

Applying Behavioural Insights in Community-Based Organizations

Reflections on a 3-year partnership between the Behavioural Insights Team and United Way Halton Hamilton

Authors: Vivien Underdown, Lila Tublin, and Sasha Tregobov

Context

In 2020, the Behavioural Insights Team (BIT) entered into a partnership with United Way Halton Hamilton (UWHH) to use behavioural insights to help achieve the goals of the Financial Empowerment and Problem Solving Program (FEPS) of Halton. FEPS aims to address the root cause of poverty—low income—by providing free tax filing, education, and financial supports through a network of local partners reaching 6,500 people. The collaborative initiative is funded by the Ontario Trillium Foundation.

Behavioural science is the study of human behaviour and the ways that our actions are shaped by environmental and contextual factors. The behavioural insights (BI) approach uses evidence of how and why people act the way they do to address practical issues. Through this approach, we can take findings about how people process information and make decisions and use these insights to enhance program quality and access. BI has demonstrated success in financial empowerment. For example, it has been used to develop more effective [savings programs](#) and [increase access to government benefits](#). The BI approach has also tackled a range of other common issues across community-based organizations. Research and practitioners have had success in addressing [missed appointments](#), [program enrolment](#), [charitable giving](#), and much more.

With these previous successes in mind, we wanted to understand how behavioural insights could best support FEPS. We sought to answer a number of questions, including:

- What are the most promising opportunities to apply BI to the day-to-day work of organizations providing financial empowerment services in the community?
- What are the barriers and enablers to rigorously evaluating applications of BI in community-based organizations?
- What should staff and leaders at community-based organizations know about BI, given all the pressures on their time and resources?

- How can we help them build their knowledge and capacity? More broadly, how can we help build BI capacity for the sector as a whole?

To answer these questions and advance FEPS' goals, BIT, UWHH and key partners including Oak Park Neighbourhood Centre (OPNC) undertook two streams of work: 1) designing, implementing, and evaluating new approaches inspired by BI and 2) building BI capacity for the community social sector.

Designing, implementing, and evaluating new approaches

Increasing tax filing with a single email

Tax filing clinics are a core component of FEPS and are provided through OPNC and other community partners. Their impact is enormous. OPNC alone helps residents gain over \$4 million in tax benefits and refunds annually. Even though most people with lower incomes can access free tax clinics, various barriers can stop them from filing—from not knowing if they qualify to thinking the process is complex—which means they lose out on potentially life changing financial returns. For smaller nonprofits with limited budgets, it can be difficult to find and test the best approaches to help residents overcome these barriers and take up their services. FEPS' leadership table decided that improving outreach for the invaluable tax filing service offered through OPNC would be a great place to focus BI attention.

When BIT started working with UWHH and OPNC, we realized that communications about the service could be expanded and improved. There was clearly an opportunity for them to better showcase the service's benefits and encourage community members to consider them. We wanted to counter people's tendency to maintain the status quo (not filing their taxes) and instead engage in a more deliberate process about what is best for their financial future. So BIT designed a new communication, an email, using a behavioural insights approach called *enhanced active choice*. This approach encourages people to make an active decision about what they want to do, while drawing out the implications of saying "no."

“Active choice” email

Subject: Get your tax benefits with help from Oak Park Neighbourhood Centre

Here at Oak Park Neighbourhood Centre, our staff are certified to file your income taxes. This is a free service. Make sure you are not missing out on financial supports and your benefits are not disrupted.

Are you interested in help with filing your taxes?

Reply “Yes”

If you are interested in getting the tax benefits your family is owed.

Reply “No”

If you don't want your tax benefits, or you filed your taxes already.

Please reply to this email with a “Yes” or “No” to let us know if you'd like our help. You can also call us with any questions at 905 257 6029 x103.

