LYNN CONELL-PRICE

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EDUCATION

CARNEGIE MELLON UNIVERSITY — PITTSBURGH, PA
Ph.D., Behavioral Decision Research (with Doctoral Sequences in Microeconomics, Econometrics) — AUG. 2018
M.S., Behavioral Decision Research — MAY 2015

SWARTHMORE COLLEGE — SWARTHMORE, PA
B.A., Economics — MAY 2010

PROFESSIONAL EXPERIENCE

CONSUMER FINANCIAL PROTECTION BUREAU — WASHINGTON, DC
Economist, Office of Research — AUG. 2021 – PRESENT

WHARTON, UNIVERSITY OF PENNSYLVANIA — PHILADELPHIA, PA
Postdoctoral Research Fellow, Wharton Risk Management and Decision Processes Center — SEP. 2019 – JUL. 2021
Associate Fellow, Leonard Davis Institute of Health Economics

- Conducted econometric and experimental research to understand individual risk perceptions and preparatory behaviors
- Designed and evaluated risk communication and choice architecture impacts on flood insurance take-up through analysis of administrative records and new data collection in surveys, lab, and field experiments
- Coordinated field test implementation and evaluation with product and data teams at insurance firm

CARNEGIE MELLON UNIVERSITY — PITTSBURGH, PA
National Science Foundation Postdoctoral Research Fellow — AUG. 2018 - AUG. 2019

- Led empirical research project on behavioral factors affecting individual job search decisions in unemployment, involving job seeker and practitioner interviews, surveys, and experimental methods

Graduate Researcher & Teaching Assistant, Department of Social and Decision Sciences — AUG. 2013 - AUG. 2018

FEDERAL RESERVE BANK OF BOSTON — BOSTON, MA
Economics Research Assistant — AUG. 2010 - AUG. 2013

PUBLICATIONS

Encouraging resiliency through autoenrollment in supplemental flood insurance coverage (with Carolyn Kousky & Howard Kunreuther). 2022. *Journal of Risk and Insurance*.

Flooding is the most common and costly natural disaster, with losses escalating due to climate change. For millions of US homes exposed to flood risk, property-level investments in flood resilience offer an attractive strategy to manage losses. But financing such investments remains a challenge. One option is to harness insurance. We use field data of residential flood insurance purchases from a private insurer that offered a supplemental policy (FloodReady) to cover the costs of rebuilding with flood-resilient materials. We exploit a change in the default purchase option to estimate how default enrollment in FloodReady influences take-up. We estimate that autoenrollment increases take-up from 12% to 32%. This dramatic increase suggests that behavioral interventions can be used to improve the financial capacity of homeowners to reduce future flood losses. That said, the fact that most policyholders still actively opt-out even under autoenrollments indicates the limits of default effects in this context. We discuss potential moderators and implications for default effects across settings.

The Heterogeneous Effect of Affirmative Action on Performance (with Anat Bracha and Alma Cohen). 2019. *Journal of Economic Behavior and Organization*, 158, 173-218.

This paper experimentally investigates the effect of gender-based affirmative action (AA) on performance, using a tournament in the lab. The tournament is based on GRE math questions used in graduate school admission, at which women tend to perform worse on average than men. We find that the effect of AA on female participants is heterogeneous: AA lowers performance of high-ability women and improves performance of low-ability women. This is consistent with two potential mechanisms: First, AA may change incentives differentially for low- and high-ability women, and second, it may trigger stereotype threat.

The Slider Task: An Example of Restricted Inference on Incentive Effects (with Felipe Augusto de Araujo, Erin Carbone, Marli Dunietz, Ania Jaroszewicz, Rachel Landsman, Diego Lam, Lise Vesterlund, Stephanie Wang, and Alistair Wilson). 2016. *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 (with Julian Jamison). 2015. *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 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.

WORKING PAPERS

Serenity Now, Save Later: Evidence on Retirement Saving Puzzles from a 401(k) Field Experiment (with Saurabh Bhargava). Under Review. Working Paper, October 2020.

