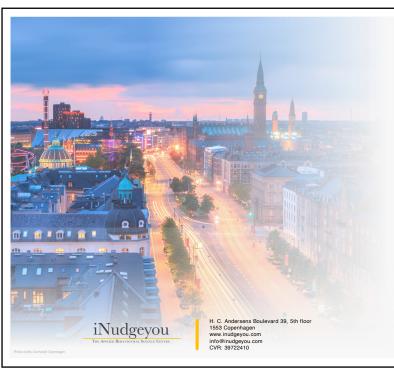
19. September, 2023, Brasilia

## From Concept to **Action**

How to use Behavioural Insights to solve government issues

Pelle Guldborg Hansen,
Behavioural Scientist, Ph.D. @ Roskilde University
Chairman of The Danish Nudge Network
CE of INUDGEYOU - The Applied Behavioural Science Centre

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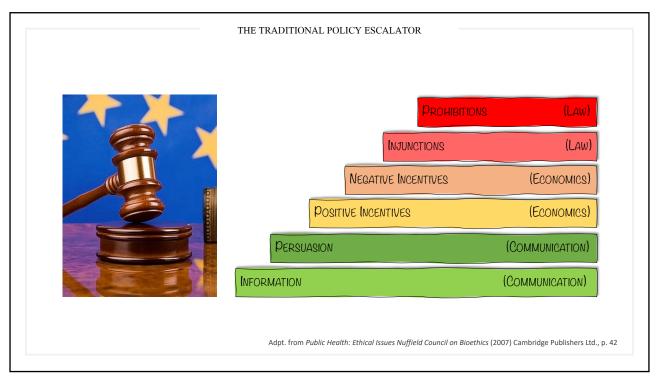


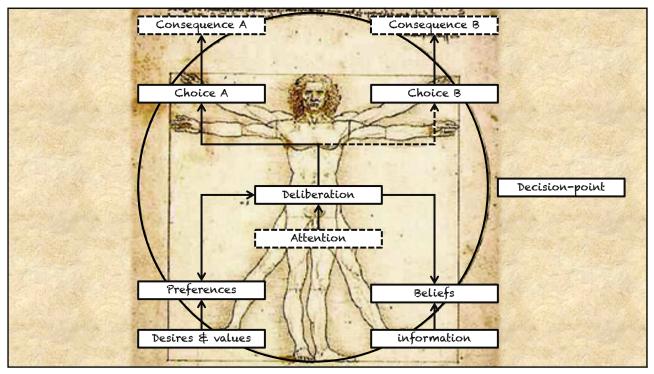
# <u>iNudgeyou</u> The Applied Behavioural Science Centre

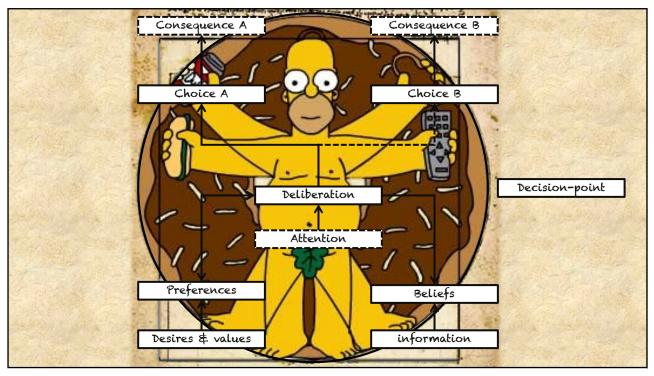
# An independent Research & Development Centre advancing Applied Behavioural Insights since 2010

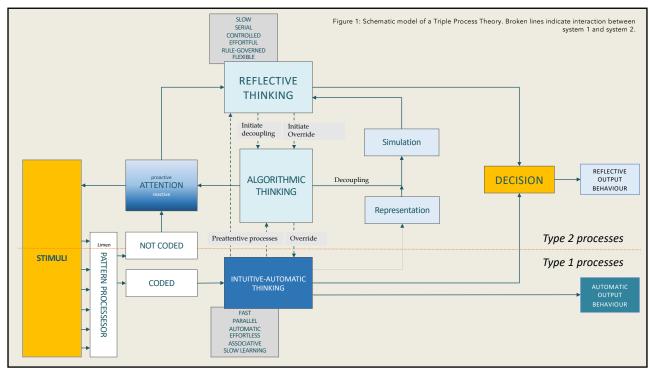
We specialise in researching, developing and testing new choice architectures based on behavioural insights (BI), i.e., insights from the Applied Behavioural Sciences.