Thanks,

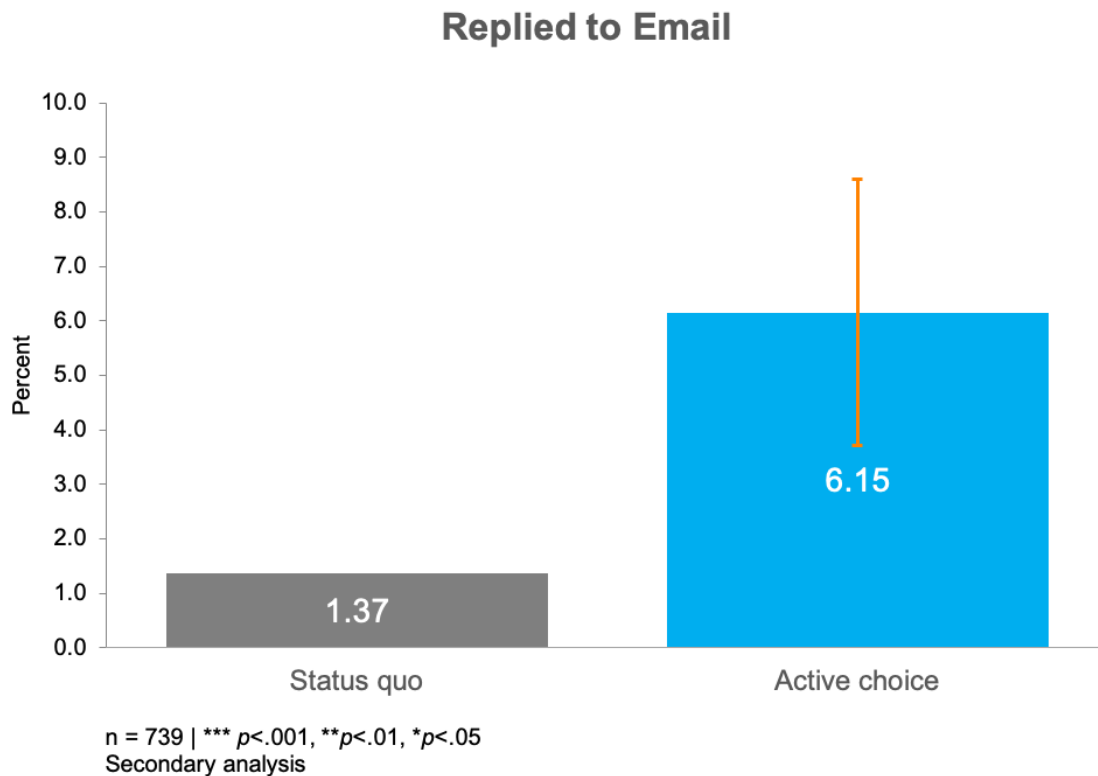
Sue



The enhanced active choice email we tested.

However, BIT, UWHH, and OPNC were not sure if this approach would work in practice, so we ran an experiment to find out. We used a randomized controlled trial to test whether more people would respond to an enhanced active choice email, sign up for the tax filing service, and, most importantly, get their refunds. As a comparison point, we used a generic email mirroring the style of past OPNC communications without behavioural insights applied.

The results were exciting and demonstrate the potential that behavioural insights can have for organizations like OPNC. **About four times as many people responded to the active choice email and ended up filing their taxes during the 6 week trial period.** This relatively simple and costless email change may have helped Halton families access more than \$67,000 in tax benefits and refunds. That's a sizable return on investment!



Testing direct mail

While the behaviourally-informed email yielded positive results, the experiment itself was modest in scale. The trial included a sample of about 750 participants. These were community members who had provided their contact information to OPNC in the past, but had fallen out of touch.

Building on findings from the email trial, we designed and tested a direct mail letter in a large-scale experiment. This time, we focused on residents who might not know about OPNC's free tax filing service, but could potentially qualify for it. About 15,000 people were included in this second randomized controlled trial.

The intervention letter we designed also used enhanced active-choice framing. We tested whether a teaser message on the envelope would have an effect on program uptake as well.

If you are eligible, go to haltontax.ca and get your taxes filed for free!

Dear ,

If you have not yet filed your income taxes, even if it has been years, our expert staff may be able to help. This service is **free**, in partnership with United Way Halton and Hamilton. You may receive hundreds or even thousands of dollars of government benefits by filing your taxes.

