



MALAYSIA PRODUCTIVITY CORPORATION



Handbook for

# *National Behavioural Insights Guideline*

**for Ministries, Government Agencies,  
State Governments and Local Authorities**

## **GLOSSARY**

<b>Attrition</b>	When individuals drop out of the control or treatment group over the course of the evaluation (J-PAL, 2018).
<b>Behaviour</b>	What to attend to, how to form beliefs, what to choose, whether to stick to one's choices and any other response that constitutes a counterfactual event conditional on volition (OECD, 2019).
<b>Behavioural Insights</b>	An inductive approach to policy making that combines insights from psychology, cognitive science, and social science with empirically-tested results to discover how humans actually make choices (OECD Website).
<b>Choice architecture</b>	The practice of influencing choice by changing the manner in which options are presented to people (The Behavioral Economics Guide, 2018).
<b>Cognitive bias</b>	People's systematic but purportedly flawed patterns of responses to judgment and decision problems (A. Wilke & R. Mata, 2012)
<b>Crossover</b>	When an individual in the control group strays from his or her initial assignment and receives the treatment (J-PAL, 2017).
<b>Default</b>	The choices that are selected automatically unless an alternative is specified (World Bank, 2015).
<b>Heuristics</b>	Mental shortcuts or intuitive judgments (OECD, 2019)
<b>Nudge</b>	Any aspect of the choice architecture that alters people's behaviour in a predictable way without forbidding any options or significantly changing their economic incentives (Thaler & Sunstein, 2008).
<b>Randomised Controlled Trial (RCT)</b>	A trial or experiment carried out on two or more groups to capture the impact of an intervention where participants are randomly assigned to receive an intervention or not (Nesta, 2017).
<b>Social norms</b>	The values, actions, and expectations of a society or culture that offer both implicit and explicit guides to behaviour. Norms are often identified as descriptive norms (observation of what others do, providing information about what is "normal") and injunctive norms (perceived behaviour of what most people approve of, providing information on what one "should" do) (IRS, 2016).
<b>Spillover</b>	When a treatment affects those in the control group or individuals who are not in the study sample. Spillover can take many forms and be positive or negative (J-PAL, 2017).
<b>Statistical power</b>	The likelihood that an evaluation will be able to detect a treatment effect of a certain size (J-PAL, 2018).

## **ABBREVIATIONS**

<b>ABCD</b>	Attention, Belief formation, Choice and Determination
<b>BI</b>	Behavioural Insights
<b>BIT</b>	Behavioural Insights Team, UK
<b>EAST</b>	Easy, Attractive, Social, Timely
<b>EBP</b>	Evidence-Based Policy
<b>IRS</b>	Internal Revenue Service, US
<b>J-PAL</b>	Abdul Latif Jameel Poverty Action Lab
<b>MBO</b>	Measurable Behavioural Outcomes
<b>MPC</b>	Malaysia Productivity Corporation
<b>PRIME</b>	Purpose, Review, Intervention, Measure, Expand
<b>OECD</b>	Organisation for Economic Cooperation and Development
<b>RCT</b>	Randomised Controlled Trial



## INTRODUCTION

This Handbook for National Behavioural Insights Guideline is developed by Malaysia Productivity Corporation (MPC) for quick reference by practitioners in applying and implementing Behavioural Insights (BI) as a policy and productivity tool in the public sector.

This handbook is an abridged edition of the "National Behavioural Insights Guideline". This handbook is intended for the use by government officers at all levels in Malaysia.

In the Twelfth Malaysia Plan 2021-2025, the BI approach will be adopted as a complementary tool to enhance the Government's services to the rakyat. BI will be used to design and implement policies to guide the rakyat towards making better decisions.

The application of BI in the public sector will be introduced in the Twelfth Malaysia 2021-2025 Plan through several initiatives by the Malaysia Productivity Corporation.

*Twelfth Malaysia Plan 2021 - 2025*

BI is a policy tool that combines insights from psychology, cognitive science and social science to improve how people make choices, for their own wellbeing.

### Behavioural Insights

"An inductive approach to policy making that combines insights from psychology, cognitive science, and social science with empirically-tested results to discover how humans actually make choices".  
(Organisation for Economic Cooperation and Development)

"Behaviour" refers to:

"What to attend to, how to form beliefs, what to choose, whether to stick to one's choices and any other response that constitutes a counterfactual event conditional on volition" (OECD).