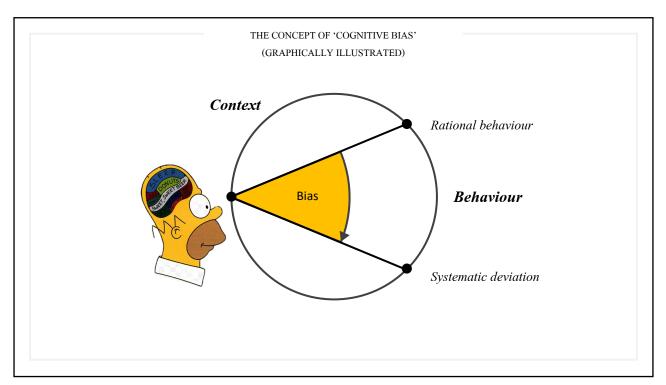
To this day, since 2010, iNudgeyou remains the impossible idea; independent research centre dedicated to moving the frontiers of behavioural science, while simultaneously raising the bar for providing scientifically grounded project based advisory for public and private organisations as well as providing worldclass intensive training courses in Applied Behavioural Science that revolves around our BASIC framework, a framework which has been published by the OECD.

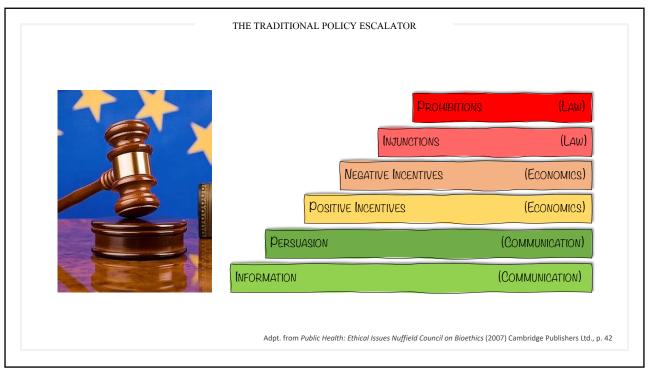








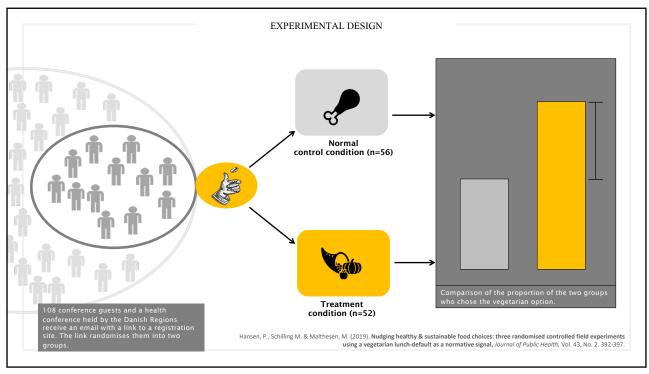


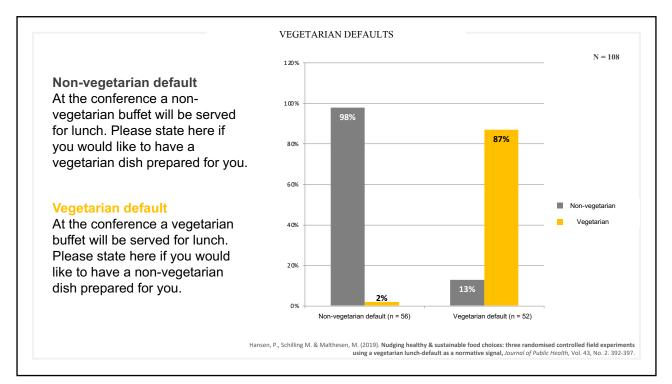


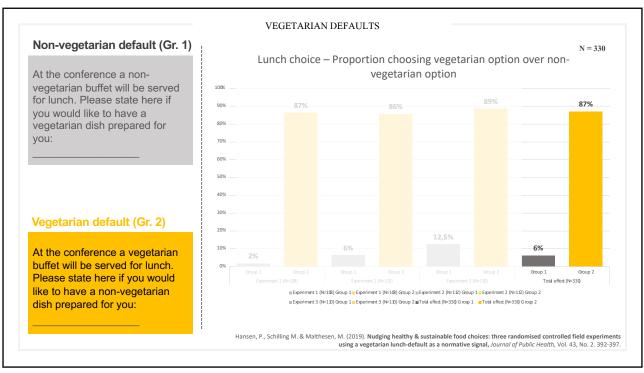


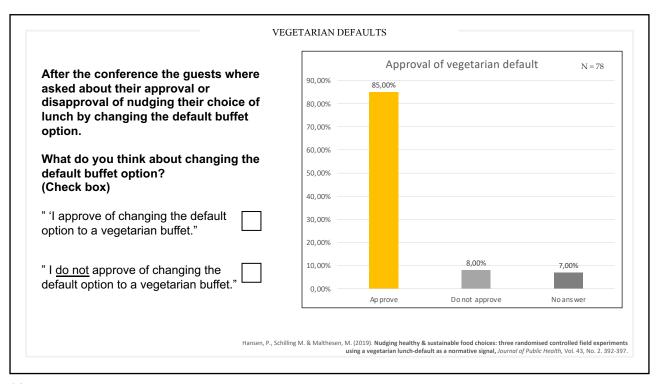
Nudging healthy & sustainable food choices