Follow these **3** simple steps:

1. Go to www.haltontax.ca
2. Complete the registration form
3. Email the form and tax slips to support@opnc.ca or drop them off at 2200 Sawgrass Drive, Oakville, **by April 22**

Oak Park Neighbourhood Centre will contact you to confirm if you are eligible.

<p>✓ Submit the form if:</p> <ul style="list-style-type: none"> ✓ You have not filed your taxes ✓ You are eligible for free tax filing ✓ You want to receive the benefits you are owed 	<p>✗ Do not submit the form if:</p> <ul style="list-style-type: none"> ✗ You have already filed ✗ You are not eligible ✗ You are not interested in receiving the tax benefits you are owed
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Am I eligible?
You are probably eligible if your household income is:

- 1 person: \$35,000 or less
- 2 people \$45,000 or less
- More than 2 people: \$45,000 or less plus \$2,500 for each additional person

Would you like to learn more?
Contact Oak Park Neighbourhood Centre at (905) 257-6029 ext.103 or support@opnc.ca.

Déclaration de revenus gratuite pour les résidents à faible revenu : envoyez un courriel à support@opnc.ca

低收入居民免費報稅服務請发邮件: support@opnc.ca



إعداد و عمل الضرائب مجاني للمقيمين ذوي الدخل المحدود : تواصل عبر الإيميل support@opnc.ca


Preparação do Imposto de Renda gratuita para residentes de baixa renda: e-mail: support@opnc.ca

ਪੱਟ ਆਮਦਨ ਵਾਲੇ ਵਸਨੀਕਾਂ ਲਈ ਮੁਫਤ ਟੈਕਸ ਫਾਈਲਿੰਗ: support@opnc.ca 'ਤੇ ਈਮੇਲ ਕਰੋ

کم آمدنی والے رہائشیوں کے لیے پلا معاوضہ ٹیکس فائلنگ (جمع گروائی کی سہولت) : ای میل support@opnc.ca

Preparación de la Declaración de Impuestos Sobre La Renta gratis para residentes de bajos ingresos: correo support@opnc.ca.








Ontario Trillium Foundation
Fondation Trillium de l'Ontario
an agency of the Government of Ontario
un organisme du gouvernement de l'Ontario

02806

The intervention letter.



2200 Sawgrass Dr
Oakville, ON L6H 6M8



01501

Name
Address
Address

Free tax filing services available. A team is ready to help you.

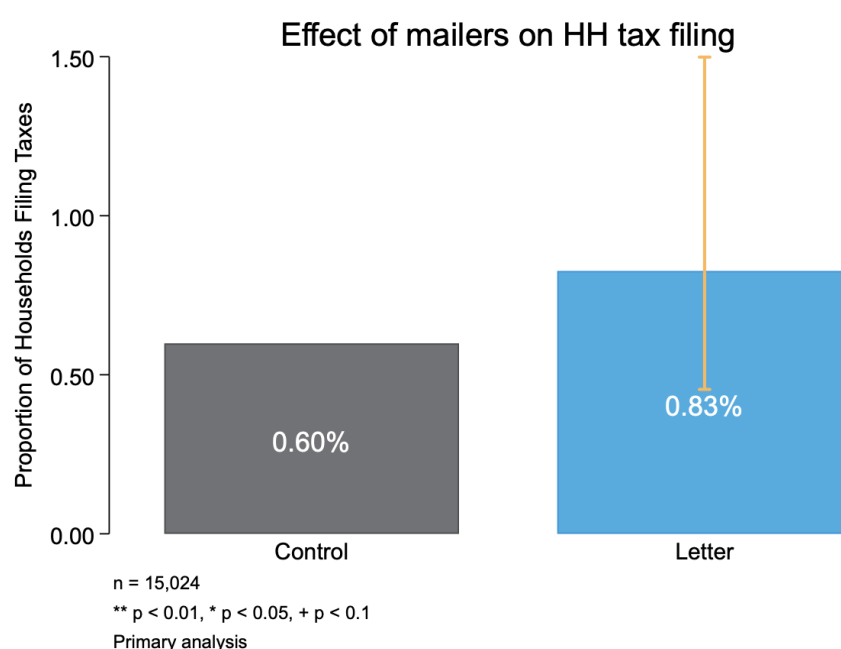
The teaser message.

