IFADiNNovation talk no.2

Behavioural approaches in measuring and delivering impact: What are we learning?

"Behavioural Science can help us to deliver higher impact in development projects and in our organisations."

On Wednesday 24th March 2021, IFAD's Change, Delivery and Innovation Unit (CDI) and Strategy and Knowledge Department (SKD) hosted the second IFAD Innovation Talk to engage in a dialogue about what we are learning about how behavioural science can contribute to enhance results in international development and to increase impact in organisations.

Opening the session, **Meike** underlined that "the use of nudges to design changes to the context in which people make decisions to help them to achieve long term goals" can enhance impact in development interventions.

Speakers and panellists at the event

Meike Van Ginneken, Associate Vice-President, SKD *Jo Puri*, Director – Environment, Climate, Gender

Juan Jose Leguía, Senior Officer – CDI, IFAD

and Social Inclusion Division (ECG), IFAD

Nathanial Peterson, Vice-President, Partnerships – Busara Center for Behavioural Economics

Saugato Datta, Managing Director - ideas42

Mary MacLennan, Behavioural Sciences Lead – UN Innovation Network

The event was moderated by *Gladys H Morales*, Senior Innovation Adviser – CDI, <u>IFAD</u>.

In her <u>keynote speech</u>, **Jo** defined the role of behavioural science in development, showed some real life applications and challenged IFAD to embed it in three ways: "Consider non-monetary incentives and use them; examine processes and incentives within the institution and change them; and ... change norms, change defaults within our own processes and structures but also within our programmes and projects."

"Behavioural science is really the science of making the choices that we want to make originally but can't because of many other challenges ... and about creating the architecture so that these choices can be made ... But it's very different from large monetary incentives that essentially change the payoffs of undertaking some action." Jo Puri, IFAD

During the <u>panel discussion</u>, panelists **Juan Jose Leguía**, **Nathanial Peterson and Saugato Datta** offered their thoughts and reflections on two questions:

Question 1: In your experience, how can behavioural science contribute to deliver more efficient and impactful results in development interventions; and

Question 2: How can organisations benefit from behavioural science to drive change, increase employee engagement and impact?

In response to question 1, **Juan Jose** gave some examples of behavioural science in IFAD's operations in India, Peru and Mali, whilst **Saugato** revealed how Ideas42 uses the science to address intention/action gaps and last mile challenges even in many large interventions that might have changed incentives through the use, for example, of cash transfers; and **Nathanial** focused on how the science is a great way of understanding the overall context of the planned intervention; and the realistic impacts of what behavioural science can do.

For question 2, **Saugato** outlined the work to date on the United Nations Integration Project and the barriers preventing good decisions taking place; whilst **Nathaniel** explained how bringing people along for the experiments and research phases was an effective practice in creating openness and experimentation from participants; and finally **Juan Jose** explained the challenge facing IFAD in

Decentralization 2.0 and how behavioural science could help the process and increase the likelihood of smooth and successful implementation.

In the <u>Q&A session</u> that followed, all speakers gave their views on: the importance and dangers of using frontier technologies such as artificial intelligence to analyse human behaviour, particularly where traditional approaches might be more suitable than behavioural science-based interventions. Discussants also addressed the opportunities in using behavioural science for monitoring and evaluation and designing better interventions, and the ethical aspects of using nudges in relation to human agency. (A Q&A report is available on the events page (here) addressing questions we were not able to answer during the live session.)

In her <u>closing remarks</u>, **Mary MacLennan** spoke about the UN Innovation Network and the growth of behavioural science across the whole UN system. Mary also invited the audience to join the Behavioural Science Group to contribute to the dialogue around this innovative approach, especially with regards to institutionalising: what are the barriers that prevent people from following through with their intended actions? "It's the right time," she said, "to embed the

Behavioural science - the background

The study of human behaviour and its relation to economic decision-making was best analysed in the work that won Richard Thaler the Nobel Memorial Prize in Economic Sciences in 2017. By exploring the consequences of limited rationality, social preferences, and lack of self-control, Thaler has contributed to demonstrate how human behaviour systematically affects individual decisions and market outcomes. In fact, Thaler has demonstrated how we tend to focus on the narrow impact of our individual decisions rather than on the overall effect that they might have.

Through the development of the dictator game and the planner-doer model, Thaler successfully demonstrated how to measure attitudes to fairness in different communities around the world and how human beings tend to succumb to short-term temptation and lack self-control to keep long-term goals. Interestingly and more relevant to the second appointment of the #IFADiNNovationTalks on "Behavioural approaches to measuring and delivering impact," Thaler demonstrated how human behaviour can be modified by the use of nudges to design changes to the context in which people make decisions to help them to achieve long-term goals.

science in IFAD." Click here to join the UN Innovation Network Behavioural Science Group.

CDI and SKD would like to thank the participants for taking part and for making the event such a success and showing how useful behavioural science could be for IFAD and the United Nations system over the coming years.

Missed the event? Watch it online!

A recording of the event can be found here.

Join the <u>IFAD Innovation Network</u> to receive our updates and to contribute to the knowledge sharing and learning of our innovation community of practice. <u>Click here to join.</u>

If you would like to skip directly to certain sections of the event, the times are listed below:

Section	Participant(s)	Time (minutes)
Welcome	Gladys H Morales	00.00-01.35
Opening remarks	Meike Van Ginneken	01.36-06.06
Keynote speaker	Jo Puri	06.07–17.37
Panel discussion	Juan Jose Leguía, Nathanial Peterson, Saugato Datta	17.38–35.33
Q&A	All participants	35.34-52.07
Closing remarks	Mary MacLennan	52.08-57.45

Gladys H Morales	57.46-59.02
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