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CARNEGIE MELLON UNIVERSITY

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Current Appointment:

NSF SBE Postdoctoral Research Fellow, Carnegie Mellon University, September 2018 – August 2019

Undergraduate Studies:

B.A., Economics (Minor in History), Swarthmore College, 2010

Graduate Studies:

Ph.D., Behavioral Decision Research, Carnegie Mellon University, 2018

(Including Economics doctoral coursework)

Thesis Title: “*The Behavioral Economics of Undersaving: Evidence from Field Experiments on Employee 401(k) Enrollment and Contribution Decisions*”

References (All at Carnegie Mellon University)

Professor Saurabh Bhargava
Department of Social and Decision Sciences
412-268-1737, sbhar@andrew.cmu.edu

Professor Lowell Taylor
Heinz College
412-268-3278, lt20@andrew.cmu.edu

Professor Linda Babcock
Department of Social and Decision Sciences
412-268-8789, lb2k@andrew.cmu.edu

Professor George Loewenstein
Department of Social and Decision Sciences
412-268-8787, gl20@andrew.cmu.edu

Teaching and Research Fields:

Behavioral and Experimental Economics, Applied Microeconomics, Labor Economics, Public Economics

Teaching Experience:

All at Carnegie Mellon University

Fall 2017	Negotiations, Guest lecturer and teaching assistant for Prof. Silvia Saccardo
Fall 2015, 17	Behavioral economics & public policy, Guest lecturer and teaching assistant for Prof. George Loewenstein
Spring 2016, 17, 18	Causal inference in the field, teaching assistant for Profs. Saurabh Bhargava, Kareem Haggag, Mark Patterson
Fall 2014	Behavioral decision making, Prof. Baruch Fischhoff

Research Experience and Employment:

Fall 2013, Spring 2014	Carnegie Mellon University, Research Assistant to Professor Saurabh Bhargava
2010 – 2013	Federal Reserve Bank of Boston, Senior Research Assistant to Drs. Anat Bracha and Julian Jamison
Summer 2009	Swarthmore College Economics, Research Assistant to Professor Amanda Bayer
Fall 2008, Spring 2009	Swarthmore College Economics, Research Assistant to Professor Thomas Dee

Invited Workshops:

Russell Sage Foundation Summer Institute in Behavioral Economics (2016)

Rady Spring School in Behavioral Economics (2016)

Conference Presentations

November 2018, *New Orleans, LA*, Society of Judgment and Decision Making (Presentation)
 October 2018, *Boston, MA*, Advances with Field Experiments Conference (Presentation)
 November 2017, *Vancouver, BC*, Society of Judgment and Decision Making (Presentation)
 May 2017, *Boulder, CO*, Boulder Summer Conference on Consumer Financial Decision-Making (Poster)
 November 2016, *Boston, MA*, Society of Judgment and Decision Making (Presentation)
 April 2016, *San Diego, CA*, Rady Spring School in Behavioral Economics (Poster)
 November 2014, *Toronto, ON*, Society of Judgment and Decision Making (Poster)

Honors, Scholarships, and Fellowships:

2018	NSF SBE Postdoctoral Research Fellowship, cofunded by Economics program
2015	Graduate Student Assembly Travel Award
2014, 2015	NSF Graduate Research Honorable Mention in Economics
2014	Center for Behavioral Decision Research Small Grant

Citizenship: United States

Publications:

“*The heterogeneous effect of affirmative action on performance.*” Accepted with minor revisions at *Journal of Economic Behavior and Organization* (with Anat Bracha and Alma Cohen)

This paper experimentally investigates the effect of gender-based affirmative action (AA) on performance, focusing on a tournament environment. The tournament is based on GRE math questions commonly used in graduate school admission, and at which women are known to perform worse on average than men. We find that the effect of AA on female participants is heterogeneous: AA lowers the performance of high-ability women and increases the performance of low-ability women. Our results are consistent with two possible mechanisms: One is that AA changes incentives differentially for low- and high-ability women, and the second is that AA triggers stereotype threat.

“*The slider task: An example of restricted inference on incentive effects.*” 2016. (with Felipe Augusto de Araujo, Erin Carbone, Marli Dunietz, Ania Jaroszewicz, Rachel Landsman, Diego Lam, Lise Vesterlund, Stephanie Wang & Alistair Wilson). *Journal of the Economic Science Association*, 2, 1-12.

Real-effort experiments are frequently used when examining a response to incentives. For a real-effort task to be well suited for this exercise its measurable output must be sufficiently elastic over the incentives considered. The popular slider task in Gill and Prowse (*Am Econ Rev* 102(1):469–503, 2012) has been characterized as satisfying this requirement, and is increasingly used to investigate responses to incentives. However, a between-subject examination of the slider task’s response to incentives has not been conducted. We provide such an examination with three different piece-rate incentives: half a cent, two cents, and eight cents per slider completed. We find only a small increase in performance: despite a 1500% increase in the incentives, output only increases by 5 %. With such an inelastic response we caution that for typical experimental sample sizes and incentives the slider task is unlikely to demonstrate a meaningful and statistically significant performance response.

“*Predicting health behaviors with economic preferences and locus of control.*” 2015. (with Julian Jamison). *Journal of Behavioral and Experimental Economics*, 54: 1-9.