A key principle of applied behavioural science is that if you [make something easy to do](#), people will be more likely to do it. While we expected the intervention letter to have an effect, we also knew that program uptake would be low relative to the number of letters sent.

For the letter to work, the recipient would need to skim it, open a browser window on their computer or phone, type in the web address, and register from there. Letter recipients' unfamiliarity with OPNC would likely add another layer of friction.

To combat these factors, we mirrored the email further by writing the letter in plain language on a single-sided page, chunking the content, using design elements to highlight the most important information, and making the call to action clear.

We leveraged Canada post to identify households in low-income neighbourhoods using public data. Half were sent the intervention letter, and a further half of this group received it in the teaser envelope. The other households did not get a letter and served as the control group for comparison.



Unfortunately, **the design of the letter and envelope were not enough to overcome those barriers**. Overall, 17 more people in the treatment group filed their taxes compared to people in the control group. However, this difference was so small that we cannot rule out that it might be due to chance.

Though the letter didn't have a significant impact on program uptake in this context, there are important learnings to keep in mind for future experiments, including:

Canada Post's strong partnership. In addition to generating the new contact list of 15,000 Halton residents, they also made experimentation more accessible by randomizing the letters and teaser envelopes. Other community-based organizations thinking about direct mail initiatives, such as encouraging volunteering or fundraising, could consider partnering with Canada Post to test whether their approaches are effective. (While Canada Post adheres to privacy law, organizations should consider potential unintended consequences of sending mail to people who aren't expecting it, such as recipients feeling "spammed" or distrustful.)

Scientific rigour is important, especially when you don't get the results you want.

Because we ensured that the sample size was sufficiently large and randomly assigned treatment (letter, teaser envelope) and control (no letter, no teaser envelope) groups, we were able to be more confident in our results. The control group was particularly critical. Imagine if we had assumed that a letter would be impactful from the beginning and ran an A/B test comparing two different versions. If our result was “null” in this scenario, we would not know whether it was due to both letters encouraging uptake, both letters having no effect, or both letters discouraging uptake! Now we can conclusively say that OPNC should not engage in more broad-based direct mail campaigns to increase tax filing participation. In fact, we think this is good evidence that other community-based organizations may want to avoid using direct mail to enhance participation in targeted (e.g., income-tested) programs.

Building sector capacity

Training FEPS leaders and partners

As we applied behavioural insights to FEPS communications, we worked with UW HH to bring BI expertise to the broader sector, so that the approach may be sustained beyond our project. To do that, we helped the people and organizations comprising the FEPS Leadership and Partnership Tables understand the field of behavioural science and its potential through a series of two workshops.

The first workshop, available to members of both tables, was focused on BI fundamentals. It helped participants gain a better understanding of how people think and make decisions and oriented them to the [EAST framework](#) for behaviour change. Interestingly, while participants had a range of prior BI knowledge, many shared that the concepts presented in the workshop were aligned with general practices in the social service sector. They were interested in learning more specific research related to the vulnerable populations they support, and applications that could be immediately applied in their day-to-day work.

We were able to get more hands-on in the second workshop, with a smaller group that only included Leadership Table organizations. Here we walked through a step-by-step process called [TESTS](#) for using behavioural insights to develop and trial new approaches. Each participant group chose a specific behaviour change challenge confronting their organization, and over the course of the workshop 1) identified behavioural barriers to that challenge and 2) used the EAST framework to develop solutions. While the group generally found this process more applicable to their work, participants also felt that more time was necessary. Some struggled to allocate sufficient time to attend the workshop alone.

