

1 Why behavioural public policy?

The consideration of human behaviour when developing policies is essential, and can determine the success or failure of an initiative, or impact the pace of change in our societies. For example, one aspect of reducing greenhouse gas emissions is changing household consumption choices (Whitmarsh, Poortinga and Capstick, 2021^[1]), one aspect of increasing diversity is de-biasing hiring practices (Murphy, Kroeper and Ozier, 2018^[2]), and one aspect of reducing misinformation is limiting its spread (Lorenz-Spreen et al., 2020^[3]).

Behavioural science can help government policymakers analyse policy challenges, design effective solutions that rely on behavioural change, and dedicate their limited resources to policies with the greatest chance of success. Recognising the centrality of citizens' and consumers' behaviour to policy work, governments around the world have increasingly augmented their policymaking practice with behavioural science insights and methods (Leong and Howlett, 2020^[4]) – an approach known as behavioural public policy.

Box 1.1. What is behavioural public policy?

Behavioural public policy is a **people-centred** and **evidence-informed** approach to policymaking (WHO Regional Office for Europe, 2022^[5]). It focuses on human behaviour and draws on evidence from the behavioural sciences. It complements and refines existing policy making tools, methods and processes, rather than operating discretely or in parallel (Lichand, Serdeira and Rizardi, 2023^[6]; Ewert, 2019^[7]). Approaching a policy topic from the perspective of human behaviour can help policy makers identify important issues, understand underlying problems, design and tailor promising solutions, implement them effectively, and evaluate their tangible impact. Taking a behavioural lens to policy research and design ensures that the needs and expectations of the public are at the forefront of government decisions (Hallsworth, 2023^[8]).

Behavioural public policy relies on insights from behavioural science literature, and the research methods used to test those insights in new contexts. The field of behavioural science encompasses the study of human behaviour and the design of strategies to change it. It draws on various disciplines, including behavioural economics, psychology, management sciences, sociology, anthropology, and neuroscience.

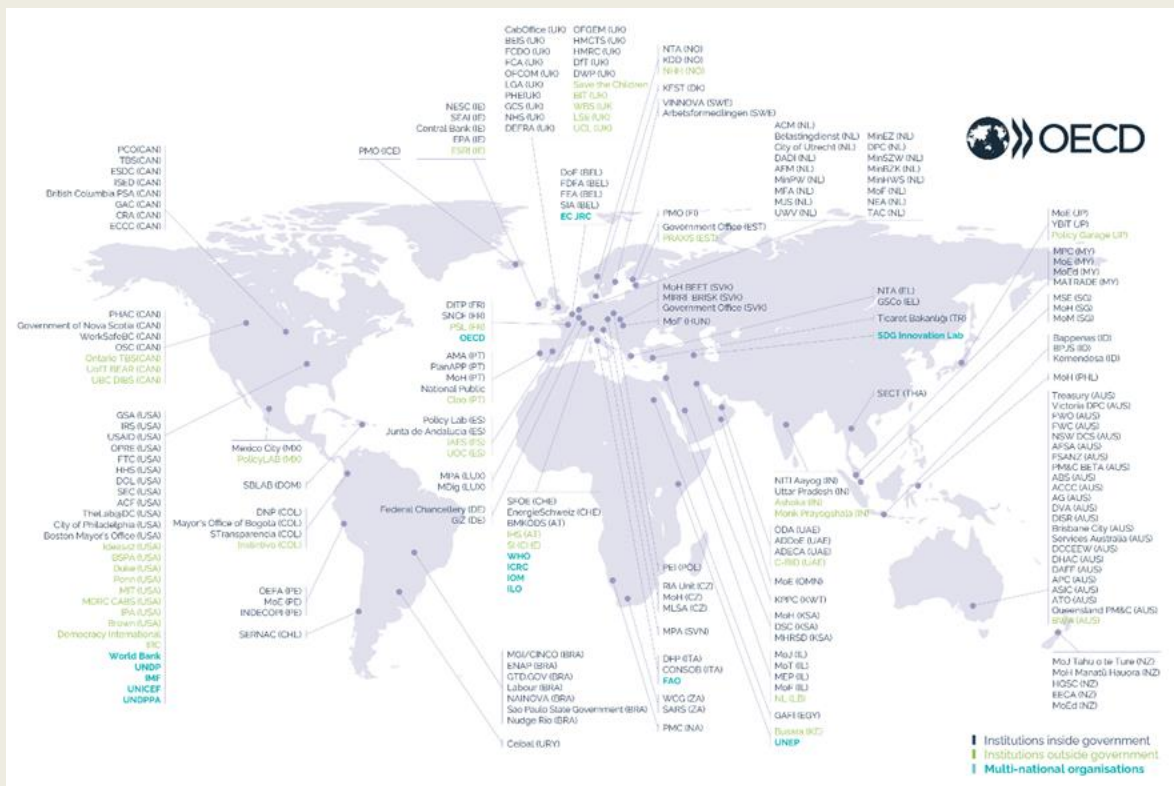
One key insight from behavioural science is that humans have limited time and attention, but must find a way to process a flood of information (Blanco, 2017^[9]; Simon, 1990^[10]). As a result, we often rely on simplified behavioural and attention management strategies (heuristics) to reduce task complexity, which can result in decisions that may not be welfare-improving (biases) (Tversky and Kahneman, 1973^[11]). Other research finds that we have a tendency to be cooperative and to follow social norms, which enable productive relationships and coordinate collective action (Fehr and Schurtenberger, 2018^[12]). Acknowledging these kinds of influences on behaviour and considering them in the policy process can result in better outcomes.