Malaysia Productivity Corporation (MPC) is given the responsibility by the Government to introduce and implement BI in Malaysia.

BI can be used to address productivity growth challenge on Productivity Mindset (outlined in the Malaysia Productivity Blueprint). With BI, targeted policy interventions can be adopted based on the understanding of behavioural gap.



### Key benefits of BI



Cost saving

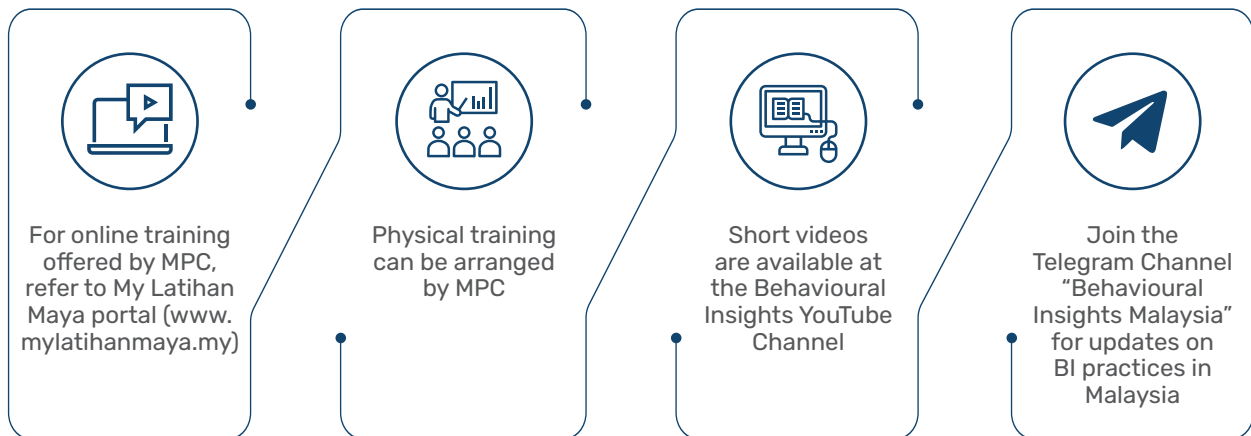


Increased compliance



Informed policymaking

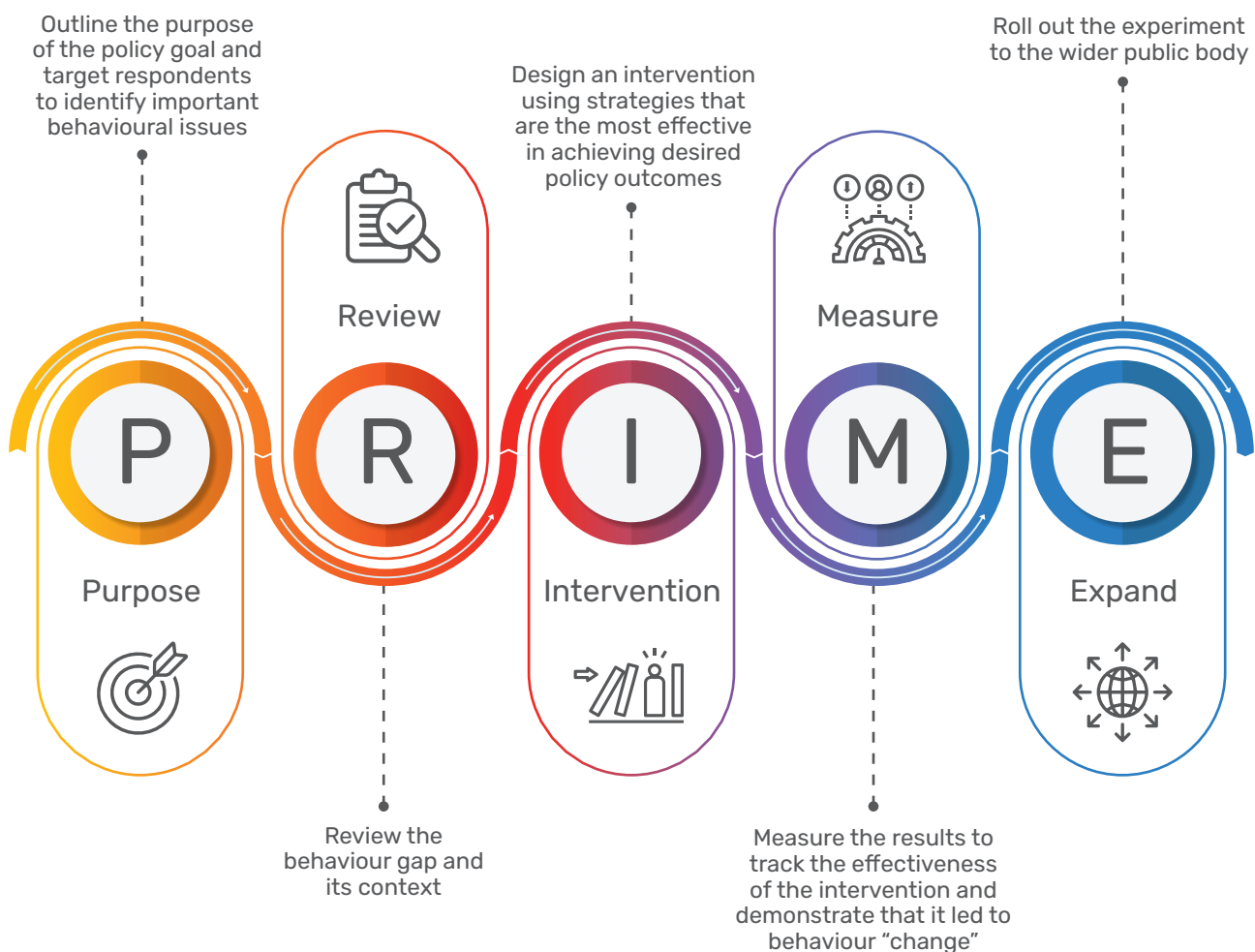
## Training and Resources



## Applying Behavioural Insights using the PRIME framework

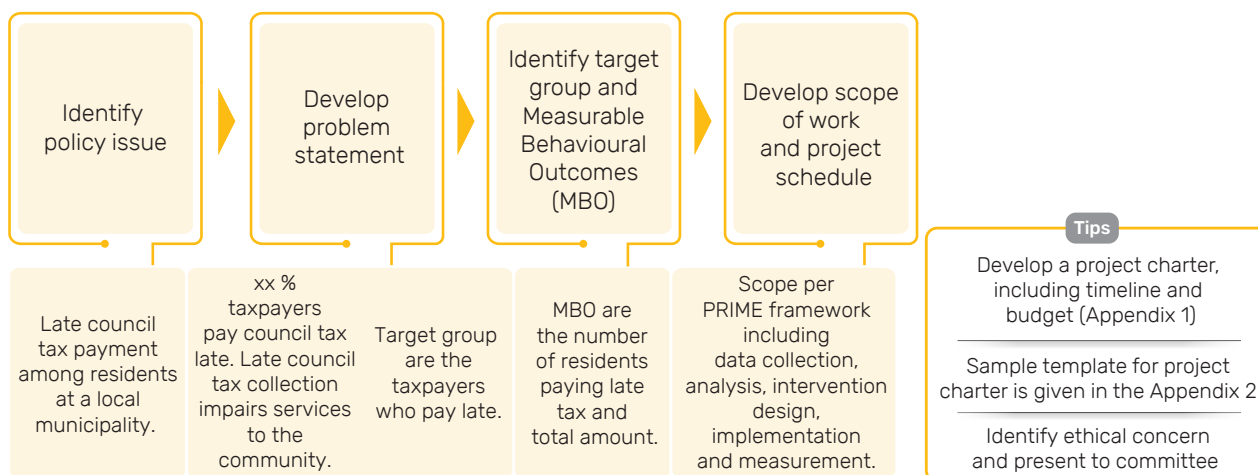
For BI implementation in Malaysia, the MPC developed PRIME Framework is used. PRIME stands for Purpose, Review, Intervention, Measure and Expand.

