Using behavioural insights in policy making

Evidence and Data Informed Policy Making for Education

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Today

- Warm up exercise
- What are Behavioural Insights
- A framework for applying Behavioural Insights: EAST
- Setting up a Behavioural Insights unit
- Questions and discussion
Behavioural insights in everyday life

You go out to buy a belt. You find one for €12.

Someone tells you that can save €5 if you walk five minutes down the road to another shop. Do you walk five minutes to save the money?

A. Yes
B. No
Behavioural insights in everyday life

You go out to buy a TV. You find one for €220.

Someone tells you that can save €5 if you walk five minutes down the road to another shop. Do you walk five minutes to save the money?

A. Yes
B. No
The evolution of behavioural science – a (very) brief history
From ‘deep’ physiological responses...
... to social experiments ...

Exhibit 1

Asch experiment
... to understanding the power of context on cognition

“Our findings suggest that judicial rulings can be swayed by extraneous variables that should have no bearing on legal decisions”

Danziger et al. 2010
We need to think differently about behaviour

System 1
Fast thinking/Automatic intuitive, effortless
2x2
Taking your daily commute

System 2
Slow thinking/Reflective deliberate, analytic
24x17
Planning a trip overseas

“It turns out that the environmental effects on behavior are a lot stronger than most people expect”

Daniel Kahneman, Nobel Laureate

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Traditional ways to change behaviour

Regulation

Incentives

Information

Behavioural Insights
THE BEHAVIOURAL INSIGHTS TEAM

Netherlands: (i) Ministry of Economic Affairs; (ii) Ministry of Infrastructure & the Environment; (iii) AFM

UK: (i) The Behavioural Insights Team (BIT) & (ii) nudge units in 10 departments

Norway: Greenudge

Sweden: Swedish Nudging Network

Finland: Prime Minister’s Office

Denmark: The Danish Nudging Network

Germany: Chancellor’s Office

Moldova: UNDP/BIT collaboration

Singapore: (i) Prime Minister’s Office & (ii) Ministry of Manpower

Sydney: (i) BIT Australia & (ii) Behavioural Insights Unit, New South Wales

Australia: Department of Prime Minister and Cabinet, Canberra

Mexico: multiple policy areas

Guatemala: Guatemalan tax administration

Jamaica: Finance Ministry (UNDP/BIT)

Rio de Janeiro: Mayor’s Office

NYC: (i) BIT North America & (ii) ideas42

World Bank: Development Report and behavioural trials

Chicago: Chicago Nudge Unit

Canada: Policy Horizons Canada

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Our evolution
Putting the literature into the hands of policy-makers
Easy

Defaults
Friction costs
Simplification
We ran a trial on the ‘Tax Return Initiative’ with HM Revenue & Customs.
Removing small frictions seems to make a disproportionate difference.

- Webpage: 19.2%
- Direct to Form: 23.4%
Attractive

Easy

Social

Timely
Attractive

Attract attention
Personalise
Rewards and incentives
How can you encourage people to turn up for their hospital appointments?
We tested a range of text messages

Appt at Mile End Hospital on Sep 16 at 10:00am. To cancel or rearrange call the number on your appointment letter.

Control
We tested a range of text messages

Appt at Mile End Hospital on Sep 16 at 10:00am. To cancel or rearrange call 02077673200.
We tested a range of text messages

We are expecting you at Mile End Hospital on Sep 16 at 10:00am. **9 out of 10 people attend.** Call 02077673200 if you need to cancel or rearrange.

**Social Norm**
We tested a range of text messages

We are expecting you at Mile End Hospital on Sep 16 at 10:00am. **Not attending costs NHS £160 approx.** Call 02077673200 if you need to cancel or rearrange.
Percentage of patients missing their appointments

<table>
<thead>
<tr>
<th>Treatment</th>
<th>Missed Appointments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control</td>
<td>11.1%</td>
</tr>
<tr>
<td>Phone number</td>
<td>9.8%</td>
</tr>
<tr>
<td>Social norms</td>
<td>10.0%</td>
</tr>
<tr>
<td>Costs to NHS</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

5,800 fewer missed appointments in one site
400,000 across England if rolled out
Social

Social norms
Network nudges
Commitments
Reciprocity
How can we help adult learners to stay motivated?
Baseline student attendance by week
Texting adult learners

- What I am learning is of value
- I can succeed
- With practice, I will get better
- Advanced planning also helps
Impact on attendance
Results: increased attendance post Christmas holidays

Control: 59%
Treatment: 64%
Results: reduced dropouts

- Largely automated
- Across the year less than £5

25% Control
16% Treatment
Timely

Prompts
Reminders
Implementation intentions
How can we help jobseekers into work more quickly?
"Co-creating" with Jobcentre coaches:

1. Remove friction

2. Plan ahead

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1 jobcentre
% increase in number of jobseekers finding work within 13 weeks

Control: 51%
Treatment: 56%

5% Treatment effect
12 jobcentres
750 jobcentres

Successfully replicated and implemented in Singapore en Australia
How to Set Up A Successful Nudge Unit
Administrative Support
Political Support
People
Location
Experimentation
Scholarship
Administrative Support. You need to ensure you have buy-in from within the machinery of government.
Political support. At the very least you should consider of how your approach fits with the political narrative of the government.
People. You need to get the right blend within your team. We recommend a balance of (i) policy; (ii) behavioural scientists; (iii) trial design specialists.
Location. So much of government is about being in the right place at the right time, so don’t neglect where you’re physically based.
Experimentation. You need to show to sceptics that the new approach works – so embrace the experimental method.
Scholarship. To be really successful, you should develop ties with academics, have a team that knows its literature (and ultimately contributes to it)
Administrative Support
Political Support
People
Location
Experimentation
Scholarship
Any questions
Member States reflect...

- Ways to institutionalise Behavioural Insights
- Policy areas that could benefit from this approach
Wrapping up

Policy makers can use behavioural insights to complement the design and delivery of government services

- Use frameworks like EAST
- Consider APPLES for institutionalising BI
- Share results widely
THE BEHAVIOURAL INSIGHTS TEAM.

Thank you!

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