Fit for Purpose: Using Behavioral Insights to Equip Public Servants for Agenda 2030

This chapter will cover three distinct topics. First, it briefly reviews the basics of behavioral science through a public service workforce lens and lays out a framework for thinking about behavioral science in terms of *friction* and *fuel*. Second, it looks specifically at *friction* and explores how it can be added and removed to create more effective hiring practices. Third, the chapter will examine *fuel* and how a workplace can be designed to stimulate motivation. It concludes by arguing that behavioral science points to the importance of not only *changing the mindsets* of public servants – which will only go so far – but also *changing the context* in which public servants make decisions.

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Behavioral science: the basics*

In his discussion of organizational behavior, psychologist Benjamin Schneider (1987) famously asserted, "the people make the place." This assertion is true of organizations worldwide of all sizes and types, from the private sector to public institutions. Every day, the decisions workers make and the actions they take affect their own well-being and productivity, the wellbeing and productivity of co-workers, customer satisfaction, and the effectiveness of the institutions where they work.

In 2015, the United Nations Member States established the 2030 Agenda for Sustainable Development, which comprises 17 Sustainable Development Goals (SDGs) meant to transform our world. The sixteenth SDG focuses on peace, justice, and strong institutions, indicating that peaceful and inclusive societies, sustainable development, and access to justice require "effective, accountable and inclusive institutions at all levels" (United Nations General Assembly, 2015, p. 25).

Given that strengthening institutions is key to transforming our world, as highlighted in Chapter 1, and that "the people make the place," we must use what is known about human behavior to equip workers worldwide to thrive and flourish. Public servants, in particular, are in a key position to undermine or improve transparency, inclusiveness, and the strength of institutions. What can be done to enable, motivate, and support the development of a strong public service workforce? Behavioral science offers evidence and insight to help answer this question.

At their core, behavioral science insights are interdisciplinary and diverse. Behavioral science consists of psychology, behavioral economics, economics, data science, sociology, and other fields that shed light on the factors influencing behavior.

Behavioral scientists commonly reference a dual processing view of the brain made famous by Nobel prize-winning psychologist Daniel Kahneman (2011), wherein humans have, broadly, two ways of processing information:

1. **System One** – fast and frugal processing, which works on instinct and allows people to navigate the world using limited psychological resources.

2. **System Two** – slow and logical processing, which works deliberatively and allows people to work out complicated situations to make optimal decisions.

Far too often, public policies and workplace policies are based on an implicit assumption that human beings will operate with their System Two. Yet time, experience, and research studies have repeatedly shown that this is not always true. System Two requires a great deal of time and cognitive effort, which are precious resources given the many demands facing public servants throughout the day. Rather than always making optimal or perfectly rational decisions, people operate with bounded rationality: they leverage both System One and System Two to make a sufficiently satisfactory decision while using the fewest cognitive resources, even if the end decision is not technically the most optimal choice possible (Simon, 1956, 1982).

As a result of overreliance on fast, automatic thinking, our decision-making and behavior are strongly influenced by the environment in which we make decisions. When it comes to equipping public servants for the SDGs, implementing measures to promote a change of mindsets at the individual level is not enough. Herein lies the problem: all of us (you, we, and public servants) intend to do things that we do not actually do. This is called the intention–behavior gap (for review, see Sheeran and Webb, 2016). Influencing mindsets often serves only to increase a worker's intention. In many ways, this adds motivational fuel. However, if there are barriers – psychological or practical friction – that prevent workers from engaging in the behavior, changing mindsets will not lead to the desired outcome. A foundational tenet of behavioral economics is that humans cannot always be counted on to carry out their intentions, do what is in their best interest, or choose the most rational course of action. With this irrationality comes a predisposition for decisions to be affected by the context in which people make choices.

This insight enables policymakers, employers, and any designer of decision contexts to influence behavior through small, sometimes imperceptible changes to environments in ways that do not remove people's freedom to choose the course of action they prefer. Behavioral science approaches offer an opportunity for policymakers and practitioners to influence behavior by adjusting the environment. For example, Beshears, Choi, Laibson, and Madrian (2009) show that when it comes to designing a pension program, opting people into saving for retirement leads more people to save for the future than when people are opted-out by default and have to take extra steps to sign up. This small example has big implications.

