



Behavioral Methods for Streamlining the Work of Government

Abstract

Omer Selivansky | Yuval Feldman

To access the complete study (in Hebrew): <https://tinyurl.com/EHC17c>



In recent years, we have witnessed an increase in the use of behavioral science-based methods and insights to improve the work of governments around the world. Behavioral methods give the state new tools to add to the regulatory toolbox. These methods are based on a systematic examination of citizens' behaviors and allow for subtle government interventions, when there is no justification for the use of standard regulatory tools, or when the standard tools are less effective.

Behavioral Economy

The rise in use of methods and insights based on behavioral sciences stems from the growing prominence of the behavioral economics field, one that combines theories and methods from economic science with those of behavioral sciences.

Behavioral economics thus focuses on examining the factors and circumstances in which systematic behavior deviates from the "rational" decision-making process and investigates the mechanisms that lead to these deviations and their implications.

Evidence-Based Policy

The field of behavioral economics seeks to examine actual decision-making, without requiring axioms regarding normative modes of operation and the degree of "rationality" underlying certain behaviors. As such, the field relies on a methodology that seeks to estimate the actual behavior, as based on empirical studies.

The adoption of behavioral economy in particular and behavioral methods in general in the civil service requires the adoption of evidence-based policies and reliance on empirical tools and experimental procedures, for a systematic examination of public behavior and the implications of government involvement.

Behavioral Methods for Improving the Work of Government

Behavioral economics has developed several methods, based on behavioral applications and the use of subtle regulatory tools, to improve the functioning of government.

The most famous method is the 'nudge.' This approach emphasizes the ability of government officials to significantly influence the choices that the public makes by designing the "choice architecture" - the framework and context in which choices are made. In this way, people can be pushed ('nudged') to make the choice that is likely to be best for them, but without imposing regulations nor making significant changes to the incentive system.

Behavioral Insights Teams

In light of developments made in behavioral sciences and the contribution of their applied tools to the improvement of public policy, a special team was established in Britain in 2010 to examine behavioral insights for improving the work of government (BIT - Behavioral Insight Team).

The team has done a great deal for enhancing government work: it brought about greater efficiency and economic savings, conducted an unprecedented number of evidence-based studies of the civil service and disseminated the application of behavioral methods to the civil service.

As a result of its success, the team was greatly expanded, with parallel teams being established in many other countries and international organizations, working to disseminate behavioral methods and encourage the use of their applications.

Behavioral Insights and Digital Governance

Behavioral methods and methodologies have the potential to bring about real improvement in many areas, particularly in digital governance applications. There

are several reasons for this: the digital interface enables rapid and systematic studies of many subjects using advanced information processing and analytical tools. Accordingly, the digital interface makes it easier to systematically design the choice architecture, hence enabling the examination of variable elements between subjects by isolating them and estimating the effects of various interactions.

Behavioral Insights in Israel

In recent years, a variety of initiatives have been launched in Israel to improve the work of government agencies, based on the application of behavioral insights.

The Prime Minister's Office is responsible for regulation in this area and has already promoted several projects, in cooperation with the Center for the Study of Rationality at Hebrew University. In addition, a team was set up to provide advice on behavioral economics issues to the Budget Division of the Ministry of Finance and the National Insurance Institute created an infrastructure for communicating with behavioral researchers, so as to more efficiently carry out joint projects.

Moreover, a variety of other projects were promoted during the "Nudgethon" workshops, which brought together officials from various government entities with academic researchers, so as to establish dedicated task forces. Each team dealt with a concrete policy problem and designed an experiment to examine behavioral tools that could solve it (if only partially) or provide insight into its causes.

Finally, some government agencies have independently promoted projects based on behavioral insights, including the Ministry of Environmental Protection, National Insurance Institute, Division for Improving Regulation in the Prime Minister's Office, Water and Sewage Corporations, Civil Service Commission, Chief Economist of the Ministry of Finance and Consumer Protection Authority.

Summary and Recommendations

The study raises several recommendations regarding the adoption, implementation and regulation of behavioral methods in the Israeli government's operations. The recommendations can be divided into three main categories:

1. Recommendations concerning the infrastructure that should be established in order to achieve optimal adoption of behavioral methods in the civil service.
2. Recommendations regarding the regulation of various aspects of behavioral research in Israel.
3. Recommendations related to facilitating interaction between various factors, which can help one another adopt the most effective methods.

A. Establishing an infrastructure for the optimal adoption of behavioral methods in the civil service:

1. Establish a behavioral insights team that will coordinate all initiatives related to this method.
2. Provide incentives for the establishment of an evidence-based policy approach in the civil service.
3. Arrange broad-based agreements between government agencies and researchers.
4. An infrastructure should be established for dedicated information systems, tailored to evidence-based policies in general and research on behavioral insights in particular.

B. Regulation of Behavioral Research in the Civil Service:

1. Create a public framework to periodically examine the civil service's application of behavioral insights.
2. Specific transparency requirements must be established and incentives should be created to ensure maximum transparency.
3. A structured working protocol for behavioral research should be developed.
4. The public's attitudes towards the use of behavioral methods in the civil service and subsequent government involvement should be examined systematically and continuously.

C. Encouraging Interaction between Factors that Use Behavioral Methods:

1. Synchronization between entities, based on behavioral and evidence-based research in the civil service, must be confirmed.

2. An interface should be set up, between the work of the behavioral insight teams and government ICT (Information and Communications Technology) units.
3. Collaborate with researchers who specialize in behavioral research.

A broad based analysis of the field and creation of an effective research and regulation infrastructure, in conjunction with all relevant agencies, would likely catalyze a more successful adoption of behavioral tools in Israel, as well as their most effective implementation.

In addition, a clear and binding regulatory regime that takes into account relevant ethical and procedural issues will prevent the abuse of behavioral tools and reduce the risk that they will generate public resistance and weaken the citizenry's confidence in the government.