Economists have identified several psychological frictions to explain why many 401(k)-eligible employees undersave for retirement despite generous matching incentives. We investigate four of these frictions through a field experiment that randomized 1,137 low-saving employees at a large US firm to information- and incentive-based treatments within a survey assessing each friction's baseline prevalence. We present four findings: (1) We corroborate prior evidence of pervasive low retirement literacy that correlates with saving, yet we reject any increase in saving from providing personalized recommendations that demonstrably improve literacy. (2) In an analysis of plan confusion, we estimate that 20 to 37 percent of 401(k) non-participants mistakenly believed themselves to be enrolled—these employees enrolled at high rates when prompted to review enrollment. (3) We find no evidence that enrollment complexity impedes saving—few employees perceived enrollment as prohibitively time-consuming and further simplification did not increase saving. (4) Finally, we directly implicate present focus as a cause of undersaving by showing that a significant share of employees increased saving in response to a small immediate reward ($10 gift card) but not to a clarification of the much larger, but delayed, plan match. Calibrations suggest that even assuming substantial hassle costs of enrollment, a beta-delta present-bias model cannot account for both employees' actual and anticipated saving delays for plausible parameters. We propose an alternative hedonic model of present focus and delayed optimism that explains our findings and offers a psychological rationale for reforms encouraging long-run savings by linking a liquid account that addresses near-term financial anxiety to existing 401(k) accounts.

Save(d) by Design (with Saurabh Bhargava, Rick Mason, Shlomo Benartzi). Under review. SSRN Working Paper, September 2018; Featured in *Harvard Business Review*, February 2020: How Digital Design Drives User Behavior.

While concerns over retirement preparedness among US employees often center on insufficient 401(k) plan access and participation, we present evidence from administrative records on 186,000 enrollees in 840 automatic enrollment (AE) plans that retirement insecurity extends to many plan enrollees and varies considerably across economically-similar plans. This paper examines an aspect of plans that may shape enrollee preparedness: the "psychological design" of digital enrollment interfaces—i.e., non-economic features such as color, layout, diction, informational salience. We describe three field experiments, administered with several thousand employees across 500 AE 401(k) plans investigating whether varying the psychological design of the digital interface from which employees confirm, personalize, or decline their enrollment influences saving decisions. These studies show that modest changes in psychological design result in sizable increases in personalized enrollment (+0.09 from a 0.60 baseline), full match take-up (+0.11 from 0.58), and average contribution rate (+0.62 from a 5.41 baseline)—the latter is equivalent to that predicted from a 62 percent increase in the typical plan match. Lab evidence also indicates that design changes affect enrollment without shifting preferences or decision-relevant beliefs, suggesting that these non-economic cues shape decisions through a heuristic rather than deliberative process. Finally, plan administrator forecasts show that the vast majority underestimate design's influence on enrollment and cannot identify optimal design strategies. Our findings suggest that digital design plays a large and underappreciated role in shaping retirement saving and that improving design could reduce retirement risk for many Americans.

INVITED TALKS & CONFERENCE PRESENTATIONS

- **Nov. 2021,** Serenity Now, Save Later? Evidence on Savings Puzzles from a 401(k) Field Experiment" Cornell, Behavioral Economics Workshop
- **Aug. 2020,** "Serenity Now, Save Later?" Wharton BEPP, Applied Economics Workshop, University of Pennsylvania
- **Nov. 2019,** "Transient Anger and Polarization In Policy Preference." Society of Judgment & Decision Making, Vancouver.
- **Sep. 2019,** "Save(d) by Design: The Impact of Non-Economic Design on 401(k) Enrollment Across 500 Firms." Advances with Field Experiments, University of Chicago.
- **Oct. 2018,** "Serenity Now, Save Later? Evidence on Retirement Savings Puzzles from a 401(K) Field Experiment." Advances with Field Experiments, Boston University.
- **Nov. 2017,** "Save(d) by Design." Society of Judgment & Decision Making, New Orleans, LA
- **May 2017,** "Serenity Now, Save Later", Boulder Summer Conference on Consumer Financial Decision Making, Leeds School of Business at University of Colorado, Boulder.
- **Nov. 2016,** "The Psychological Costs of Job Search: Theory and Field Evidence on Search Behavior During Unemployment", Society of Judgment and Decision Making, Boston, MA.
- **Nov. 2014,** "Trust and Employee Benefit Guidance", Society of Judgment and Decision Making, Toronto, ON.