Building BI capacity within government

Our reflections and recommendations from five years of work across three countries

September 2022

THE
**BEHAVIOURAL
INSIGHTS
TEAM**

Contents

Executive summary

When we submitted our application for funding from the Global Innovation Fund (GIF), our vision was "to spread TEST [our project methodology][1] around the world to make public policies more effective and easier for citizens to use." Thanks to GIF's funding and support, we have now made significant headway in making this vision a reality: over the course of five years, we worked alongside 12 partners in three countries - Bangladesh, Guatemala, and Indonesia. We ran 18 Behavioural Insights (BI) projects, thereby building our partners' capacity to use BI and rigorous evaluation approaches going forward. We complemented our core approach of learning-on-the job whilst delivering joint projects with more than 30 workshops and additional dedicated training.

The past five years have been a learning journey not only for our partners, but also for us. We have distilled what we've learned into a number of recommendations for **governments** who wish to set up behavioural insights units (BIUs) and for **potential funders** who plan to set up similar programs.

Recommendations for governments

1. **Consider the location of a team carefully**, taking into consideration the skills available, the buy-in at different levels of seniority, the ability to influence or change policies and interventions, and whether the BIU should be stand-alone or located within an already established unit.

2. **Provide opportunities for collaboration, exchange and networking**, to allow BIU team members to learn from others' challenges and to have a network of external support to draw on.

3. **Formalise the set-up of the team and processes**, to avoid BI projects falling victim to budget reallocations or shifts in political priorities. If the first BI projects are delivered by an ad-hoc team, get high-level buy-in for a roadmap towards setting up a permanent team.

4. **Provide BIU teams with space to learn and experiment**, to acquire the necessary technical skills and test different approaches. Do not judge a BIU by the number of statistically significant, positive results it can produce within the first year and allow it to start with simple projects.

5. **Make sure the BIU has the right skills**, including project management, stakeholder engagement, policy and BI knowledge, and quantitative research skills.

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[1] In late 2018, we added a fifth step - Scale - to our approach, making it TESTS: Target the outcome, Explore the context, design the Solution, Trial it, Scale it.

Look for support externally or within other parts of the organisation for the skills that the BIU team members do not have yet.

6. **Invest in Target definition and Explore research for each BI project** - these two steps are easily the most important, but often most overlooked stages of the TESTS process. Be clear about the specific behaviour(s) you want to change and make sure you understand the context before designing an intervention.

Recommendation for funders

1. Given that good administrative data is scarce for many governments, **ensure policymakers define priority target outcomes and create good data sources to track them.** This provides data for decision makers to track challenges and successes and to inform intervention design. This data can also then be used for outcome measures across multiple pilots and impact evaluations.

2. To ensure sufficient engagement and buy-in from government partners, **run an application process open to selected countries/ governments to identify demand for BIUs.** Fund the creation of BIUs based on criteria such as proposed governance structure and matched funding.

3. **Set up funding agreements that allow for adaptive and responsive programming.** Framework agreements between funders and expert consultancies to support governments should have quick sign-off procedures. This way, when a project is identified by government policymakers within a rapid policymaking cycle, it will be easier for a government team to draw on external expertise using third-party funding.

Acknowledgements

List of abbreviations

a2i	Access to Information
BI	Behavioural insights
BIGD	Bangladesh Institute for Growth and Development
BIR	Bureau of Internal Revenue
BIT	The Behavioural Insights Team
BIU	Behavioural Insights Unit
BX2019	The Behavioural Exchange 2019
DFAT	Australian Government Department of Foreign Affairs and Trade
DTI	Philippine Department of Trade and Industry
FCDO	UK Foreign, Commonwealth and Development Office
GIF	Global Innovation Fund
HICs	High-income countries
IPE	Implementation and process evaluation
LMICs	Low- and middle-income countries
MINEDUC	Ministry of Education in Guatemala
MoF	Ministry of Finance
RCT	Randomised controlled trial
SIL	BRAC's Social Innovation Lab

1. Introduction

Background

In 2010, Behavioural Insights Team (BIT) was set up within the UK government as one of the first units applying behavioural insights (BI) to public policy. Since then, governments, international organisations and non-governmental organisations around the world have set up similar units, which aim to incorporate a better understanding of human behaviour and rigorous evaluation into the design of policies and services.