Policy makers have been considering behavioural science evidence for decades (Graf, 2019^[13]; Soon, 2017^[14]), alongside academic efforts to incorporate empirical evidence from social psychology into economic models. But it was the 2008 publication of *Nudge* (Thaler and Sunstein, 2021^[15]) that prompted an explosion of interest in the field, with its compelling vision of how small tweaks to an individual's context (the 'choice architecture') could encourage them to act in their and society's long-term interests. Professor Cass Sunstein's 2009 appointment as administrator of the United States' Office of Information and Regulatory Affairs provided concrete opportunities for behavioural science to be considered when developing regulations. In 2010, the United Kingdom established a dedicated team of behavioural science experts in the Cabinet Office. Interest then spread widely across OECD countries (Hopkins and Lawlor, 2023^[16]). The OECD completed an early assessment of the field in its 2017 report, 'Behavioural Insights and Public Policy: Lessons from Around the World' (OECD, 2017^[17]), and has tracked further growth since.

Box 1.2. Mapping the global behavioural public policy community

The OECD’s crowdsourced online map now records over 200 government teams applying behavioural science in 58 countries (OECD, n.d.[18]), as well as a rich supporting ecosystem of academics, think tanks, not-for-profits, and consultancies focusing on behavioural public policy. This map is a living document, as is the associated repository of projects these institutions have conducted or are currently conducting. Together these resources comprise the OECD’s behavioural science Knowledge Hub, which supports knowledge-sharing and community building through its open-source, freely available databases.

Figure 1.1. The global behavioural public policy community



Note: This is a snapshot of the teams listed on the online map. Source: OECD behavioural science Knowledge Hub (OECD, n.d.[18])

The practice of behavioural public policy has transformed over the past decade. From an initial focus on discrete groups of experts improving policy implementation by experimentally testing the effect of changes to citizens’ choice architecture, governments have expanded their engagement with behavioural science to embrace diverse methodologies and richer, more substantive involvement in policy making (Ewert and Loer, 2021^[19]; Schmidt and Stenger, 2021^[20]). Through this journey behavioural science has been used alongside neighbouring disciplines that share an evidence-based, people-centred mindset, including service and user experience design, evaluation, and data science.