Given the effectiveness of behavioral science approaches in addressing challenges in different domains worldwide, the field needs to develop simple yet effective tools to enable this work to spread. While several frameworks do exist[97], in this chapter we will leverage the friction and fuel analogy and use it as a framework to think about how to improve workplace settings in the public sector.

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Headed to the moon?

Imagine you were trying to get to the moon. To take off, the ship you have built will need some help. It will need to blast off and successfully navigate out of the atmosphere fighting off gravity. How are you going to accomplish this? The answer is to reduce friction and add fuel. Too much friction, and it won't take off smoothly. Not enough fuel, and it won't take off at all. Behavior change is the same, and we use this analogy to help us design effective solutions and interventions to change behavior.

Reducing friction

Humans are cognitive misers. We go through life trying to make optimal decisions while expending as little energy as we can – we are boundedly rational. As such, our actions are highly affected by what is easy and hard. The first tool in the arsenal of anyone trying to change behavior is to reduce the frictions (obstacles) in the way.

Adding fuel

After reducing friction, the next step is to add fuel or motivating forces. Humans are motivated by a range of things: everything from social pressures and the maintenance of our identity to avoiding punishment and achieving economic gain. The second tool is to find the right incentive, or a mix of incentives, to motivate the desired change. To apply this analogy in practice, we often leverage three important steps, as highlighted in Table 7.1.

With this practical approach, there are many ways in which behavioral science can be applied to governments and public service institutions worldwide – far too many to cover in one short chapter. Rather than providing an exhaustive list, we offer examples of both friction and fuel.

Table 7.1: Steps to Changing Behavior

1. Identify the Key Behavior

The first question is to identify what we are trying to change. The key is to be as specific as possible about the particular behavior a person is engaging in or not engaging in. The problem at hand may involve multiple behaviors, by multiple people, but for each, we should be able to identify what it is that they are doing, where, when, and with whom.

2. Identify the Behavioral Barriers

Next, we need to establish what is preventing this behavior from naturally occurring. Barriers can be both psychological and practical, for example:

- **Psychological** – being "myopic" and therefore not motivated to do actions that would benefit one's future self, such as saving money;
- **Practical** – for example, having to go into a bank branch to save and having to travel across town to get there.

Both types of barriers are important and often necessitate different solutions.

3. Add Fuel, Remove Friction

Once we have identified the key behavior and the barriers preventing that behavior, we look to remove friction (i.e., implement ways to reduce barriers) and add fuel (i.e., adopt a mix of incentives) to create behavior change.

Source: Authors, 2021

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Thinking about friction – getting *people* right

Friction is perhaps the biggest barrier to behavior change. And it is rarely given the consideration it deserves when behavior change programmes are attempted. Consider, for example, the problem of sedentary behavior at work, including among public servants. One way to counter this is to install sit-stand desks that public servants can adjust so that they spend part of their workday standing. Through the lens of System Two, employees would carefully weigh the advantages and disadvantages of sitting down and standing up and choose in appropriate measure the healthier option that maximizes their long-term wellbeing. More often, however, people will set the desk to sit and maintain this status quo without mental deliberation – which likely explains why the installation of sit-stand desks has led to disappointingly low levels of habit change (Venema, Kroese & De Ridder, 2018). By changing the default setting from sitting to standing height, Venema et al. (2018) show how "a default nudge" can significantly increase stand-up working rates. Reducing friction, in this way, can prompt desirable behaviors at work without changing mindsets per se.

Another area where friction needs to be considered is when building an effective public service workforce. This requires careful consideration of the processes that decision-makers use to select and place people into their roles. In the workplace context, the person-environment fit is a broad term encompassing more specific types of fit, such as person-job fit and person-organization fit (Kristof-Brown, Zimmerman, & Johnson, 2005). Research has shown that the fit between people and their environment affects not only employees' wellbeing but also their commitment and productivity (Kristof-Brown et al., 2005).