In 2016, BIT received a grant from the Global Innovation Fund (GIF) to *"to spread TEST [BIT's project methodology[2]] around the world to make public policies more effective and easier for citizens to use."* We proposed to build the capacity of teams of civil servants by implementing behavioural insights (BI) projects jointly with them. Based on initial expressions of interest, we decided to partner with the governments of Bangladesh, Guatemala, and Indonesia.[3]

We planned to operate a model with day-to-day support delivered remotely, plus regular in-country visits with intensive support (as we did not have permanent offices in any of the three countries). We proposed to rigorously evaluate BI interventions in our projects with partners by using randomised controlled trials (RCTs) that make use of regularly collected administrative data as outcome variables. For this reason, we proposed to focus early projects on areas where administrative data tends to be of relatively good quality - namely improving revenue collection and increasing the number of workers and businesses in the formal economy. The funding, however, was not to be too prescriptive, with flexibility for us to run projects addressing partners' current policy priorities. By running projects jointly and increasingly handing over responsibility for individual project components, we envisaged building the capacity of teams of civil servants to run BI projects independently. Our long-term ambition was that our partners continue the approach without our assistance and expand into new policy areas.

In collaboration with our partners, we completed 18 BI projects using our TESTS methodology (see Table A.1 in Annex A for an overview).[4] In Guatemala and Bangladesh, we worked with two to three partners running several trials in a particular policy area, whilst in Indonesia we collaborated with a total of seven partners on a wide range of challenges. Across the three countries, the policy areas - ranging from increasing tax compliance to reducing sexual harassment on public transport - reflect the diversity of our partners and their

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[2] In 2017, we added a fifth step - Scale - to our approach, making it TESTS.

[3] At the beginning of the grant period, we also met with a wide range of government bodies and local organisations in the Philippines to explore opportunities to apply behavioural insights and build local capability. In consultation with GIF, we however, eventually decided to end our engagement in the country.

[4] We have included one project highlight from each country throughout this report. Each is an example of how the TESTS approach helped our partner organisations make progress towards their policy goals. For detailed reports on the full range of projects funded by the GIF-grant, see our dedicated webpage at www.bi.team/capacity-building-gif/.

priorities. To complement our learning-by-doing approach, we ran more than thirty workshops, reaching more than 800 people, and designed in-depth training for and with some of our partners.

Some of our partners set up dedicated BI units, whereas others incorporated tools from the BI 'toolbox' (such as RCTs or in-depth exploratory research) into their work more generally.

This report

During the five years of GIF-funded capacity building work, we learned as much as our partners, if not more. In this report, we summarise these insights, covering three topics that we believe are of interest to organisations that wish to increase their BI capacity and funders that wish to support them:

1. establishing BI units within government;
2. developing BI and evaluation capacity; and
3. funding research and innovation projects

While these lessons stem from work in four lower- and middle-income countries (LMICs), we believe that most of the points below apply to both high-income countries (HICs) and LMICs but emphasise where there are differences.

Based on these lessons we also provide recommendations for potential funders (in **green boxes**) as well as governments that wish to set up BIUs (in **pink boxes**).

Our experience working across four countries has shown us that there is no one-size-fits all when it comes to how to set up and run BIUs successfully. Any successful BI project starts with understanding the context - and this is even more important when setting up BIUs. Our recommendations are therefore broad and will need to be tailored to the specific needs of each particular context.

Project highlight - Encouraging more than 11 million Indonesians to file their tax returns early

Country: Indonesia

Partner organisation: Directorate General of Taxation, DJP

In Indonesia, as in other countries around the world, a large proportion of taxpayers file their taxes at the last minute. This leads to long queues in front of tax offices and crashes of the online system around the deadline, which erodes tax morale and puts pressure on the system. We therefore designed and tested emails to encourage earlier filing of annual tax returns. The five versions of the emails were informed by various behavioural insights - including commitment devices, appealing to national pride and using a strong messenger. The sample - 11.2 million taxpayers registered for electronic filing - made it one of the largest public policy trials ever run. The email asking taxpayers to choose their filing date and sign-up for a reminder email (as a light-touch 'commitment device') led to a 2.1 percentage point increase in early filing. This 'winning' email was updated and sent out to

the entire population of taxpayers registered for online filing a year later. You can find more about this project here.