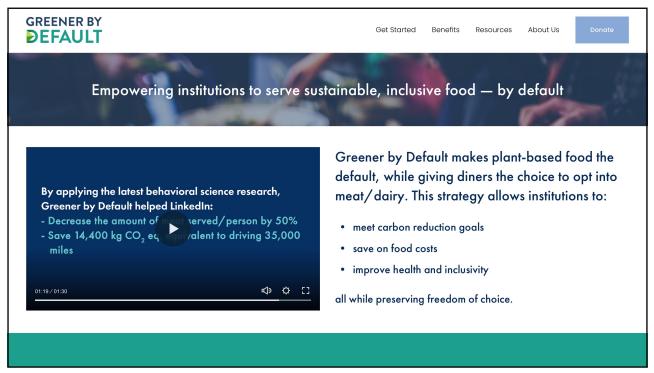
Hansen, P.G., Schilling M. & Malthesen, M. (2019). Nudging healthy & sustainable food choices: three randomised controlled field experiments using a vegetarian lunch-default as a normative signal, Journal of Public Health, Vol. 43, No. 2, s. 392-397.











HEURISTIC DEFINITION

# nudge /nnd3/

"Any intentional aspect of a choice architecture that should not influence behaviour in principle..., but does in practice."

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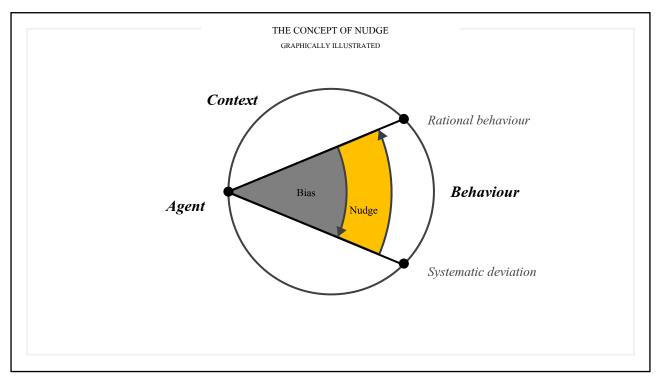
A *nudge* is a function of any attempt at influencing people's judgment, choice or behaviour in a predictable way, that is

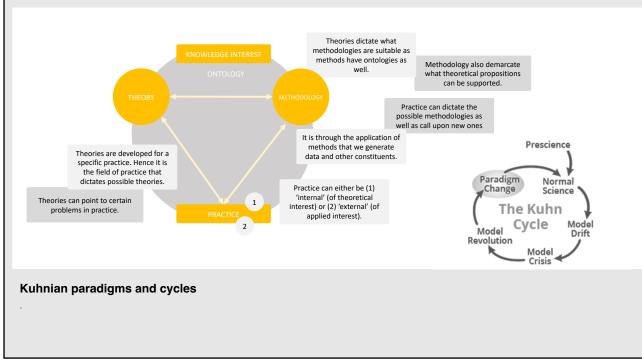
- made possible because of cognitive limitations, biases, routines, and habits in individual and social decision-making posing barriers for people to perform rationally in their own self-declared interests, and which
- (2) works by making use of those limitations, biases, routines, and habits as integral parts of such attempts.

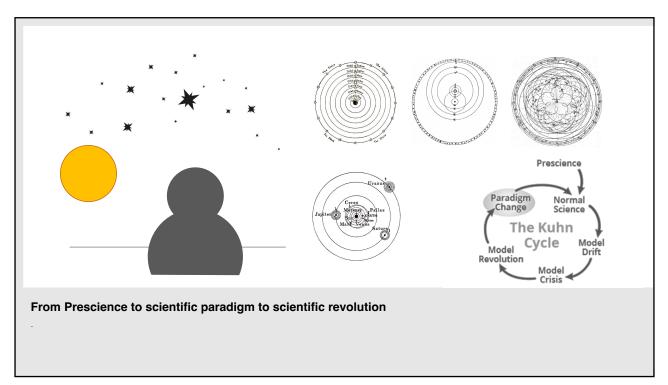
Thus a nudge amongst other things works independently of:

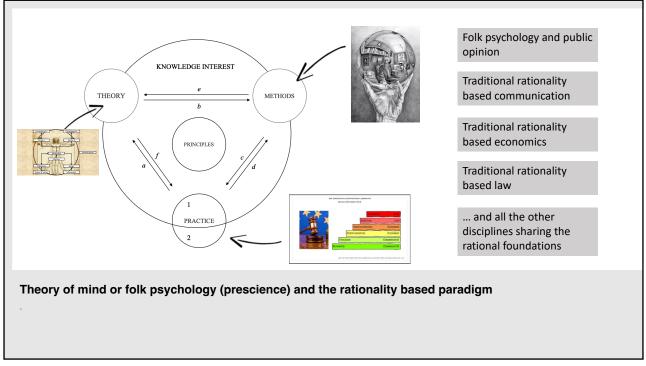
- (i) forbidding or adding any rationally relevant choice options,
- (ii) changing incentives, whether regarded in terms of time, trouble, social sanctions, economic and so forth, or
- (iii) the provision of factual information and rational argumentation.

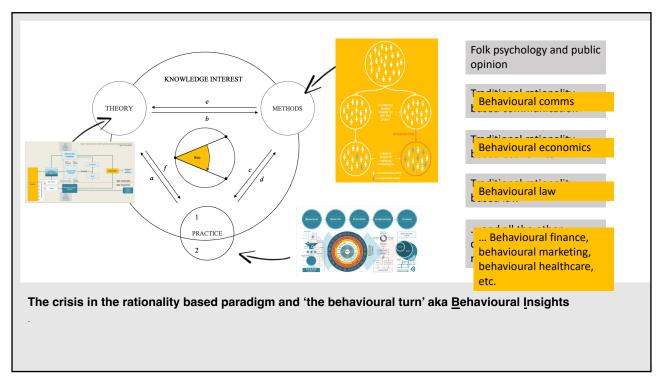
Hansen, PG (2016). The Definition of Nudge and Libertarian Paternalism: Does the hand fit the glove? The European Journal of Risk Regulation, Vol. 7, No. 1, 155-174.



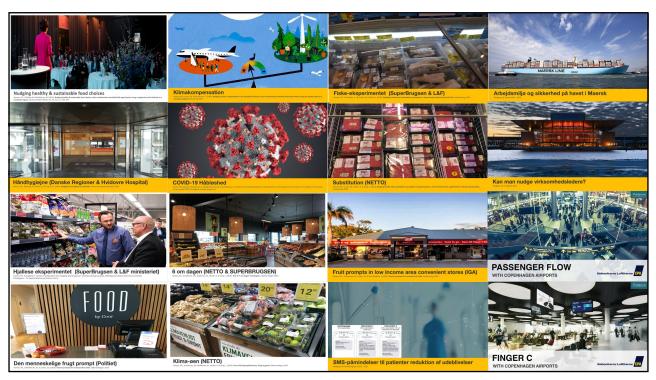










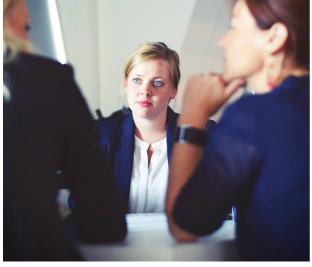






### **POLICY PROBLEM #1**

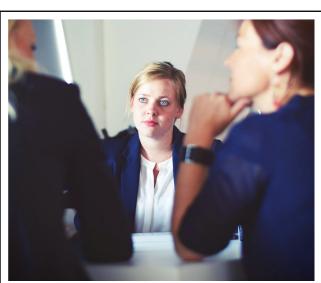
Only 1 out of 100 Danish companies grow beyond 50 employees.



### **POLICY PROBLEM #2**

Barriers entering the workforce for newly educated citizens, unemployed citizens with non-relevant educations, and long term unemployed citizens.

27



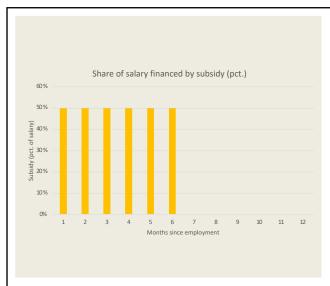
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### **POLICY INITIATIVE**

Programmes subsidising companies, e.g. 50% of the salary for the first 6 months, when hiring newly educated citizens, citizens with non-relevant educations or long-term unemployed citizens to grow companies.



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### **POLICY OUTCOME**

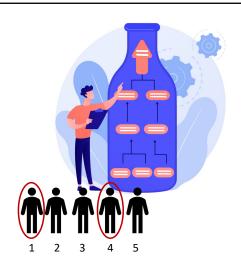
While very few small companies used the programmes, public institutions used it to hire short term work to fill in temporary vacancies as well as substitute for permanent staff.

29



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### **BEHAVIOURALLY INFORMED DATA-STUDY**

To qualify companies needed to have +5 employees, but data retrieved by the Danish Business Authorities showed that most companies experienced bottlenecks at "First employee" and "fourth (back end) employee".