We present new results on the relationship between health behaviors and experimental measures of time and risk preferences. In contrast to recent findings in the economics literature, we find no evidence linking time preference and self-reported health behaviors and outcomes such as smoking and BMI. We also introduce evidence that internal locus of control—a psychological construct that refers to the tendency to attribute to oneself control over outcomes—explains significant variation in health behaviors, in models including traditional measures of risk and time preference.

Job Market Paper:

“*Serenity Now, Save Later: Evidence on Retirement Savings Puzzles from a 401(k) Field Experiment*” (with Saurabh Bhargava)

We present new evidence from a field experiment, survey, and administrative data at a large US firm testing the roles of four leading candidate drivers of low 401(k) saving and match take-up: present bias, deficits in retirement literacy, confusion about plan details, and enrollment complexity. We evaluate the impact on subsequent contributions of interventions delivering information and/or small financial incentives that separately target each candidate. The experiment is linked to survey measures of beliefs and preferences, allowing us to examine each candidate both by estimating average marginal effects of interventions and heterogeneity in responses along baseline characterization by each friction. Our results implicate the importance of present

bias in savings decisions with some of the first experimental evidence directly implicating its role in low 401(k) contributions. Specifically, we find that a small immediate incentive to engage one's savings decision (a \$10 gift card) led 7 to 10 percent of employees to increase savings while providing information about large deferred matching incentives (averaging \$1844 annually) did not change behavior. While we also document substantial deficits in retirement literacy and underestimation of match incentives in our sample, we show that these factors explain little of the gap between actual and recommended 401(k) contribution levels in our sample and that experimentally reducing these deficits does not shift savings in the absence of an immediate financial incentive. We also document evidence consistent with a novel channel that may contribute to undersaving among a significant share of employees—confusion about 401(k) contributions, with systematic overestimation of current contributions. Further, we show through a calibration exercise that the popular approach to capturing present bias by beta delta discounting cannot rationalize the behavior and beliefs of our employees absent implausible parameter estimates. We discuss alternatives and suggest a modified psychological account of present-biased enrollment that can match observed behavior. This new account incorporates avoidance of savings decisions as a short-term anxiety management strategy and has novel implications for policies to encourage savings.

Current Research:

“Save(d) by Design” (with Saurabh Bhargava, Rick Mason, and Shlomo Benartzi)

Online 401(k) enrollment interface design varies extensively along non-economic dimensions such as how options are presented and plan information is displayed. Yet there is little evidence on how these factors affect behavior. We describe field experiments showing that randomized design variation can be very influential, with one design increasing average contributions among over 8,000 employees from 501 different firms by a magnitude equivalent to that predicted by increasing matching incentives by over 60% of the typical match limit. This design also made decisions more responsive to cross-plan variation in match incentives, highlighting complementarities between design and incentives.

“Discouragement and Unemployment: A Theory of Job Search with Psychological Costs” (with George Loewenstein)

Conventional economic models of job search treat “discouragement” as the state of having given up on searching for a job. Taking a more psychologically nuanced perspective on discouragement, we modify a standard economic theory of job search intensity decisions to incorporate psychological costs associated with time spent on search during unemployment. The model provides a new perspective on why job seekers spend little time actively searching, and why active search declines over the course of unemployment. We test predictions of the model using a survey of over 700 unemployed job seekers, with a subset who complete a follow-up survey one month after the initial survey.

“The Behavioral Economics of Job Search: A Field Experiment Testing for Suboptimality of Search Volume & Strategies” (with Saurabh Bhargava)

This project aims to contribute to economists' understanding of job search behavior by testing basic assumptions about the optimality of search effort and strategy and the assumed irrelevance of psychological factors such as discouragement. One reason that behavioral insights have been slow to affect labor economics is the difficulty of capturing labor market dynamics realistically in the laboratory. This research will address this gap by leveraging access to real-world data on the online job search behavior of several hundred thousand job seekers and a field experiment with unemployed job seekers. These will provide new evidence on (i) how individuals search, including effort and search wages, (ii) the optimality of such search relative to a benchmark of the standard model, and (iii) the psychological consequences of unemployment and their effect on search. Further, it will test psychologically informed interventions intended to improve job outcomes. Evidence on whether unemployed job seekers search suboptimally for work and, if so, what specific interventions can improve search will have implications for how economic theory should model job search decisions and unemployment.

“Angry Voters and Political Extremism” (with Lea Heursen)

We study whether inducing anger toward the incumbent government causes citizens to support more extremist policies and political candidates. We define extremism in terms of distance from status-quo policies. We conducted an experimental study with 2000 U.S. voting eligible adults in the context of the 2016 U.S. Presidential campaign in the week before the election. We compare conditions in which anger at the government was activated with a thought-listing prompt, to conditions in which participants listed their thoughts on a neutral topic. A manipulation check confirms that the treatment induces anger in the predicted direction. We find that this minimal prompt activating existing anger at the government leads to an increase in expressed political extremism. Interventions designed to give participants the possibility to vent their anger, e.g. by communicating their attitudes about the government to U.S. congressional representatives, failed to attenuate the impact of anger on political extremism. This result suggests the possibility that transitory emotions—including those activated by political rhetoric or advertising targeting these reactions—may drive changes in policy positions.