## Project highlight - Reducing sexual harassment on busses

Country: Bangladesh

Partner organisation: BRAC

This project aimed to encourage passengers to intervene safely when witnessing harassment on buses. In close partnership with SIL and BRAC's Gender team, we developed posters to be placed on buses running through Dhaka (see Figure 1). We thereby aimed to address the so-called 'bystander effect' (individuals are less likely to help someone when there are other people present) and provide simple steps to intervene safely. We tested the effects of these posters using a combination of systematic observations on buses and qualitative passenger surveys. This innovative combination allowed us to collect data on attitude changes, and objective information on behaviour change.

The results offered some of the first real-world objective measures of the frequency of sexual harassment on buses. Our enumerators counted one occurrence of harassment approximately every 2h45, which corresponded to someone being visibly harassed in six out of tenbus journeys. Over the intervention period we observed a significant decline in the frequency of sexual harassment on buses. Though we cannot conclusively attribute this to the posters, this finding invites further study of promising low-cost interventions to combat harassments, like the posters we designed. To find out more, see our report.

Figure 1: Poster to encourage passengers to intervene when witnessing sexual harassment on buses.
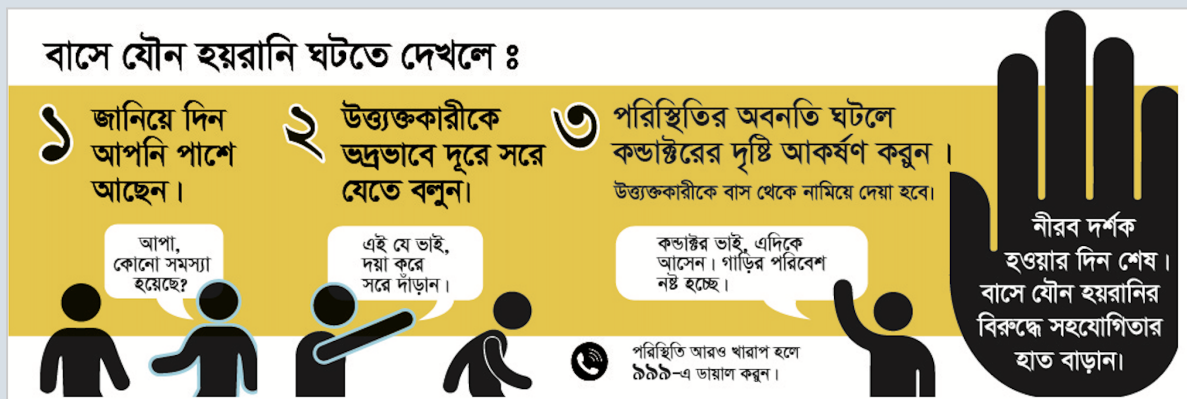
Project highlight - Developing and running a complex edutainment intervention to fight Covid-19 stigma in the midst of the pandemic

Country: Bangladesh

Partner organisation: Access to Information (a2i)

Working with a2i, we designed and tested the effect of a video edutainment intervention (education through entertainment) which intended to encourage front-line workers and volunteers to spread awareness of Covid-19 telephone helplines (333 and 16263) in their communities. The video highlighted how to safely and constructively interact with symptomatic individuals. We worked with a2i to implement an RCT on their online learning platform MuktoPaath, which showed that the video increased knowledge of what to advise people with Covid-19 symptoms, and improved self-belief in people's ability to help their community fight Covid-19.

This intervention and trial were conceived in the midst of the pandemic, which meant that a2i conducted most activities with limited BIT support (with BIT only supporting a literature review on stigma, and trial design and implementation). This was only possible thanks to the years spent running projects with a2i and the skills and capabilities they have developed as a team. To find out more, see our report.

