BI Webinar | Behavioural Insights & Policymaking with Michael Hallsworth (BIT)

The Outset

At the core of almost every policy problem lies one common denominator — human behaviour. To create policies that work, we need to understand their interplay with people's perceptions, thinking and behaviour. For centuries, policymakers have relied on mostly implicit and often untested assumptions of strictly self-interested rational behaviour by all-knowing, iron-willed individuals ('homo economicus'). Behavioural science, in contrast, utilises a varied set of methods to gather robust evidence on how humans actually behave.

In the <u>Competence Centre on Behavioural Insights' (CCBI)</u> first webinar this year, none other than <u>Michael Hallsworth</u>, co-founder and Head of the North America office of the <u>Behavioural Insights</u> <u>Team</u> (BIT, world's first 'nudge unit') and one of the most prolific figures in the field of behavioural insights (BI), took us through a tour de force of **how BI can best be applied to policymaking**. Michael has in-depth experience in both policy development and delivery in the UK Government and beyond, and is co-author of a recent, quintessential <u>primer on the Behavioural Insights</u> <u>approach</u> (we've read the book, and think it's the best primer on BI & policymaking around!).

Key insights – behavioural and otherwise

To kick things off, we asked attendees which behavioural bias/heuristic had the biggest impact on policymakers (their colleagues, that is, not them—results in the word cloud). Michael picked 'Fundamental Attribution Error'—our tendency to self-servingly ascribe successful outcomes to our own efforts and unsuccessful ones to contextual factors, while broadly attributing the outcomes of other people's behaviour to their own decisions, rather than their context.

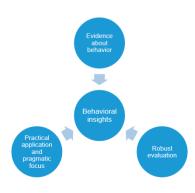


confirmation bias

Overcriticism anchor effect Social background
Anchoring Their EGO_{Sunk} Cost Fallacy
Default time decision making Uninformed

Generalisation Character and Effect

Generalisation Status quo effect Cultural a prioris Preconceived ideas



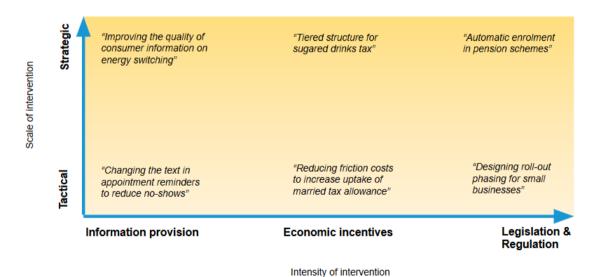
In his input presentation Michael defined Behavioral Insights (BI) as "an approach that uses evidence of the conscious and non-conscious drivers of human behaviour to address practical issues" characterised by three core features: (a) Various findings of behavioural sciences on human heuristics and biases (such as Kahnemann's fast, automatic, and intuitive System 1 and slow, reflective, and analytic System 2) inform how policies are designed. (b) Those insights are applied pragmatically to practical policy

problems. (c) At the same time, the results of these interventions and policies is **evaluated with robust methodological approaches**, often (but by no means exclusively) via Randomised Control Trials (RCTs).



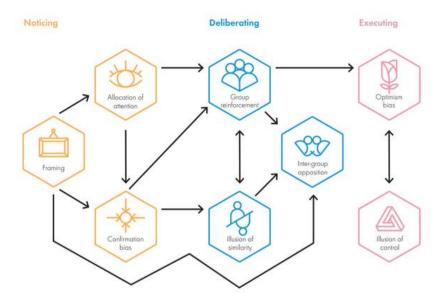
He also walked attendees through the EAST framework, which BIT uses to tailor behaviourally-savvy policy interventions to relevant target audiences – for instance by utilising social norms to reduce overprescribing of antibiotics.

In thinking about **Behavioural policies and interventions**, Michael introduced a two-dimensional matrix focusing on both their **scale** and **intensity**. Referencing a <u>recent systematic review</u> on Behavioural interventions, he expressed his confidence into the **effectiveness** and **potential impact** of the BI approach to policymaking. Using the example of the **UK sugar tax** (which reduced the amount of sugar in sodas sold per person by 30% in just 3 years), he emphasised how behavioural interventions should try to use '**double-nudges'**, shaping the behaviour of both companies and consumers in a self-reinforcing, virtuous cycle via thoughtful choice architecture.



Michael also briefly discussed the **ethical dimension** of the BI approach, stressing that most ethical arguments against BI were equally valid for other approaches to policymaking, which often use more invasive, yet less open, ethical and effective measures. He referred listeners to one of his <u>blog posts</u> for a more **in-depth analysis**. In an interesting foray into an unexpected direction, Michael also briefly described how many of the insights behavioural scientists are now discovering have actually been identified and masterfully described by some of the **greatest literary authors** (<u>here</u> is a brilliant blog post by Michael on this matter).

As for the application of Behavioural Insights not only to designing policies, but structuring the decision making processes of policymakers, Michael referred to the Behavioural Government report of BIT. He particularly focused on the practice of 'pre-mortems', that is, deliberately charging people with thinking through every possible detail that could go wrong with a new policy or intervention. This way, policymakers could pre-emptively avoid many hurdles by designing policies with the insights gained during this exercise at mind.



Asked about the **future of BI**, Michael describes three core challenges:

- (1) **Consolidate**, by ensuring more **consistency** in the way behavioural insights are applied, confirming the most reliable evidence and theories through **replication** an determining how findings **vary across cultures and subgroups**.
- (2) **Prioritize**, by identifying and pursuing the most valuable new directions and applying broader methods and perspectives (human-centred design, network analysis).

And (3) **normalize**, by moving behavioural insights "**upstream**" (a political, not technical challenge) and integrating it into **standard practices** for organizations, so it can endure even if attention fades. Interestingly, Michael described how a successful future of BI should result in the term becoming increasingly obsolete and obscure, as the core practices of the behavioural insights approach become integral part of the policymaking process and part of the standard tool-box of policymakers

- not unlike the fate of impact analysis.

Finally, asked about their **key learnings**, **attendees** provided various glimpses into the insights' they gained during this primer on behavioural insights (list to the right).

If you want to learn more about the Behavioural Insights approach you can visit our K4P website. We also just published a concise, scientific writeup on behavioural policymaking at the European Commission – a great complementary reading to this webinar. What is more, if you are working for an EU institution, you can access the recording of this primer session with Michael via this EU Learn course. Moreover, we offer Introductory and Advanced BI courses for various levels – check them out on EU Learn!

If we manage to apply BIs in our daily life we might overcome the collaboration barriers posed by the complex organization in which we work

One person making a comment on a behavioural insight in a meeting can make a difference

The EAST framework

post-mortem analysis....for sure we could try it for NGEU

-Real life impact of policies based on BI

The importance of social norm to change behaviour. I will apply EAST framework to all projects I work on

Challenge your own ideas

potential for practical impact

pre-mortem analysis