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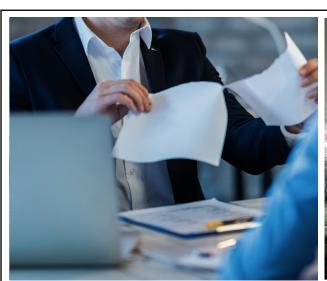
To qualify companies needed to have +5 employees, but data retrieved by the Danish Business Authorities showed that most companies experienced bottlenecks at "First employee" and "fourth (back end) employee".



### **POLICY INPUT #1**

Change programme so that companies do not need to have +5 employees to qualify

31



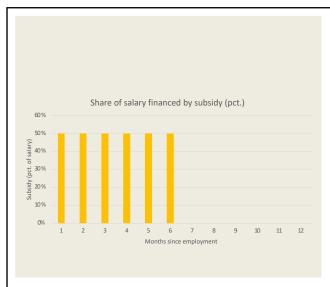
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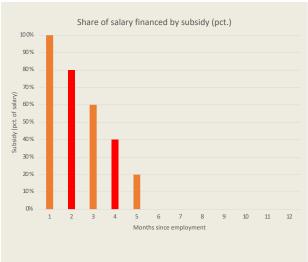
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### **BEHAVIOURAL ANALYSIS: RISK PERCEPTION**

Public advisors to small businesses in municipalities could report that committing to paying e.g. 50% of salary from the outset for 6 months as well as the hard end of the programme resulted in negative risk perceptions amongst potential participants.





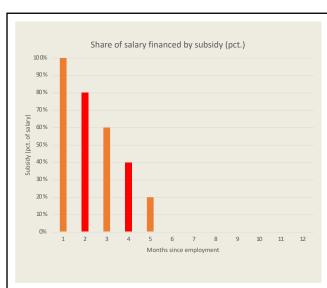
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### **POLICY INPUT #2**

Change programme such that (1) companies receive 100% subsidy from the outset which then (2) gradually declines to 0% after 6 months and (3) emphasise evaluations/termination points to minimise risk perceptions relative to commitment and 'hard end'.

33



### **POLICY INPUT #2**

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### **BEHAVIOURAL ANALYSIS: HAZZLE FACTOR**

Tedious paperwork coordinating cross-institutional partners (government agency, municipality job-centre, employee and employer) causing an increased risk to hire 1st employee "off the books" and risk of this procedure carrying over to next hirings.



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### **POLICY INPUT #3**

Creating tools for simple, efficient and transparent administrational processes coordinating the participation of multiple partners.

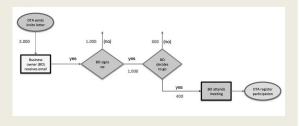
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### **POLICY INPUT #3**

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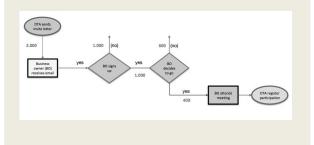
Behavioural flowcharts like all flowcharts make the representation of processes transparent and easy to share as well as provide backgrounds against which to identify the dependency of decision points, dead ends, bottlenecks and friction points that inhibits the efficiency and reliability of the process



### **GENERIC BEHAVIOURAL TOOL: FLOWCHARTS**

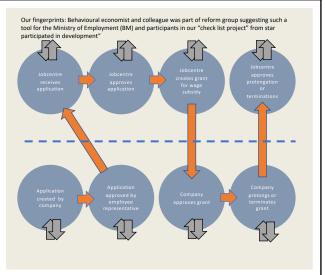
Behavioural Flowcharts provide detailed descriptions of how processes actually unfold attaching behavioural measures of how people make choices throughout the process allowing for the identification of crucial decisions points.

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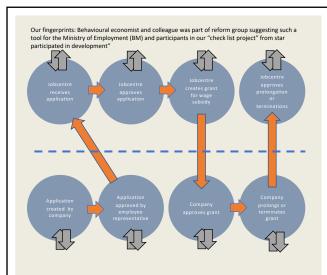
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### **VITAS**

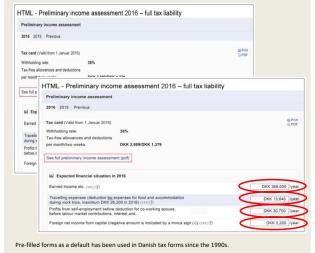
is a digital and dynamic self-service application system making it easier for all partners to automatically retrieve information, guide decisions and provide transparency as well as validation in the procedure of applying to the wage subsidy program.