The PRIME framework outlines how behaviourally-informed public policy can be applied in a practical way through 5 processes:





## PURPOSE: OUTLINE THE PURPOSE OF THE POLICY GOAL AND TARGET RESPONDENTS TO IDENTIFY IMPORTANT BEHAVIOURAL ISSUES



To outline the purpose of an intervention, ask:

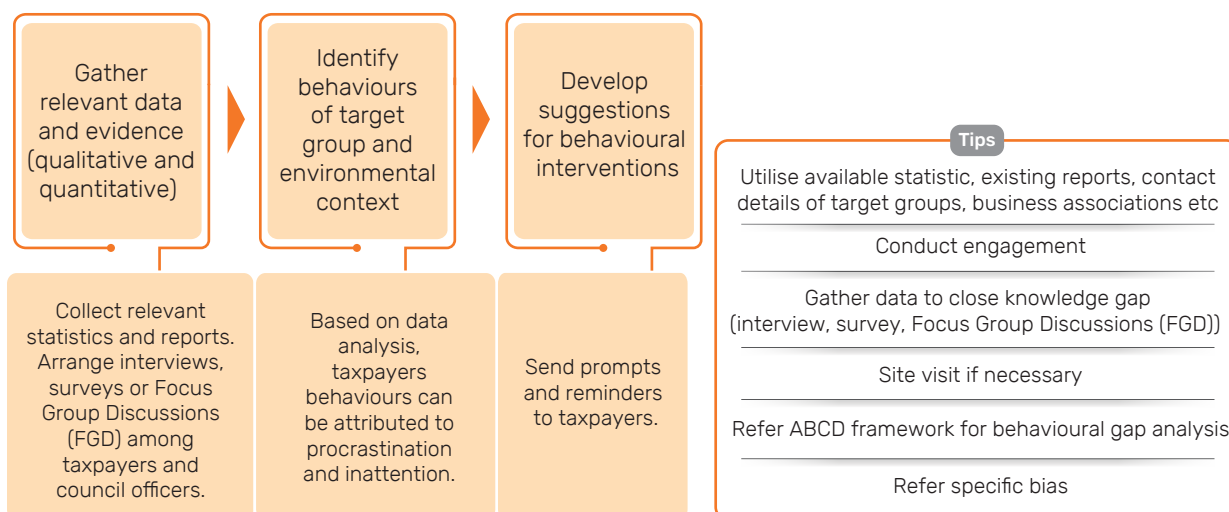
- What is the desired behavioural change that this intervention aims to influence?
- Is there a way that this behaviour can be measured reliably?
- How do behavioural outcomes relate to the specific policy goals and broader policy areas?

Source: PRIME framework



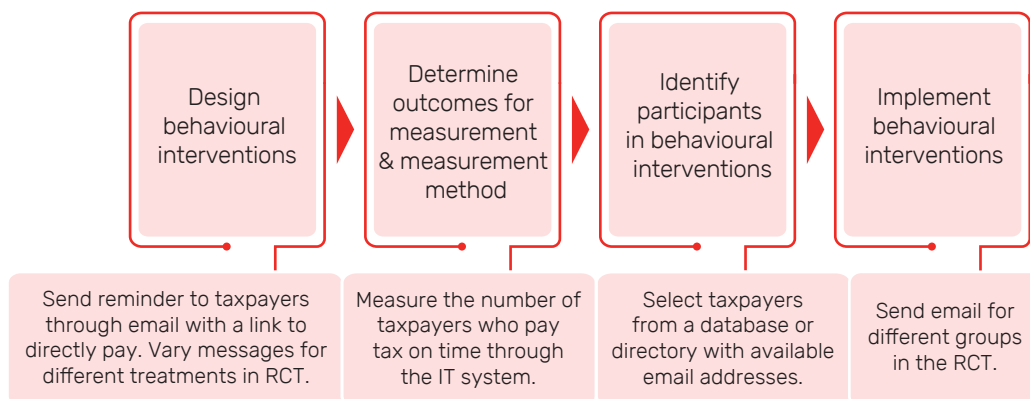
## REVIEW: REVIEW THE BEHAVIOUR GAP AND ITS CONTEXT

### Establish Baseline





## INTERVENTION: DESIGN AN INTERVENTION USING STRATEGIES THAT ARE THE MOST EFFECTIVE IN ACHIEVING DESIRED POLICY OUTCOMES



### Tips

Prioritise and shortlist behavioural gaps based on prevalence or importance

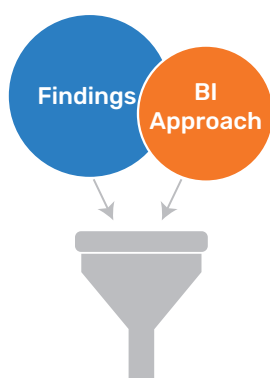
Select behavioural gaps to be addressed and develop specific intervention for each gap, including potential modification of physical environment

Identify participants considering medium for intervention - online, offline, email, text message etc

Design experiment using Randomised Controlled Trial (RCT)

Review potential threats such as attrition, spillover, crossover etc

Interventions are developed based on the findings from the “Review” process, and BI approaches (as described below).