Unfortunately, bias can all too easily creep into hiring and promotion processes in ways that prevent fit. The resume review is one such area where this happens. Research has examined resumes submitted in response to job openings, which are identical with respect to qualifications and differ only in terms of job-irrelevant details like the applicant's name (which often signifies characteristics like gender and ethnicity). Results show that job-irrelevant information such as an applicant's demographic characteristics influence call-back rates (e.g., Bertrand & Mullainathan, 2004; Derous, Nguyen, Ryan, 2009). Given that resumes are one of the most common tools for screening candidates for an open position, this poses a substantial problem.

In this way, it is well acknowledged that employment discrimination is not only the result of overtly prejudiced attitudes but also stems from implicit, unintentional biases that are beyond the decision maker's conscious awareness. One might reason that a diversity and bias training program is in order to address such problems – we need to change people's mindsets. However, Harvard scholar Iris Bohnet argues otherwise. Implicit biases, she maintains, are difficult, if not impossible, to train decision-makers' brains out of. Instead of debiasing our brains, we need to work on debiasing our organizational systems and processes (Bohnet, 2016; Morse, 2016). In short, then, we need to think carefully about the context surrounding sound, unbiased decision making – adding and removing friction where necessary. This argument is consistent with Naru, Papa, and Nakagawa's (Chapter 8) assertion that behavioral science should be used to build organizational processes with a behavioral foundation.

Platforms such as *pymetrics* and *Applied* illustrate how behavioral science can be used to design recruitment, assessment, selection, and placement systems. *Pymetrics* uses neuroscience games and artificial intelligence (AI), audited for bias, as an alternative or addition to resumes to quickly calculate people's fit to different roles (Foster & Viale, 2020). Hiring outcomes are improved by focusing decision-makers on job-relevant attributes. For the hiring manager, this approach reduces friction by offering a quick, easy, data-driven decision aid designed for System One thinking. *Applied* offers a tool that removes names from job applications while both chunking and randomizing application details prior to presenting information to decision-makers who evaluate candidates' qualifications (Babbage, 2020). Chunking[98] in this context means that elements such as education are extracted from each candidate's job application and presented in a way that allows decision-makers to compare each section of the application for all candidates, side by side. Chunking promotes objectivity by encouraging "apples to apples" comparisons among candidates. Randomizing means that candidates' information is presented in a random order each time information from a new section of the application is presented. This prevents confirmation biases and halo effects, which lead to biased decisions. In a sense, *Applied* adds cleverly designed friction to prevent implicit System One biases from influencing hiring practices.

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Thinking about Fuel – Motivating the Workforce

Getting public servants into roles that fit is important, but it is not the end of the story. Once they are in the role, there needs to be an environment that brings out the best in them. What prompts public servants to perform better than necessary, to go above and beyond the call of duty, and approach the maximum performance they are capable of? In large part, motivation. Work motivation is the metaphorical fuel that helps drive high-quality public service. Work policies and environments have the capacity to deplete motivation or to leverage and boost it. Workers are motivated in productive ways that simultaneously contribute to their own wellness and organizational performance when employers operate in a manner that contributes to – rather than stifles – the fulfilment of certain fundamental human needs (see Table 7.2).

Even a small amount of reflection suggests how powerful such motivators can be. Let us consider competence, for example. It is probably easy to call to mind ordinary people working very hard to master a sport, a musical instrument, a craft, or a foreign language – to name but a few examples. People pursuing such aims often practice and persist, even in the face of discomfort and adversity. In many cases, such hard work is not a response to a requirement or external enticement. Rather, people work hard on a wide variety of things because they are motivated to gain competence – to meet a challenge or goal and experience the satisfaction that comes with growth, development, and mastery. If managed well, this kind of drive can be leveraged in public organizations.

As noted, competence is not the only ingredient for self-determined, autonomous motivation. Relatedness and autonomy matter too. Bareket-Bojmel, Hochman, and Ariely (2017) studied the motivation and productivity of Intel employees working in 12-hour shifts to assemble computer chips. These employees worked for four days in a row, followed by four days off. Bareket-

Bojmel et al. (2017) tested different ways of improving workers' motivation and productivity upon coming back to work after four days off. Employees were randomly assigned to receive one of several different kinds of incentives for reaching a challenging manufacturing goal on their first day back at work. Some were told they would receive the equivalent of a $25 bonus. Others were incentivized by a family meal pizza voucher. Still, others were informed they would receive a verbal reward from their senior manager, praising them for a job well done.