37



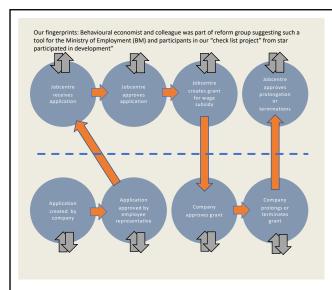
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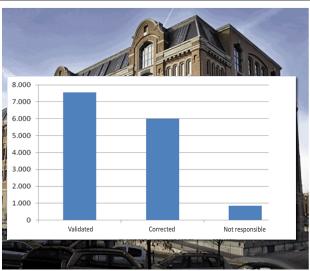
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### **GENERIC BI STRATEGI: USING DEFAULTS**

Relevant information is automatically retrieved and pre-filled into procedures thereby reducing the need for search, errors, motivated reasoning and hazzle, but also reduces citizen engagement and insight.





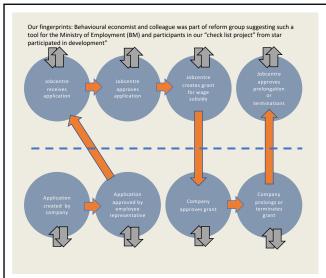
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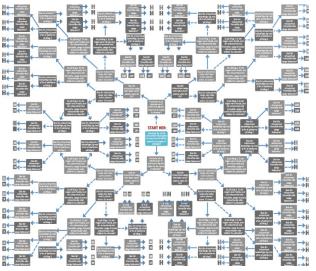
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### **GENERIC BI STRATEGI: USING PROMPTS**

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39





### **VITAS**

is a digital and dynamic self-service application system making it easier for all partners to automatically retrieve information, guide decisions and provide transparency as well as validation in the procedure of applying to the wage subsidy program.

### **GENERIC BEH. PROBLEM: COMPLEXITY**

Digital self-service is prone to cause mistakes and confusing when citizens need to self-categorise withing the boxes and barns of public administration based on legal jargon.



# Reduction of mistakes in business registration

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REDUCTION OF MISTAKES IN BUSINESS REGISTRATION THE DANISH BUSINESS AUTHORITIES



High frequency of mistakes in business registering their company

Massive pressure on front-line staff (call center)