**Suggested interventions**

### Nudge

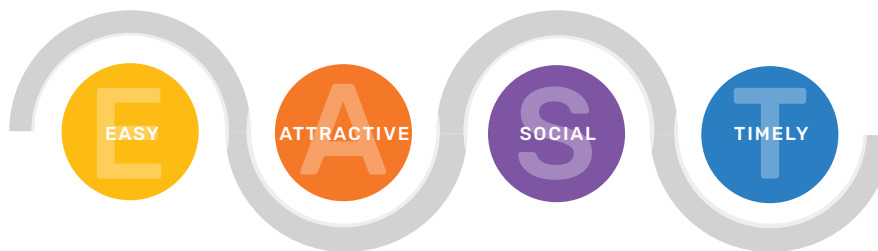
“A nudge, as we will use the term, is any aspect of the choice architecture that alters people’s behaviour in a predictable way without forbidding any options or significantly changing their economic incentives. To count as a mere nudge, the intervention must be easy and cheap to avoid. Nudges are not mandates. Putting fruit at eye level counts as a nudge. Banning junk food does not”

(Thaler and Sunstein, 2008).

Five key design strategies in designing behavioural interventions (MPC, 2021):

1. Straightforward
2. Welcoming
3. Interpersonal
4. Fact-based
5. Timely

Desired behaviours can be achieved through interventions that are designed to be Easy, Attractive, Social and Timely, as per the EAST framework.



EAST Framework  
Source: The Behavioural Insights Team (BIT)

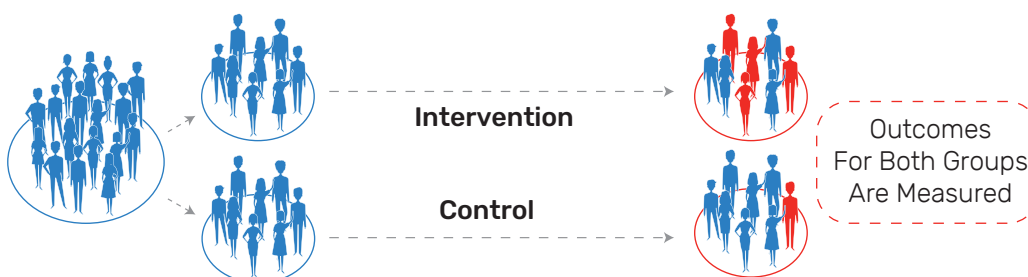
Interventions should consider the following factors



## Designing and implementing intervention

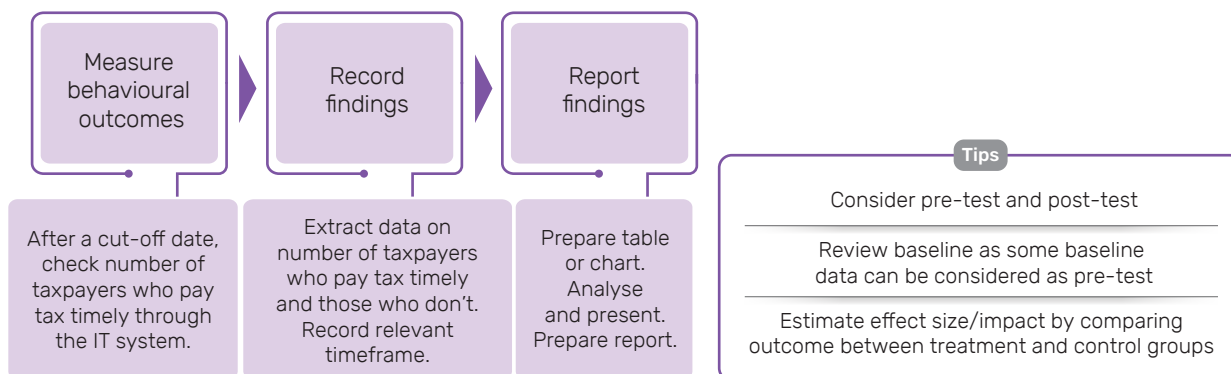
In designing and implementing intervention, Randomised Control Trial (RCT) is recommended. RCT enable measurement between control and treatment groups and thus produce evidence for evaluation and expansion,

consistent with Evidence-Based Policymaking (EBP). By measuring outcomes for control and treatment groups, the intervention can be isolated to be the main variable in driving behaviour of the treatment group.