Project highlight - Providing guidance to small taxpayers

Country: Guatemala
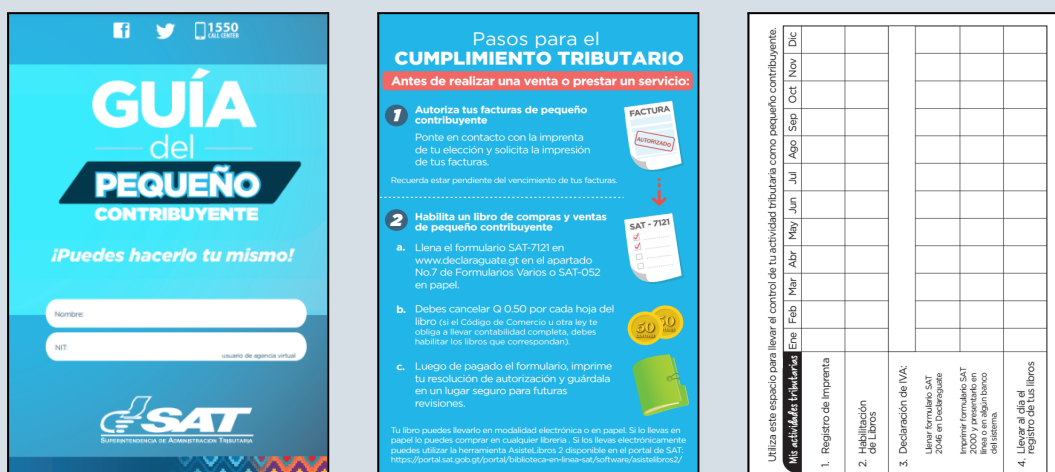
Partner organisation: SAT

We supported SAT with the design of a guide aimed to provide new small taxpayers (low revenue) with step-by-step information about how to comply with their fiscal obligations. We incorporated behavioural insights such as simplification, chunking, personalisation and timing. We found that the guide had no effect on average declaration *rates* in the first six months after registration, but had a positive impact on the average monthly *payment*. Average payment among taxpayers in the treatment group was 12% higher (equivalent to $2.34 per person per month) compared to the control group.

We also received very positive qualitative feedback on the guides, and one challenge was that SAT received multiple requests for guides in control offices (Figure 2). In order to maintain the integrity of the experiment, we had to provide clear guidance on how to communicate with the offices in our control group. After the experiment, SAT rolled out the guide across all local SAT offices and translated it into seven Mayan languages. Factoring in the cost of producing the guides, the guides then brought in an additional $100,000 per month for SAT. Following the administration change in SAT, the production of the guide was stopped due to personnel changes in Customer Service and it is not currently in

circulation. During our final presentation to the Head of SAT we will recommend for the Guide to be reinstated. Further information about this trial can be found here.

Figure 2: Small taxpayer guide intervention

Pages of the Small Taxpayer Guide, including the steps required to complete a sale or deliver a service (middle) and monthly declaration checklist (right).

Project highlight - Impacting school management with 'rules of thumb'

Country: Guatemala

Partner organisation: Dirección General de Evaluación e Investigación Educativa (DIGEDUCA), Research and Evaluation Department at the Ministry of Education (MINEDUC)

Together with DIGEDUCA and MINEDUC, we designed an intervention based on the management training interventions of Roland Fryer.[5] We designed a poster setting out rules of thumb guidance for school principals (see Figure 3), an implementation checklist, and a letter of support from MINEDUC. These were distributed to principals at a training session where they received brief training on the key elements of these materials. We found that the intervention increased the frequency and quality of school management practices by principals across a broad range of indicators including the number of planning sessions and class observations conducted by principals, and the quality of this management. These changes in turn increased the job satisfaction and wellbeing of teachers, however, the intervention did not translate into an impact on student attainment in maths or reading.

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[5] Fryer Jr, R. G. (2017). Management and student achievement: Evidence from a randomized field experiment (No. w23437). National Bureau of Economic Research.

Given these promising results on such a light-touch intervention, we recommended that the intervention should be scaled across the country to all principals. In the context of the Covid-19 pandemic, MINEDUC has not yet been able to scale up this intervention to all schools in Guatemala, however, we'll discuss with the new Vice-Minister how it can be scaled up in the coming academic year. Further information about this trial can be found here.