Creating an online course for staff

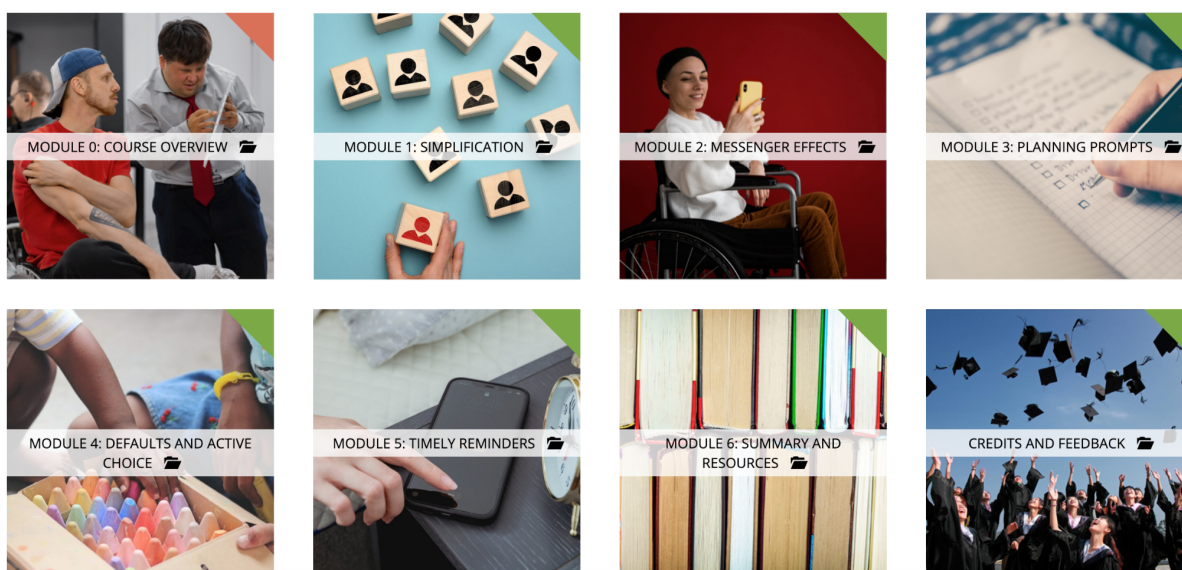
Based on our evaluation of the FEPS BI training workshops, we worked with UW HH to develop self-directed learning materials that could be made available to staff at a wide range

of community-based organizations. [Click here to access the course](#) we created on UWHH's ConnectEd Learning Library.

We knew that the vast majority of frontline staff and managers at these organizations are stretched incredibly thin. We wanted to build learning experiences for them that were practical, directly relevant to their day-to-day work, and did not impose an undue burden on their time. Our hope was to leverage or re-purpose some of the existing, excellent courses that are already available, but we found that the vast majority of behavioural science training materials focus on the field's foundational principles and methodologies. They are aimed at people who want to develop a ground-up knowledge of applied behavioural science—and have the time to do it. It was clear that we would have to build something new.

We decided to focus on applications—not principles. Based on discussion with behavioural science experts and UWHH staff, we identified five specific behavioural insights tactics that would be widely applicable, straightforward to understand, and low risk to implement:

1. Simplification
2. Timely reminders
3. Planning prompts
4. Messenger effects
5. Defaults and active choice



The online course modules.

Working with UWHH and Enable Education, we developed content for video-based online modules that nonprofit staff could absorb at their own pace, hosted through UWHH's capacity building program, ConnectED. The lessons were organized into four segments:

1. A definition and example of the concept or tactic;
2. A summary of what types of situations the tactic should be applied to (with a corresponding case study);

3. A summary of cautions and key considerations, alongside a prompt to reflect on where the learner could apply the tactic at work; and
4. A multiple choice quiz and short-answer exercise to test and reinforce the knowledge gained.

We also developed a couple of interactive tools to add to a few of the modules, for more active practice.

Example target behaviour: <i>Increase rates of tax filing among low-income members of the Halton-Hamilton community</i>						
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Actor	Actor starts by...	Then does...	Then does...	Then does...	Then does...	Then completes the process by...
Community center staff	Sends email to member		Sends form to member		Reviews forms and documents, sends to tax filer	
Member	Receives email	Responds to email		Fills out form and sends to center		
Tax filer (accountant)						Processes tax filing
Decisions	Decides whether to respond to email			Decides whether to fill out forms		

Simplified Example

What would the decision map for Marta's situation look like? Follow the steps below to practice using this tool.

