Ideas on Motivating Debt Repayment from a Behavioral Economist

Tuesday, October 18, 2018 | 3:30-4:00 ET
Welcome

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Smart Growth for Credit Counseling
Research Coffee Breaks

Oct 17  Ideas on Motivating Debt Repayment from a Behavioral Economist
w/ Jeremy Burke, University of Southern CA

Nov 7  Land of the Fee
w/ Devin Fergus, University of Missouri

Join the Smart Growth for Credit Counseling Listserv
https://prosperitynow.org/join-smart-growth-listserv

Thanks to Capital One for making the Smart Growth Program and these coffee breaks possible!
This webinar is being recorded and will be shared within one week.

All webinar attendees are muted to ensure sound quality.

Share comments or ask questions at any time by raising your hand to be unmuted or typing the question into the text box on the control panel.

Tip: Phone audio works best. Be sure to enter your audio PIN!

If you experience any technical issues, email gotomeeting@prosperitynow.org.
Prosperity Now’s mission is to ensure everyone in our country has a clear path to financial stability, wealth and prosperity.
Getting the Most Out of Today’s Call

- Join from a quiet space
- Grab a coffee or snack and settle in
- Engage! Send us your questions and comments as you listen
- Reflect on ways to apply what you learn today to your own work
Today’s Agenda

✓ Welcome & Introductions
✓ Discussion w/Jeremy Burke
✓ Audience Q&A
✓ Closing & Next Steps
Today’s Speakers

Pamela Chan
Project Director,
Human Insights
Prosperity Now

Jeremy Burke
Sr. Economist,
Center for Economic &
Social Research
USC Behavioral Economics Studio
Poll Question

How do you feel about the Dunkin’ Donuts name change to just Dunkin’?

- How could they do this?!?!?
- What’s the difference?
- What are you dunkin’ if there’s no donut?
- Who cares?
How did you come to work with credit counseling agencies?

Jeremy Burke
Sr. Economist,
Center for Economic & Social Research
USC Behavioral Economics Studio
What makes repaying debt hard?

WHEN YOU HAVE SO MUCH OF DEBT THAT YOU CAN'T AFFORD
What hasn’t worked well to motivate consumer debt payments?
What could help motivate debt payments?

Almost debt free

Paid off both cars, both student loans, and all of the credit cards
What advice do you have for agencies?

Jeremy Burke
Sr. Economist,
Center for Economic & Social Research
USC Behavioral Economics Studio
Audience Q & A

What questions do you have?
Share them in the Questions box!
Group Discussion Technology

- This is a group discussion! However, all webinar attendees are muted at the start to ensure sound quality.
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Today’s Speakers

Pamela Chan
Project Director, Human Insights
Prosperity Now

Jeremy Burke
Sr. Economist, Center for Economic & Social Research
USC Behavioral Economics Studio
POLL: Of the behavioral strategies Jeremy suggested, which would you explore more for your organization?

A. Soft commitment
   *EXAMPLE:* Ask client to write debt payment goal in one word, followed by statement, “I am a good debt manager. I can achieve my debt payment goals.”

B. Hard commitment
   *EXAMPLES:* Set up auto-payment, penalty for late payment

C. Reframing debt payments as milestones

D. Other mentioned strategy
Poll Question

Which of the behavioral strategies Jeremy suggested would you explore further for your organization?

- **Soft commitment**
  - Example: Ask client to write debt payment goal in one word, followed by statement, “I am a good debt manager. I can achieve my debt payment goals.”

- **Hard commitment**
  - Examples: Set up auto-payment, penalty for late payment

- **Reframing debt payments as milestones**

- **Other mentioned strategy** *(share more in the chat box)*

*Use the Comment Box to let us know more!*
Next Steps

▪ Complete the follow-up survey

▪ Explore human insight tools on the ProsperityNow.org [https://prosperitynow.org/human-insights-tools-resources](https://prosperitynow.org/human-insights-tools-resources)

▪ Look out for a follow-up email with a recording of today’s session and related resources and share with colleagues

▪ For updates on future debt & debt management events, join the Smart Growth for Credit Counseling Listserv [https://prosperitynow.org/join-smart-growth-listserv](https://prosperitynow.org/join-smart-growth-listserv)

▪ Attend our next Research Coffee Break on November 7th!
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- Adult Matched Savings Network
- Affordable Homeownership Network
- Financial Coaching Network
- Taxpayer Opportunity Network (VITA/community tax prep)
- Campaign for Every Kids Future — Children’s Savings Accounts
- Medical Financial Partnerships Network (Health/Wealth)
- Innovations in Manufactured Housing (I’M HOME) Network

Visit any of the networks above at prosperitynow.org/getinvolved to get started.
Thank You!

Please complete our survey!
Coffee Mugs

- Happiness: Debits = Credits
- I love Spread Sheets
- I love Behavioral Economics
- Keep calm and focus on finances
- Debt Counsellor: A title just above queen
- Keep calm and let the debt counsel handle it
- Sorry if I looked interested, I was probably thinking about being a debt counsellor
- Debt Counsellor solves problems you didn't know you had in ways you don't understand
- Trust me, I'm an economist
- Just keep your head down and listen to the man - debt counselor
How do you feel about coffee?

HELP ME, CAFFEINE
YOU'RE MY ONLY HOPE

NOOOOO NOT THE COFFEE ~
I NEED THAT TO LIVE!

CHEERS TO THOSE
WHO DON'T DRINK COFFEE

A B C
What kind of day are you having?

Sometimes I write "drink coffee" on my to-do list, just so I feel like I accomplished something in a day.
Prosperity Now Advocacy Center—Sign Up Now!

Take these 4 simple steps to sign up today!

1. Visit https://prosperitynow.org/take-action

2. Scroll over “Take Action” and select “Advocacy Center”

3. Scroll down and enter your email address and click “Sign Up”

4. Enter the remaining contact information fields to make it easy to contact your legislator when you return!
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Sign up to stay informed about the latest developments and opportunities to take action by joining one of our four federal policy campaigns.

**HOMEOWNERSHIP**

Homeownership is key to building wealth. Together, we will advocate for products and policies that provide more affordable homes to more people.

**CONSUMER PROTECTIONS**

Consumer protections create fairer, more transparent financial markets. Together, we will ensure consumers keep the safeguards they deserve.

**SAFETY NET**

Safety net programs help protect vulnerable individuals and families from falling deep into poverty. Together, we will protect programs like SNAP, IDAs and more to help those in need when they need it most.

**TURN IT RIGHT-SIDE UP**

The vast majority of tax incentives go to those at the top, not to those who need it most. Together, we will turn our upside-down tax code right-side up.

Visit any of the Campaigns above at [https://prosperitynow.org/get-involved](https://prosperitynow.org/get-involved) to learn more and join.