## MEASURE: MEASURE THE RESULTS TO TRACK THE EFFECTIVENESS OF THE INTERVENTION AND DEMONSTRATE THAT IT LED TO BEHAVIOUR CHANGE

### Flow Chart for "Measure"



Measurement is an essential part of behavioural insights project, consistent with Evidence-Based Policymaking (EBP). Measurement method should be identified during the design phase of intervention.





## EXPAND: ROLL OUT THE EXPERIMENT TO THE WIDER PUBLIC BODY

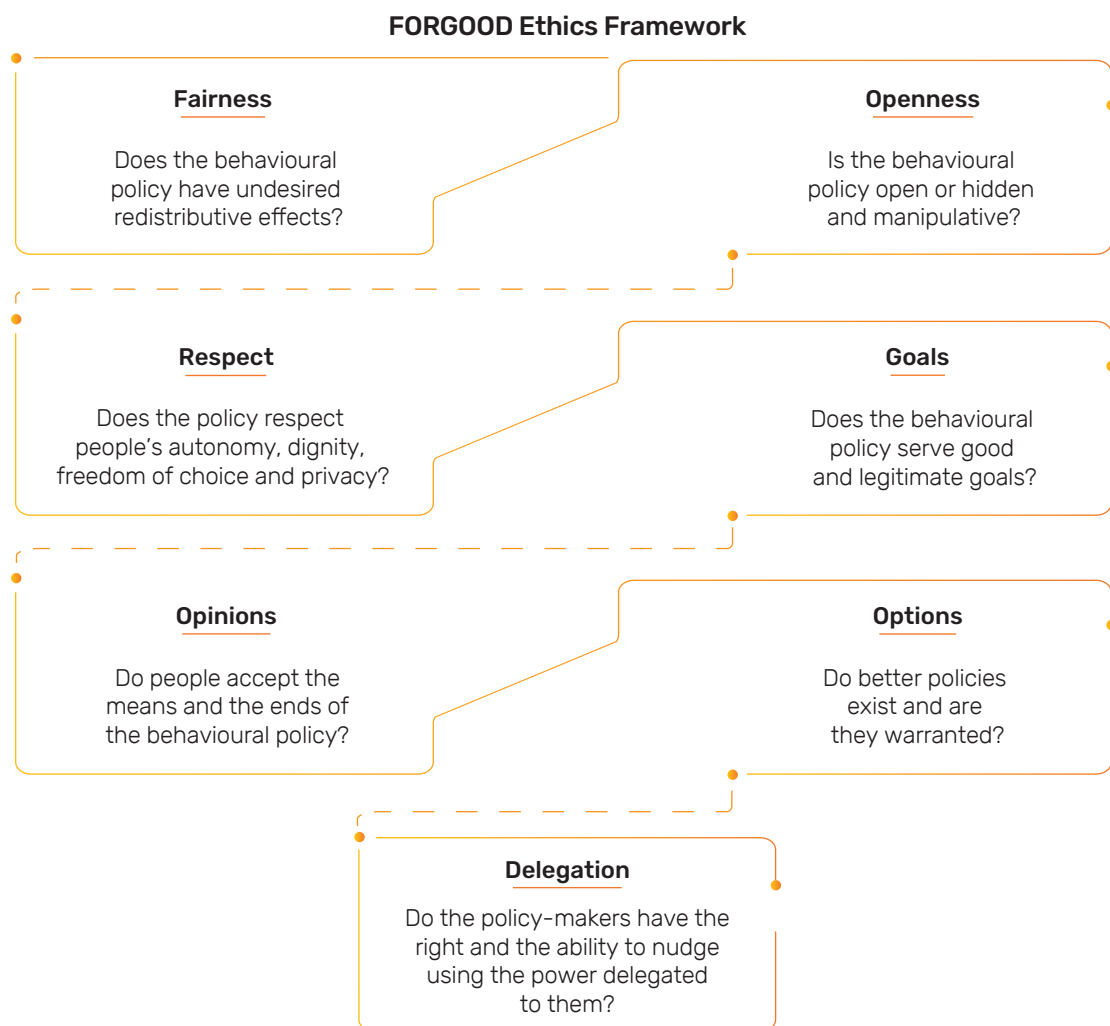
Consider the following questions:

- How can the knowledge from this intervention be disseminated into best practice?
- Is scaling the intervention feasible in the current political climate?
- Is there a clear societal impact if the intervention is expanded?
- Can the intervention be scaled upwards across other demographics?