Costs and frustration related to correcting mistakes later on

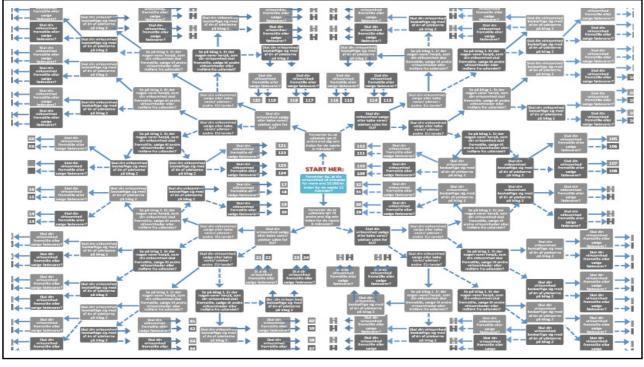




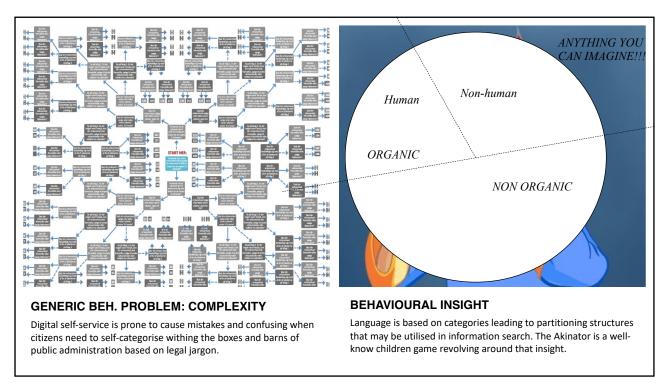


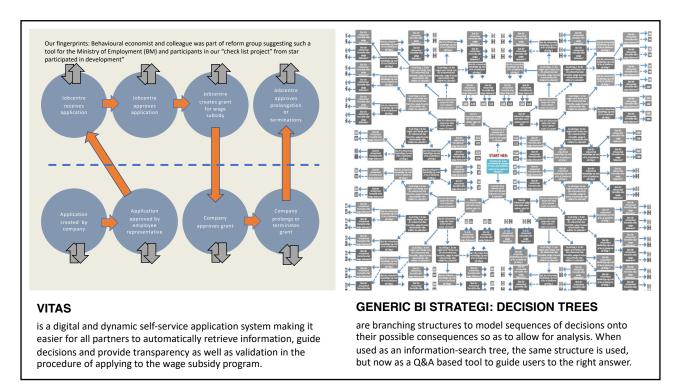


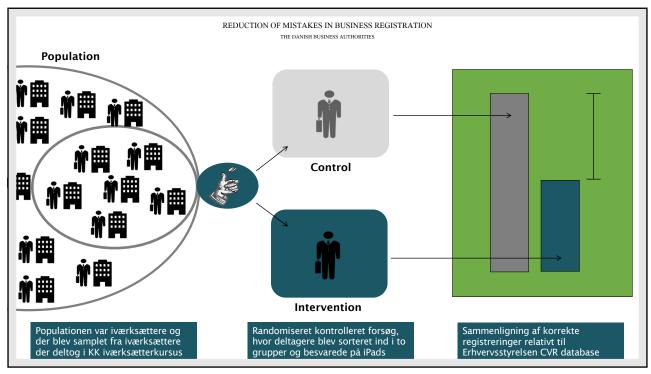


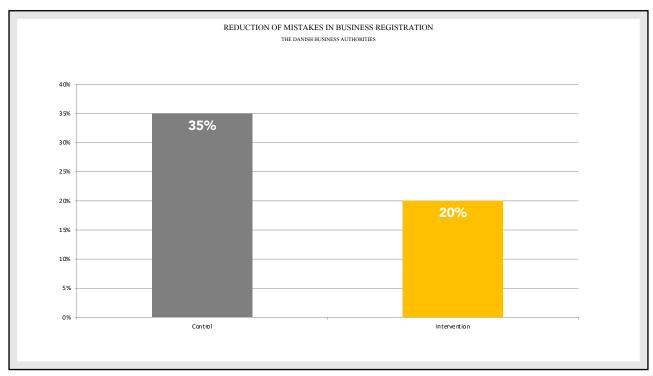


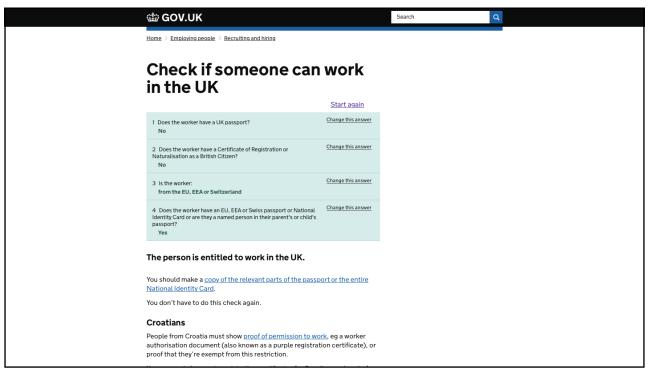


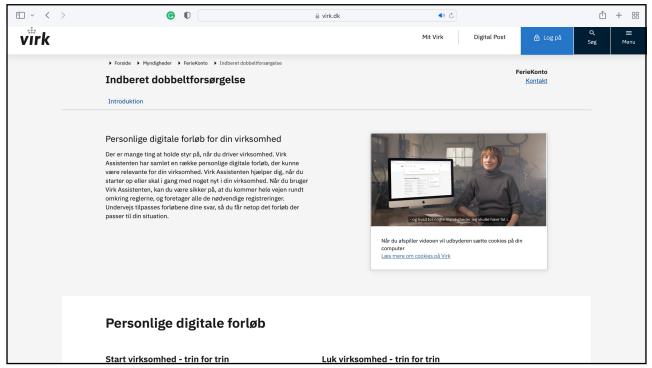


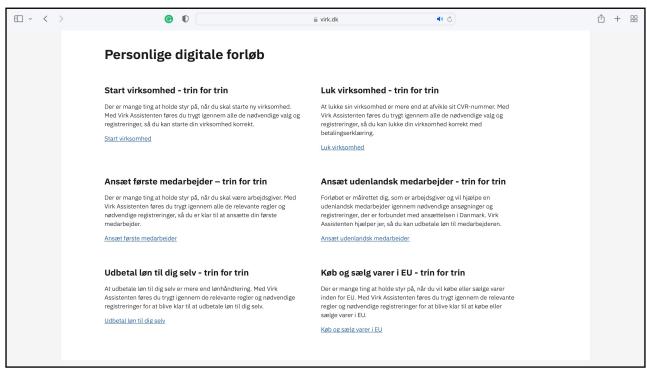


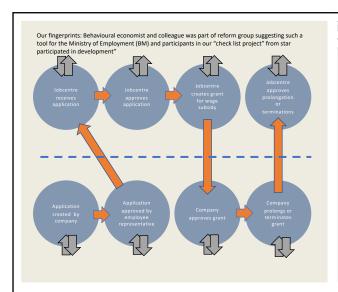


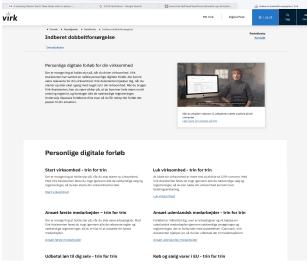












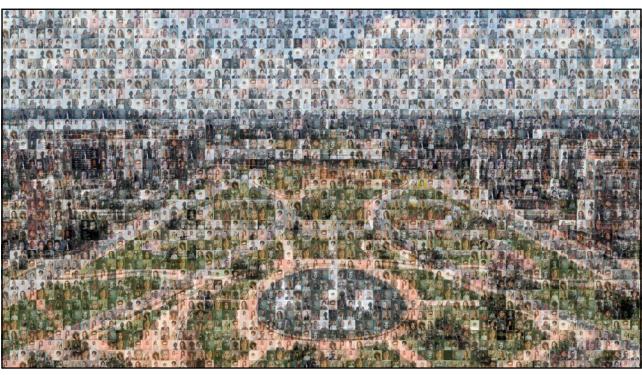
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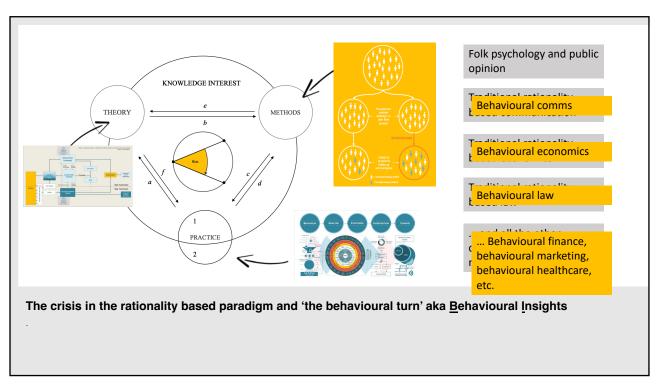
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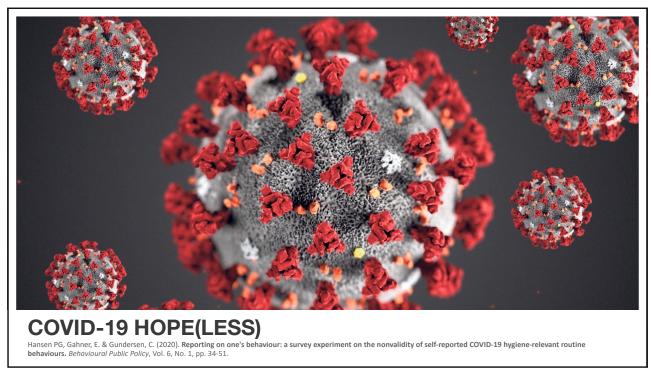