The question was: would these incentives work in the short run? And, perhaps more importantly, would their effects persist over time even after the incentives were removed? Results showed that compared to baseline performance, productivity increased on the first day back for employees in each of the incentive conditions. However, the monetary incentive backfired over time. The authors looked at employees' performance on the second, third, and fourth day back after the incentive was removed. The productivity of those who had received a monetary incentive dropped below the baseline level of performance demonstrated before the incentive program was put into place. In contrast, the positive effect of the verbal praise from the boss persisted. Verbal praise is a way of supporting employees' relatedness needs[100]. Those who had received a verbal reward from their senior manager continued to perform above baseline levels even after the incentive was removed. Interestingly, the performance of those who received a pizza voucher was somewhere in between. It was a little lower than the performance of those who received verbal praise but significantly better than those who had received a cash incentive on the first day. We think the pizza incentive would have worked better if an actual pizza (rather than a voucher) had been delivered to employees' homes at the end of their first day back at work, thus supporting relatedness by allowing employees to receive salient, immediate recognition in the eyes of their families.

Table 7.2: Basic Psychological Needs

Self-Determination Theory holds that each of us has three basic psychological needs—for autonomy (freedom to choose), competence (effectance or mastery), and relatedness (belonging) (Deci, Olafsen & Ryan, 2017). Work environments that satisfy rather than thwart these needs are where we see more organizational citizenship behaviors[99], more autonomous motivation, higher quality performance, better customer service, and greater employee wellbeing.

1. Autonomy: freedom to choose

2. Competence: mastery

3. Relatedness: belonging

Self-Determination Theory holds that motivation varies not only in terms of quantity but also in quality. Not all motivation is created equal. In particular, there is a difference between autonomous and controlled motivation. Autonomous motivation is characterized by people working with a full sense of willingness, volition, and choice. As Deci et al. (2017) have pointed out, "When individuals understand the worth and purpose of their jobs, feel ownership and autonomy in carrying them out, and receive clear feedback and support, they are likely to become more autonomously motivated and reliably perform better, learn better, and be better adjusted" (p. 20).

This means that helping people find meaning in what they do creates higher levels of high-quality motivation. Unfortunately, the reverse is also true – when the work environment is constructed such that public servants cannot see the meaning of their work activities, motivation suffers.

The above is illustrated by a simple example. Participants in an experiment were offered $2.00 to use Lego pieces to assemble figures (Ariely, Kamenica & Prelec, 2008). They were given instructions on how to build the figure from the Legos. After assembling the Lego figure, they were given the option of assembling another one for less money. It was up to them whether to proceed or quit. This continued for as long as they wished; participants could work as long and hard as they wanted. Half of the participants were randomly assigned to a more meaningful condition where each Lego figure, upon completion, was placed on the desk in front of them. They could see their progress through the accumulation of assembled Lego figures. This progress gave some meaning or purpose to their work – a sense of accomplishment. The other half of the participants were randomly assigned to a condition where each Lego figure they built was disassembled in front of them as they were working on the next one. It was clear that their work was pointless; if they chose to continue beyond the second round, they were simply re-assembling pieces they had already assembled before. The task requirements and wage schedules were identical in the two conditions. In purely rational economic terms, the costs and benefits were the same. Yet, the participants in the first, more meaningful condition demonstrated far more motivation. They chose to work longer and produce more. Stripping even the small amount of meaning from this relatively trivial task had a demotivating effect such that participants in the second condition quit sooner.

Meaning, purpose, and a sense of accomplishment are fundamental to work motivation.

