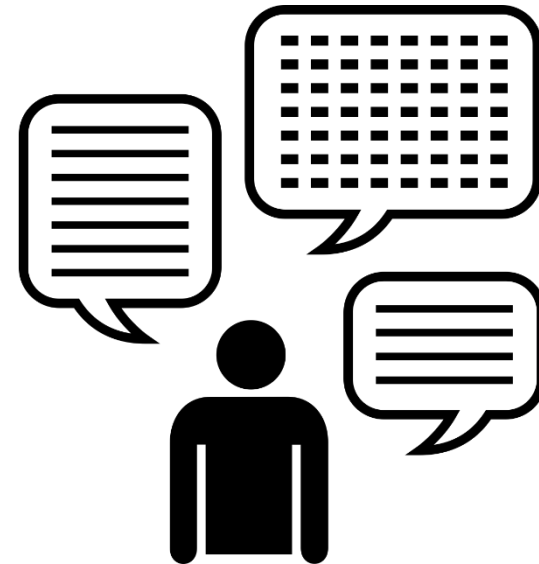
- **Things that matter:** What do clients or potential clients value?
- **Time horizon:** Are the individuals you are trying to reach present or future-oriented?
A future incentive for someone who is present-oriented will not have the intended effect(s)
- **What else** do they have going on that may be a priority?



Knowing the time orientation and priorities of your target population will help you to identify meaningful incentives.

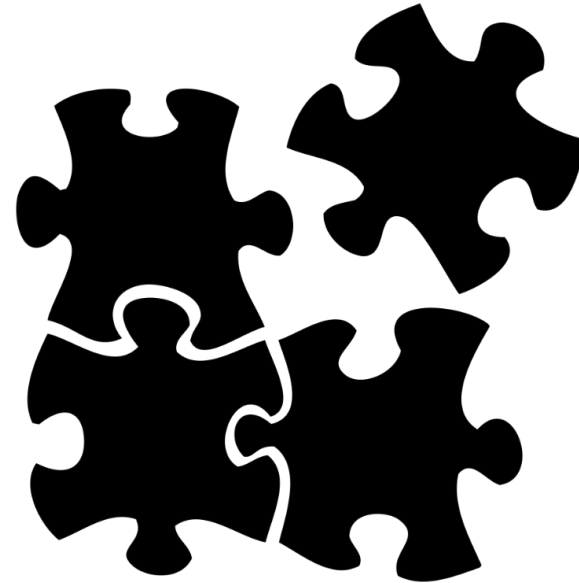
Things to Keep In Mind

- Successful incentive programs get initial feedback from parents about what incentives they would like and what barriers they have
- An incentive is only effective if it is useful to the participant and something they value.
- Continuous feedback and data collection can let you know what's working (and not).
- Reward behaviors, not (just) outcomes.
- Programs that use incentives need to work on increasing intrinsic motivation. This ensures the participant will leave the program more empowered and supported, leading to future success.



Incentive Program Design Checklist

- What problem do you want the incentive to solve?
- What does success look like?
- How will you get feedback about costs and benefits?
- **What (and how much) will you give?**
- What action must a participant take to receive the incentive?
- How will a participant show they have completed the action?
- When will you give the incentive?
- How will you communicate the incentive to participants?
- How will you evaluate whether the incentive works?



Research on Incentives: What Have We Learned?

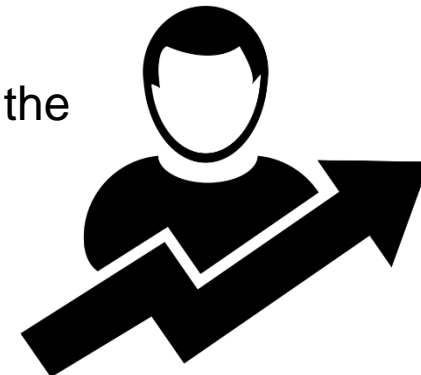
Research on Incentives Comes from Multiple Domains

1. Behavioral Management
2. Education Incentives
3. Conditional Cash Transfers
4. Business Incentives
5. Contingency Management
6. Health Incentives



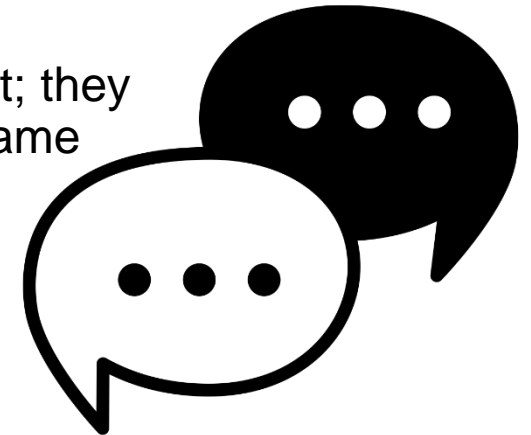
Incentive Research Takeaways

- Incentives work best when they are concrete and explicit (and in writing)
- Monetary incentives tend to work better in the short term
- Long-term programs have more success with a mix of financial/tangible incentives and support like mentoring or coaching
- Intrinsic motivation is a big predictor of lasting success. Intrinsic motivation can be built up using supportive services that increase self-sufficiency.
- Incentive program structure and rules need to be easy to understand and clearly explained to participants.
- Using input and feedback from participants can lead to incentives that best fit the population.
- Incentives work best when given as close as possible to the behavior
- The coaching/mentoring relationship is highly valued



Focus Group Feedback

- Participants did not like the idea of someone being “paid” to do something they should want to do on their own
- However, there was overwhelming agreement that they would not have attended the focus group without the gift card and lunch that were provided.
- There are some issues that incentives can’t solve. For example, many parents work at least part-time and had to take time off from work to attend the focus group.
- Most people noted that when they didn’t engage or missed appointments it was due to a lack of transportation or child care OR the service didn’t feel worth it (they didn’t get new resources or help)
- The relationship with their worker was a good indicator for level of engagement; they valued recognition from their counselor on a job well done or when they overcame obstacles
- Gift cards to places like Wal-Mart and gas cards were highly valued



Up Next...

- First, we will hear from two sites that we have worked with to develop or redesign their use of incentives
- Then we will move to Q&A- please type your question into the “question” box on your GoTo toolbar