### **GENERIC BI STRATEGI: DECISION TREES**

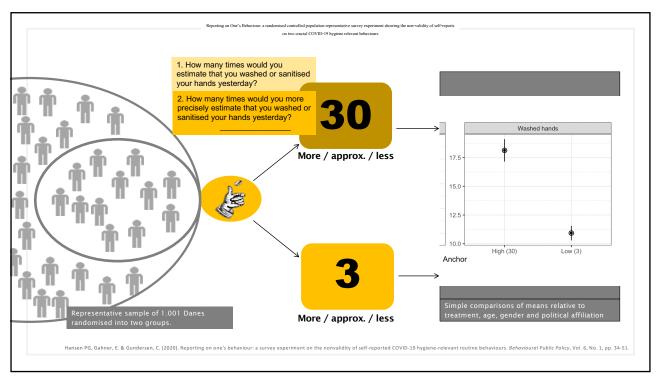
are branching structures to model sequences of decisions onto their possible consequences so as to allow for analysis. When used as an information-search tree, the same structure is used, but now as a Q&A based tool to guide users to the right answer.

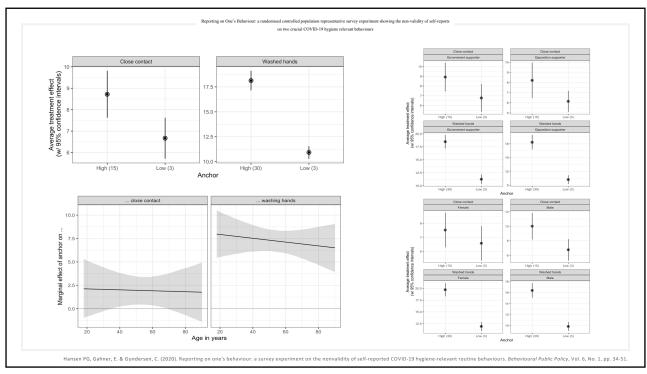














Improving handhygiene in Hospitals

Hansen, P. G., Gahner Larsen, E., Modin, A., Gundersen, C., & Schilling, M. (2021). Nudging hand hygiene compliance: a large-scale field experiment on hospital visitors. *Journal of Hospital Infection*, Vol. 118, pp. 63-69.