An understanding of autonomous motivation is especially important in today's work environment, which is marked by an increasing need for lifelong learning due to the rapidly changing nature of work. The opposite of autonomous motivation is a motivation that feels controlled by someone else. Deci et al. (2017) note, "when motivation is controlled, either through contingent rewards or power dynamics, the extrinsic focus that results can narrow the range of employees' efforts, produce short-term gains on targeted outcomes, and have negative spillover effects on subsequent performance and work engagement" (p. 20). This explains why extrinsic rewards sometimes backfire, as in the Intel example above, leading to reduced motivation and lower performance in the long run. Under certain circumstances, rewards can crowd out autonomous motivation. Extrinsic rewards such as bonuses can undermine performance when they change public servants' perceived locus of causality, thereby diminishing their sense of autonomy (Deci et al., 2017). In other words, when public servants begin to interpret their own hard work as a response to someone else's demands or enticements rather than their own self-determined interest or desire, the quality of their motivation and performance will ultimately deteriorate.

While high quality, autonomous motivation has always been vital, many employers acutely realize its importance when circumstances such as the COVID-19 pandemic force people to work from home. Counting the number of emails remote employees send, for example, is unlikely to fuel feelings of autonomy and runs the risk of backfiring – raising anxieties, rewarding unnecessary emails in lieu of mission-critical behaviors, and extinguishing autonomous motivation. Organizations with employees who feel engaged and have self-determined motivation are more likely to see a high level of performance, even when work suddenly shifts to a home office.

In sum, public institutions that operate in ways that support autonomous motivation and allow public servants to develop, grow and meet their inherent needs will not only contribute to aims pertaining to equity and decent work. They will also fuel productivity.

They will see employees flourish in ways that approach maximal performance – what they are truly capable of – and which can promote effective, accountable, and inclusive institutions at all levels.

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Conclusion and recommendations

This chapter focused on behavioral thinking and laid out a framework for applying it: friction and fuel. It then discussed how to think about friction, for example, by institutionalizing hiring procedures that minimize bias, and fuel, by constructing work environments that foster high-quality autonomous motivation and develop stronger institutions. While applying behavioral science to these two areas will go a long way toward shaping the future we want, these are not the only opportunities to apply behavioral insights to organizational wellbeing. Other opportunities abound, including at the workgroup and team level of analysis, such as behaviorally informed interventions designed to promote positive relational dynamics at work (e.g., Lee, Mazmanian, & Perlow, 2020).

> *To effectively equip public servants for Agenda 2030, behavioral science can and should be leveraged by public sector organizations not only to change mindsets but to design environments that enable employees to follow through with their good intentions and to be their "best selves" at work, even when engaged in fast and frugal, System One modes of thinking.*

Such an approach stands to benefit not only employees but also their co-workers, managers, and the institutions and members of the public they serve.

To close, we have consolidated four recommendations for public sector organizations wishing to use Behavioral Insights to equip public servants for Agenda 2030:

1. When it comes to work organizations, "The people make the place." As we outline in the chapter, recruitment decisions are open to unconscious bias and so designing the recruitment process carefully to mitigate this bias is essential.

2. Carefully and strategically calibrate friction and fuel to encourage wellbeing and productivity at work. Sometimes, this means inserting friction to slow down or stop unwanted behaviors, such as biased decision making or overworking.

3. Autonomous motivation fuels performance. Public sector organizations can foster high quality autonomous motivation by helping people find meaning in their work and by getting the incentive system right.

4. Do not just focus on changing mindsets. Behavior is largely a product of the context in which it takes place. To change behavior, design the environment for System One thinking. This will make it easier for workers to follow through on their good intentions.

Endnotes

97. For example, see Mindspace (Dolan et al., 2010)

98. In cognitive psychology, chunking is a process by which our brains group individual pieces of information together to form a meaningful unit (Gobet, 2005).

99. In industrial and organizational psychology, organizational citizenship behaviors (OCBs) refer to helpful things employees do, which are not part of their official job duties. OCBs contribute to organizational performance and include actions such as volunteering for tasks that are not required, helping coworkers with their assigned duties, and speaking favorably about the employing organization to outsiders (Dalal, 2017).

100. Relatedness needs are an innate desire to experience connections with others. This includes caring for other people, as well as being cared for. Relatedness is considered a fundamental human need and requires interaction with others (Deci & Ryan, 2000).