XIII International Evaluation Conference Kraków, 9-10.12.2019 Session: Behavioral analysis - review of good methodological practices















In ourse verse





Applying behavioural insights in policies aimed at businesses

Thomas Dirkmaat

XIII International Evaluation Conference in Cracow - 10 December 2019



Behavioural Insights Team

We started in November 2014

- A centrally positioned small team (3fte)
- We apply Behavioural Insights in policy, implementation, supervision and communication



Behavioural Insights Network Netherlands

- Monthly lunch seminars
- Yearly "Day of behaviour"
- Report: A Wealth of Behavioural Insights
- Online community: <u>www.binnl.nl</u>
- > Publications:
 - 7 behavioural analysis tools
 - Behavioural techniques for emails and letters
 - Research methods







Defining the problem

- The behavioural sciences literature has a strong focus on the behaviour of individuals
- The policies of the Ministry of Economic Affairs and Climate Policy and the Ministry of Agriculture, Nature and Food Quality are mostly targeting businesses
- Two research questions:
- Can insights from the behavioural sciences be applied to influence the behaviour of businesses?
- If so, can we come to an analytical framework to help shape policies that are aimed at influencing the behaviour of businesses?



Three levels of influencing the behaviour of business

- Strategic level (e.g. firm's decision to invest in energy saving measures)
- Managerial level (changing the behaviour of the employee's)
- Implementation level (e.g. asking a firm to pay their tax on time)



Implementation level

Behavioural interventions often focus on the implementation stage of the policy process

Relatively easy: the intervention is usually targeted at a specific individual within a firm



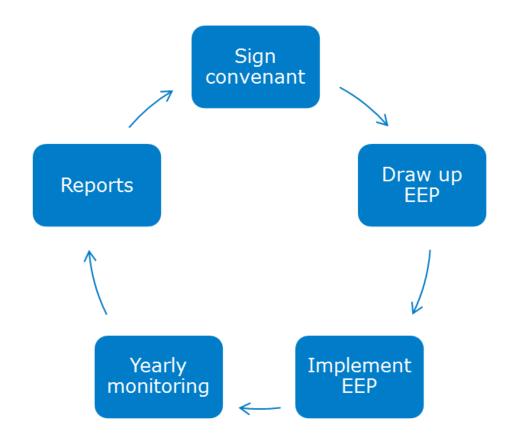
Example: energy saving in industry







MJA3 agreement





Download report energy agreements

Controle

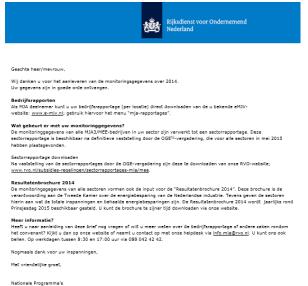
Teammanager Toetsing en Monitoring

convenantontwikkelingen in uw secto

Contactgegevens

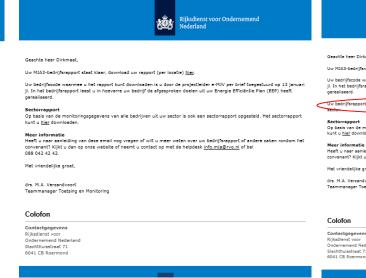
Rijksdienst voor Ondernemend Nederland Slachthuisstraat 71

6041 CB Roermond

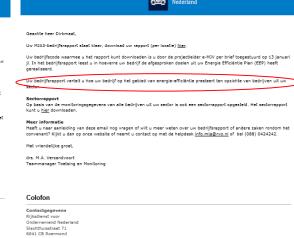


1) OGE: Overleggroep Energiebesparing; in dit overleg bespreken vertegenwoordigers van bedrijfsleven en overheid de

Simple



Simple + Value

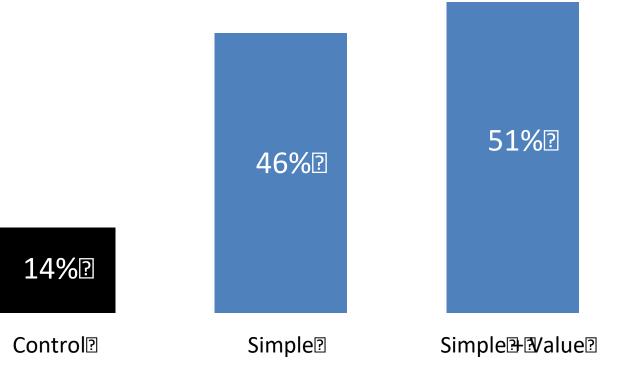


ijksdienst voor Ondernemend

Your company report informs you about your company's energy efficiency performance compared to companies in your sector