One of the interactive tools we developed.

Recommendations

While our three-year partnership with UW HH focused on using BI to support FEPS Halton, our work shed light on considerations and opportunities for the entire nonprofit sector.

1. Seize opportunities to apply BI to day-to-day work

There is vast potential for virtually every community-based organization to apply principles and approaches inspired by BI. These opportunities include, but are certainly not limited to:

Improving communications. Nonprofits communicate with many different audiences—program participants, donors, volunteers, staff members, and more—for many different reasons. Whether a communication's goal is to increase participation, raise money, or promote volunteering, organizations can apply BI principles to enhance the chances that a communication achieves its purpose. While our email trial successfully used enhanced active-choice framing to increase participation in free tax filing, we also see opportunities for

organizations to leverage BI principles such as using **trusted messengers** as sources of key information, ensuring each communication has a **clear call to action**, using **plain and simple language**, and prompting people to plan out their actions (i.e., to set **implementation intentions**).

Removing “sludge.” One of the biggest lessons from behavioural science is that even small hassles or “frictions” can have an outsized effect on people’s choices. If signing up for a program or becoming a volunteer requires even one more “click” on a website than is required, fewer people will do it!

Reviewing and resetting “defaults.” People tend to go with the flow, only making decisions where they are required. For that reason, “defaults,” the options people are automatically opted into unless they make an active choice, exert a large effect on behaviour. That is why fundraisers are increasingly asking people to set up recurring donations—that way people do not need to decide and take action to donate—it just happens! Nonprofits should review their programs, services, and processes and identify current defaults. For example, if someone has an initial meeting with a financial counsellor, do they need to take action to book a second meeting, or is it scheduled for them by default?

2. Invest in light-touch learning opportunities

We believe that it is worth it for most nonprofit leaders and staff to build some basic BI knowledge, despite how thinly stretched they may be. Even if stakeholders have some background knowledge, it can always be worthwhile to have a refresher or to see a different style to an approach. The nonprofit partners involved with applying a BI lens to FEPS services felt they were able to learn practical techniques that improved their regular communications within FEPS and beyond.

So much of what nonprofits do is about encouraging behaviours in people’s best interest. Plus, BI can help make the most of limited time and resources. We think that [the modules developed over the course of this partnership](#), described above, are a great model and starting point. To access the course, visit UWHH’s [ConnectED Learning Library](#).

3. Build coalitions and leverage the scale of national nonprofits to overcome barriers to rigorous evaluation

Rigorous evaluation is an important part of the BI approach. Human behaviour and decision-making are so complex that we are often unsure whether certain BI-inspired approaches will work in a given context. We strongly prefer to test more complicated or novel ideas before they are implemented at scale. But for nonprofits looking to use BI, assembling the elements needed to conduct strong evaluations is complex and challenging.

Barriers to evaluation

Sample size. To confidently answer research questions, we need to be able to detect differences between at least two groups (e.g., comparing two emails encouraging people to reach out about volunteering opportunities). Relatively large samples—usually in the thousands—are generally needed. Nonprofits may have greater capacity to test BI approaches with fundraising because of the interest in reaching large numbers of potential donors, regardless of an organization’s size. However, many nonprofits simply do not have enough clients, volunteers, or cases to enable the sample sizes required for rigorous evaluation methods like a randomized controlled trial. This can be for several reasons, such as focusing on narrow geographic zones, not requiring a large amount of volunteers, or a “one-size” approach being inappropriate due to a social need’s complexity.

Capacity and technical expertise. Even where sufficient sample sizes (and the right data sets) exist, there can still be major barriers to doing strong evaluations. First, it requires significant technical expertise in experimental design and data analysis. Few nonprofits will have the resources required to bring on this type of expertise full time. Hiring specialized research consultants can also be prohibitive. Academic partnerships hold promise in mitigating cost barriers, but often pose significant bureaucratic hurdles. Second, technical experts need to work closely with nonprofit staff and managers to design and implement the evaluations in ways that make sense operationally and do not disrupt the core work of the organization. This puts additional strain on already limited bandwidth.