## ETHICAL CONSIDERATIONS

Ethical considerations includes collecting data on individual or group behaviours, using experimental methods, issues around privacy, consent and ethics of applying certain solutions to only some groups. This is to ensure that ethical concerns are adequately addressed. A review by a panel and necessary consent should be obtained.

FORGOOD is an ethics framework in BI where seven core ethical dimensions should be considered.



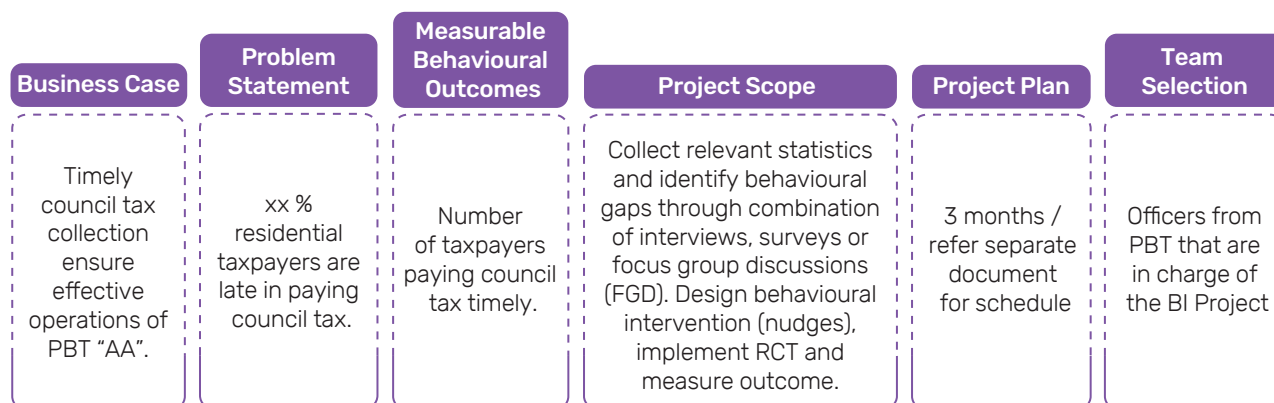
Source: Lades & Delaney, 2020.



## PROJECT CHARTER

Project charter is developed during the “P” stage of PRIME framework outlining project objectives, scope, and responsibilities to get key project stakeholders’ approval.

### Timely council tax collection at PBT “AA”



## CHECKLIST

To implement a BI project, a checklist can be used to ensure that key activities are conducted following the PRIME framework.

### BI Project Checklist to consider

No.	Task/activity	Check
1.	Identify a policy issue with potential or confirmed behavioural gap and gather relevant information/data.	
2.	Do you need a consultation session with BI practitioner at the start of the project? If so, contact MPC.	
3.	List all relevant data/evidence and collate the information accordingly.	
4.	Review available data/evidence and identify behavioural and non-behavioural gaps.	
5.	Is there a knowledge gap? Should you collect more data/evidence to close the gap? Consider interview, survey or FGD.	
6.	Is there any stakeholder you should engage to understand the issue better or to conduct the BI initiative?	
7.	Do you need a field trip/site visit?	
8.	Analyse data/evidence for behavioural gaps	
9.	Design interventions based on behavioural gaps	
10.	Can you implement RCT? If not, consider other methods	
11.	How do you plan to measure outcome?	
12.	Review results (outcome of intervention)	
13.	Should you expand the project (intervention)?	



[www.mpc.gov.my](http://www.mpc.gov.my)

## **Driving Productivity of the Nation**

### **MALAYSIA PRODUCTIVITY CORPORATION (MPC)**

Lorong Produktiviti, Off- Jalan Sultan, 46200 Petaling Jaya,  
Selangor Darul Ehsan, Malaysia.

Tel: 603-7955 7266 | Email: [grp@mpc.gov.my](mailto:grp@mpc.gov.my)