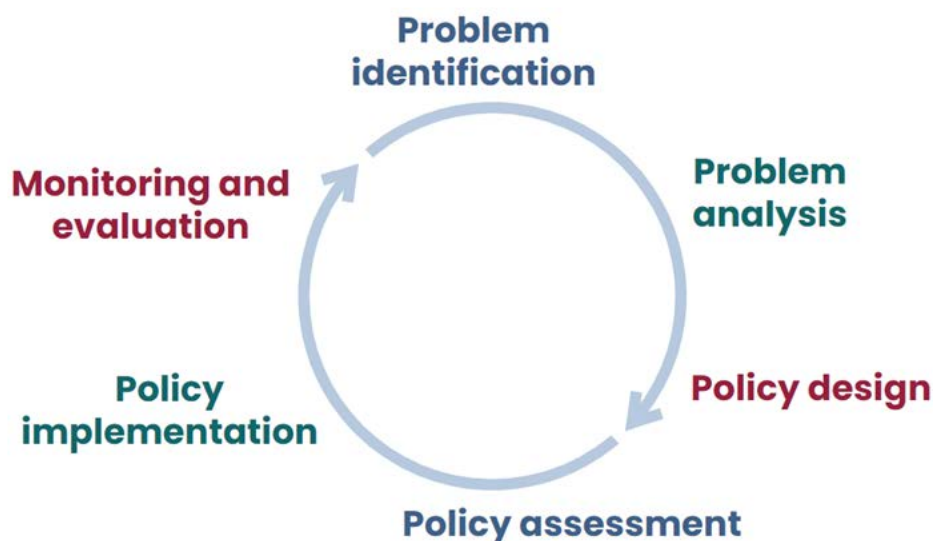
Examples of activities related to the concrete use of behavioural science to improve public policy include: challenging decision makers’ assumptions when scoping or framing a problem; conducting pilot experiments to scientifically test policy interventions; drawing on rich and robust datasets to determine the

diverse and changing needs of citizens; scaling interventions proven to provide positive outcomes; and communicating to the public in an effective and accessible manner.

Behavioural public policy throughout the policy cycle

There are opportunities to embed behavioural science evidence throughout the public policy making process (Hopkins and Lawlor, 2023^[16]; Curtis, Fulton and Brown, 2018^[21]). The ‘policy cycle’ is a useful model to think about these various ways that behavioural science can help policy makers.

Figure 1.2. The ‘policy cycle’



Source: Authors' elaboration of (Jann and Wegrich, 2007^[22])

In particular, adopting a behavioural science lens can help in:

Problem identification. Robust and timely behavioural science data can help policy makers achieve their objectives, but also determine what those objectives ought to be (Chater, 2022^[23]). Focusing on human behaviour can help governments notice and prioritise societal challenges where people and organisations are acting in ways that are counter to their and society’s long-term interests, such as such as in response to deceptive commercial practices (Luguri and Strahilevitz, 2021^[24]) or markets (Hertwig, 2023^[25]).

Problem analysis. Discovering how people and things interact in a socio-technical system, and then understanding the diverse drivers and barriers of a particular group’s behaviour within that system, can help policy makers better appreciate the causes of societal challenges – often by highlighting the importance of context (socio-cultural, physical, informational, and so on) (Kaufman et al., 2021^[26]). Understanding when, where, why, and how particular individuals and groups make choices, inclusive of their needs, desires, constraints, and social conditions, enables policy makers to design more effective policy options.

Policy design. A behavioural science lens can assist with the selection of appropriate policy tools (Esmark, 2023^[27]). Behavioural science can be used to suggest new types of policy instruments and services, such as changes to the way choices are presented or new supports for people’s decisions (Nova and Lades, 2022^[28]). It can also improve the design of traditional policy tools – such as regulation, financial incentives, or communication campaigns – to help them work effectively with target groups’ preferences and contexts (Lichand, Serdeira and Rizardi, 2023^[6]). Behavioural science evidence can also help identify when a

behavioural science-based intervention may not be appropriate or sufficient to address the problem and where a more structural or systemic solution may be needed.

