Research to Results:

Strengthening Federal Capacity for Behavioral Insights

Overview:

A growing body of evidence suggests that insights from the social and behavioral sciences can be used to help design public policies that work better, cost less, and help people to achieve their goals. The practice of using behavioral insights to inform policy has seen success overseas. In 2010, UK Prime Minister David Cameron commissioned the *Behavioural Insights Team* (BIT), which through a process of rapid, iterative experimentation ("Test, Learn, Adapt"), has successfully identified and tested interventions that will further advance priorities of the British government, while saving the government at least £1 billion within the next five years (see previous Annual Reports 2010-11 and 2011-12).

The federal government is currently creating a new team that will help build federal capacity to experiment with these approaches, and to scale behavioral interventions that have been rigorously evaluated, using, where possible, randomized controlled trials. The team will be staffed by 4-5 experts in behavioral science and experimental design and evaluation. It is likely that selected individuals will serve on a temporary detail under the *Intergovernmental Personnel Act* before returning to their home organization, which can be a university, non-profit, or state and local government. Our preference is for individuals who are willing to serve full time but we will also consider people who are only in a position to serve part-time. Moreover, several agencies are looking to recruit expert academics to sit directly within their agencies and to help inspire, design, and execute on specific policy projects, and so it is possible to serve in this capacity as well.

If you are aware of individuals with strong analytic skills, experience designing, testing, and evaluating rigorous randomized control trials, and a strong research background in fields such as social psychology, cognitive psychology, or behavioral economics, please encourage them send a CV and contact information to mshankar2@ostp.eop.gov, which will be sent to the relevant parties for consideration.

Job Responsibilities for Central Team:

- *Build Capacity:* Work with a broad range of federal agencies to identify new program areas that could benefit from the application of behavioral insights. Help to design, implement, and test the relevant interventions using rigorous experimental methods.
- *Enhance Capacity:* Provide conceptual and technical support to agencies with specific behavioral insights efforts already underway.
- *Convene:* Lead a multi-agency "community of practice" to identify and share promising practices and common challenges.
- *Create and Provide Resources:* Generate tutorials and other "how to" documents to help accelerate these efforts within agencies. Manage online library of relevant documents and media.
- *Help inspire new ideas:* Work with external partners to identify research findings that can inform policy and practice.

We are already working with over a dozen federal departments and agencies on newly-designed behavioral insights projects, including the Department of Labor, Department of Health and Human

Services, Department of Education, Veterans Administration, Department of Treasury, Social Security Administration, Department of Housing and Urban Development, and the United States Department of Agriculture.

Below are some examples of U.S. and international policy initiatives that have benefited from the implementation of behavioral insights:

- *Increasing college enrollment and retention:* Providing streamlined personal assistance on the FAFSA form (e.g., pre-populating forms using tax return data and following up with a personal call) to low or moderate income individuals resulted in a <u>29% greater likelihood of their attending college for two consecutive years.</u>

- *Getting people back to work:* Asking unemployed individuals to create a concrete plan for immediate implementation regarding how, when, and where they would pursue reemployment efforts led to a <u>15-20% decrease in their likelihood of claiming unemployment benefits just 13 weeks later.</u>

- *Improving academic performance:* Students taught to view their intelligence as a "muscle" that can grow with hard work and perseverance (as compared to a "fixed trait", such as eye-color) experienced <u>academic boosts of ½ a letter grade, with the largest effects often seen for low-performing students, students of color, or females in STEM-related courses.</u>

- *Increasing retirement savings:* The *Save More Tomorrow* program 1) invites employees to pledge now to increase their savings rate later, since self-control is easier to exert for future events; 2) links planned increases in the savings rate to pay raises, in order to diminish loss aversion; and 3) leverages the power of inertia by keeping members enrolled until they reach a preset limit or elect to opt. <u>Adoption of these auto-escalation plans has boosted annual savings by an estimated $7.4 billion.</u>

- *Increasing adoption of energy efficient measures*: Offering an attic-clearance service (at full cost) to people led to a <u>five-fold increase in their subsequent adoption of attic-insulation</u>. Interestingly, providing additional government subsidies on attic insulation services had no such effect.

- *Increasing tax compliance:* Sending letters to late taxpayers that indicated a social norm –i.e., that "9 out of 10 people in Britain paid their taxes on time" – resulted in a <u>15 percent increase in response rates</u> over a three-month period, rolling out to <u>£30 million of extra annual revenue.</u>