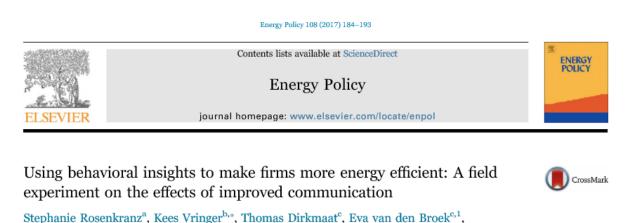
250% more downloads





Survey results

- Survey results indicate that the follow up behaviour does not differ between the respondents who were nudged and those who were not!
- Follow up behaviour: reading, forwarding to colleague, discussing with colleague, discussing with management.



Christiaan Abeelen^d, Anjo Travaille^e



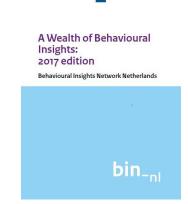
Managerial level

Interventions are aimed at larger groups of individuals within firms/ or organisations

See for example our studies on screen locking, phishing and waste recycle behaviour







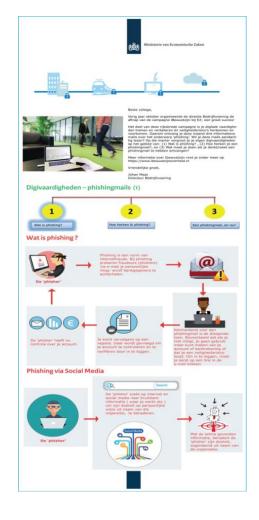


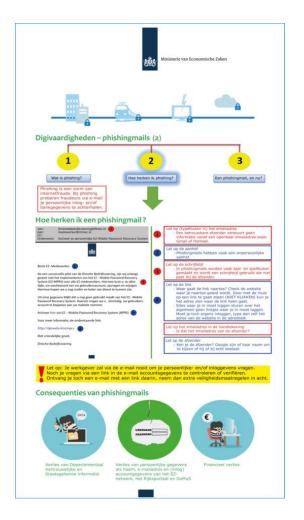
Example: combatting Phishing emails

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PASSWORD
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Information intervention





an: Directiebedrijfsvoering@mlnez.nl

an: Veer, dr. E. van de (Evelien)

 \mathbb{C} :

nderwerp: ACTIVEER uw Mobile Password Recovery System



Verzonden: do 5-11-2015 9:09

Beste EZ-Medewerker,

Na een succesvolle pilot van de Directie Bedrijfsvoering, zijn wij onlangs gestart met het implementeren van het EZ - Mobile Password Recovery System (EZ-MPRS) voor alle EZ-medewerkers. Hiermee kunt u, te allen tijde, uw wachtwoord van uw gebruikersaccount, opvragen en wijzigen. Hiermee hopen we u nog sneller en beter van dienst te kunnen zijn.

Uit onze gegevens blijkt dat u nog geen gebruikt maakt van het EZ - Mobile Password Recovery System. Daarom vragen we u, eenmalig, uw gebruikersaccount te koppelen aan uw mobiele nummer.

Activeer hier uw EZ - Mobile Password Recovery System (MPRS)

Voor meer informatie, zie onderstaande link:

EZ - Mobile Password Recovery System (MPRS) 1/2

Koppel in 2 simpele stappen uw gebruikersaccount aan uw mobiele nummer

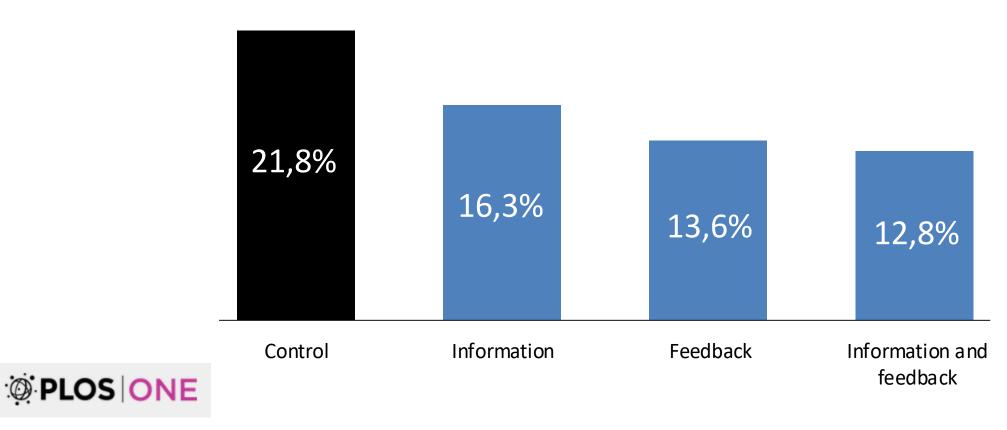
Verplichte velden zijn gemarkeerd met een *

Gebruikersnaam *	
Wachtwoord *	
Mobiele nummer *	

Verzenden



41% less colleagues who give away their password



Forthcoming: Informing, simulating experience, or both: A field experiment on phishing risks



Strategic level

- Intervention aimed at the decision making unit of a firm.
- Here we found less studies, two interesting examples are:
 - Increasing compliance with the rules concerning clear car pricing (Dutch Authority for Consumers and Markets, NL)
 - Growth Vouchers programme (former Department of Business, Innovation and Skills, UK)
- The rest of the presentation will focus on influencing business at the strategic level.



The difference between individuals and firms

- Decisions are usually made by groups
- Often there is a principal-agent relationship
- > Professional decision-making
- > Firms are more heterogenous
- > Firms do not act in isolation (stronger interdependencies)



Organisations are made up of people

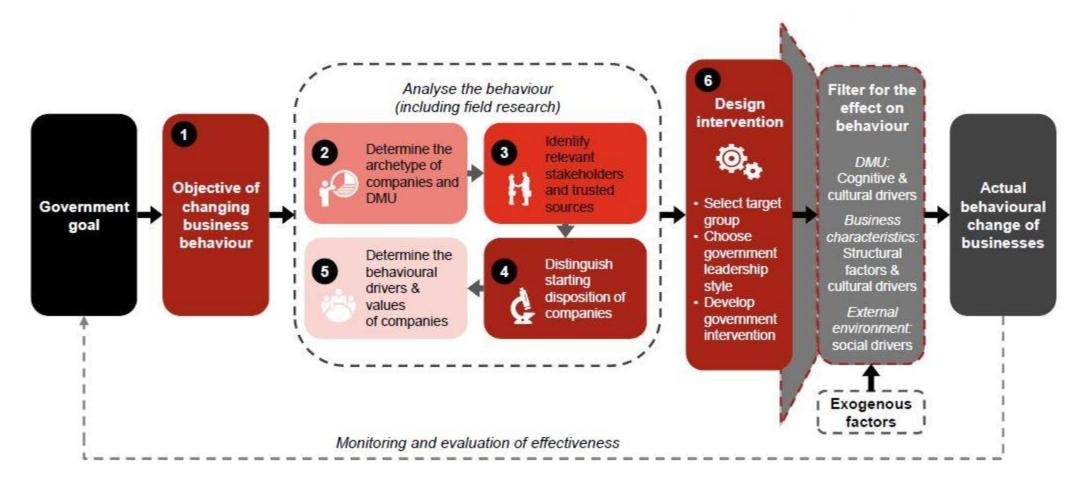
When it comes to the first three difference, the literature suggests that firms behave more rational than individuals, but they are still sensitive to estimation errors and biases.

> By nudging the right number or types of people and/or tweaking the right policy levers in an organisation, whole organisations can change (Foster 2017).

But who to nudge the critical mass, the leaders or external stakeholders?



Six steps approach





Future developments

- We are working on creating an interactive tool to unlock the body of knowledge that has been brought together in the <u>EY</u> and <u>PwC</u> reports.
- We would like to validate this tool by applying it in our daily work.
- Please share your experiences on applying behavioural insight to influence the behaviour of business with us.



Thank you for your attention!

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