Policy assessment. Jumping to decisions can lead to costly mistakes and wasted effort (West and Gould, 2022^[29]). Behavioural science promotes the use of rigorous methods to test the likely effectiveness of policy options or services under consideration before one is scaled to the whole population, enabling resources to be spent in a careful and targeted way. Research methods that measure behavioural outcomes, such as randomised controlled trials or A/B testing, can produce reliable data to inform policy decisions (Varazzani et al., 2023^[30]). Behavioural experimentation and pilot testing can help reduce some of the uncertainties and risks associated with a new intervention by learning about its real-world consequences before applying it to the larger public. By helping governments dedicate their limited resources to policies with the greatest likelihood of success, behavioural science methods help maximise the responsible and effective use of public resources.

Policy implementation. Behavioural science can help policy makers decide specifically how a policy should be implemented, or optimise a program or service already in place, to maximise its impact and ensure its intended outcomes are realised in practice. Seemingly minor considerations can have outsized behavioural impacts, such as stigmatising language impeding the uptake of a free service (Lasky-Fink and Linos, 2022^[31]). Behavioural science can help with these ‘last mile problems’ (Soman, 2017^[32]), which may in some policy contexts relate to compliance and enforcement activities. Ideally, policy makers will consider these implementation challenges at the design stage, when larger alterations are still in scope.

Monitoring and evaluation. Defining target audiences and intended behaviour changes clearly and tangibly helps policy makers measure the success of a policy (Feng, Kim and Soman, 2021^[33]). One successful approach is ‘sludge audits’, which identify unjustified frictions in citizens’ interactions with government services (Sunstein, 2020^[34]). Transparently tracking the actual behavioural impact of a policy to enable improvements can also help build public trust in government. It is likely that monitoring and tracking of policy outcomes will uncover new objectives that would need to be addressed, restarting the policy cycle with newly defined problems.

Through experimentation, data gathering, and analysis, a behavioural science lens can enrich policy making with an evidence-informed approach that integrates behavioural considerations. By giving policy makers a more realistic understanding of the issue they are trying to solve, and a more complete picture of what changes a policy intervention might cause, behavioural science can help policy makers identify the most cost-efficient intervention and reduce risk.

Behavioural science experts have also turned their attention to improving processes and operations *within* government organisations, such as the processes used to recruit staff or recommend particular policies (Grimmelikhuisen et al., 2016^[35]). Improvements to the underlying norms or structures that shape how government decisions get made could improve outcomes for citizens across a broad suite of policy topics, beyond those that behavioural scientists have the capacity to work on directly (Hallsworth, 2023^[8]).

Box 1.3. Examples of behavioural science support public policy

Governments around the world have drawn on behavioural science insights and methods in health, taxation, consumer policy, green reform, human resources, transportation, tourism, and many more policy topics (OECD, n.d.^[36]). Some illustrative examples include:

- Recognising that people often stick with default options, even when these are not optimal, the European Union in 2011 adopted legislation requiring sellers to seek explicit consent from consumers to purchase supplementary or add-on services (Baggio et al., 2021^[37]).
- Estonian researchers improved tax revenues in the construction industry by 5.1 to 6.1 per cent per full-time equivalent employee by simply emailing employers with a message that was informed by behavioural science literature and qualitative research (Vainre et al., 2020^[38]).
- Supported by a national government handbook, various local governments in Japan improved the uptake of health check-ups by changing the default option on a form, providing concrete instructions, and framing a reminder to highlight potential losses over potential gains (Murayama et al., 2023^[39]).
- The Canadian government tracks citizens' climate change knowledge, attitudes, and behaviours through longitudinal surveys, enabling responsive and nuanced advice about policies and communications that are likely to encourage pro-climate action (Impact Canada, 2023^[40]).

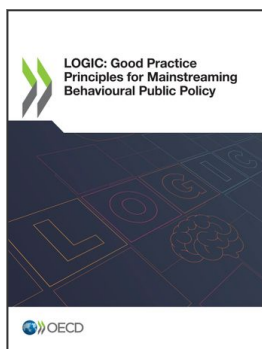
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