Enablers of evaluation

Coalition-building and partnership. By working together, community-based organizations can overcome barriers related to sample size and resources. Evaluations may be “well powered” (have a large enough sample to answer the research question precisely) if four or five organizations come together to test something. Further, the costs of technical expertise, whether in-house or a consultant, can be shared. Many nonprofits are part of existing multi-stakeholder groups like communities of practice or roundtables, which could have strong foundations for exploring shared behavioural insights experiments.

National nonprofits. There are some nonprofit organizations that have the reach and scale required to overcome barriers to evaluation without bringing together a coalition. In particular, national nonprofits should leverage their scale and generally greater resources to demonstrate leadership in developing and testing BI strategies. Organizations with enough capacity to undertake solo projects should share their findings publicly. Doing so would strengthen the sector as a whole by increasing the knowledge available to stakeholders and attracting positive attention.

Funding. Most funders are interested in evidence-based approaches and allow—or even require—expenditures on research and evaluation. Many also encourage collaboration, and grant-makers may be more inclined to fund research activity if they know that the work will have a large enough sample and will be relevant to more than a single nonprofit. The focus on collaboration is also expanding funding opportunities beyond the traditional social sector

routes. For example, academic funders in Canada are increasingly requiring community partnership, which can offer financial resources and new expertise to community partners.

4. Advocate for research and policy that enables community-based organizations to use BI

We connected with a range of nonprofit leaders over the course of our partnership with UWHH. A consistent theme emerged across these engagements: There is ample opportunity for actors outside of the nonprofit space—researchers, governments, private-sector companies, etc.—to better support the needs of community-based organizations through BI.

Misalignment between research participants and the communities nonprofits serve.

Throughout our partnership, nonprofits raised important and challenging questions about how and what behavioural science research is relevant to the communities they support. Much of the underlying academic research that BI relies on has been conducted with research participants from the US or other “Western” countries who are not living with disabilities and who come from majority religions and cultures. On the other hand, many nonprofits specifically represent and work with communities that are not often the focus of these research studies, including a wide range of disability and Indigenous communities (among many others). These organizations rightly wondered how applicable the research findings were to them, and whether the BI ideas could even backfire. This is a much bigger and deeper issue than we can do justice to in this report, but a few key points stand out:

- **Many of the core ideas in behavioural science will be particularly relevant to communities that are often excluded.** Reducing barriers through approaches like making processes less burdensome and using more intuitive language are helpful for everyone, but especially those who are neuroatypical, have limited literacy, or otherwise experience exclusion in their day-to-day life.
- **Academic and applied behavioural science researchers need to fill critical gaps to ensure equitable benefits from BI approaches.** Despite the point above, there has absolutely been under-investment in conducting studies with *a lot* of communities. So long as these gaps persist, stakeholders using BI approaches may be unintentionally creating inequities. Nonprofits should use caution when applying approaches with evidence bases that rest in research that does not include communities they partner with. Stakeholders leading behavioural science research, including government, companies, and academia should integrate a DEI lens to their research and make findings publicly available to support social sector actors in improving their efforts.
- **Much government policy and programming does not reflect behavioural science principles.** Many of the opportunities we identified for nonprofits to use BI should not really exist! For example, automated tax filing, where taxes are filed by the government, would drastically reduce “sludge” and eliminate the need for many people with simple tax situations to file themselves. If this were a reality, organizations

like OPNC could refocus their attention from trying to boost tax clinic attendance to supporting people with more complex needs that may not be resolved by automatic filing, like people who are unhoused. In another example, BIT is currently working with a nonprofit to help people understand and navigate transitions from social assistance to employment, with a focus on government benefits. Ideally, governments would develop policy and programming that inherently simplifies this transition—mitigating the need for a community-based organization to do that work.

Most of the issues that community-based organizations are working to address are caused upstream. We recognize that the onus is on the research and public policy communities to fill these gaps, and we encourage nonprofit leaders to keep the pressure on!