Figure 3: Rules of Thumb poster for school principals
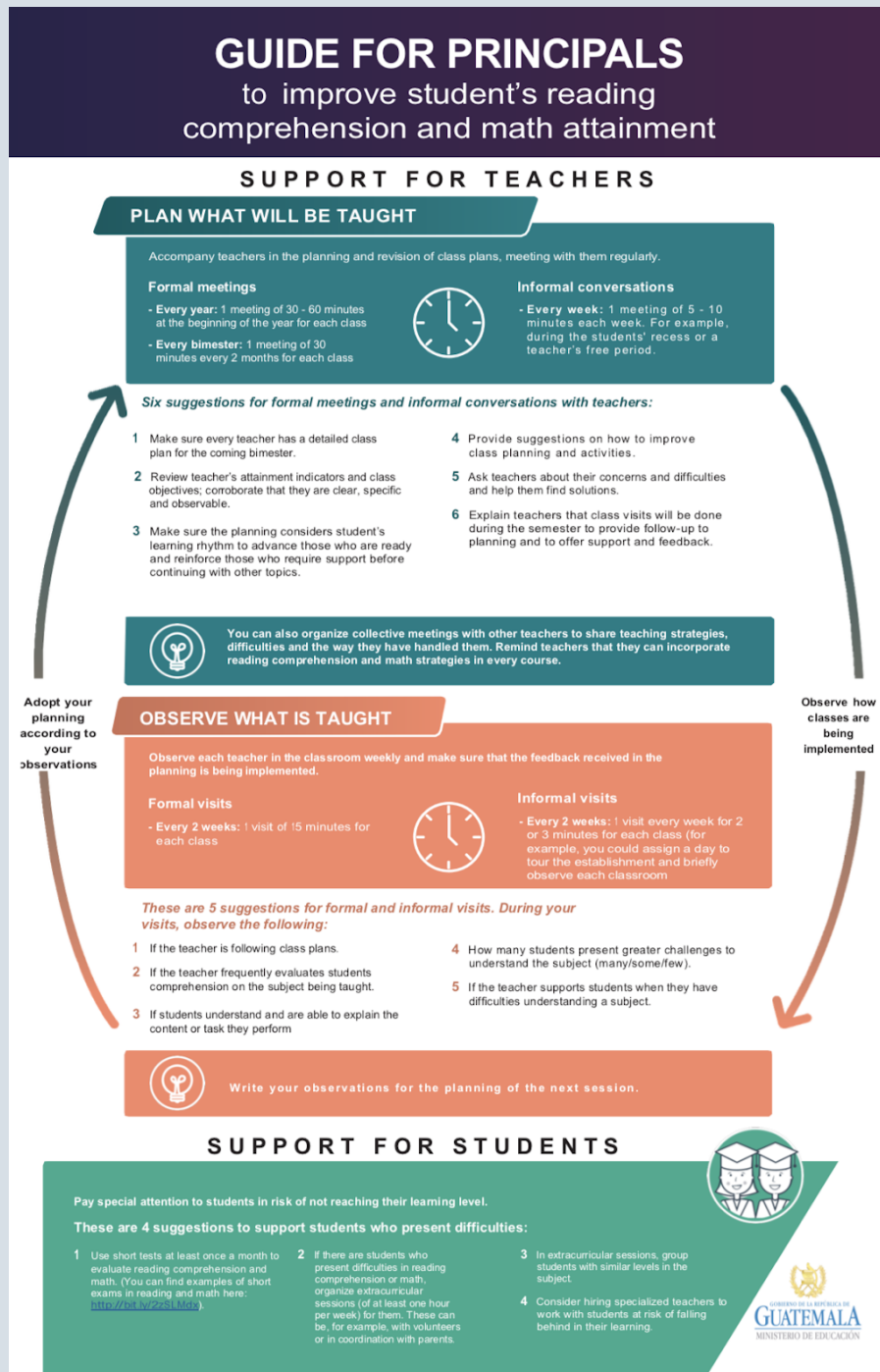
2. Developing BI and evaluation capacity

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Our experience working with our partners in Bangladesh, Guatemala and Indonesia confirmed what we had already seen in our work with other organisations around the world: BI and evaluation capacity is best developed by working on BI projects with experts, with this 'learning-by-doing' approach complemented by more formal training. That said, to build the expertise necessary to run high-quality projects independently will require time to develop the skills, the motivation and curiosity to learn more and the willingness to experiment and try activities outside most 'traditional' civil servants' comfort zone.

Training is no substitute for BIUs running projects themselves. Working on projects with external partners with experience in running BI projects in government and gradually taking over responsibility allows BIUs to build the skills and confidence to run projects independently.

Many BIUs will recruit their staff internally and thus start with a team that does not (yet) have the relevant skills. For our GIF-funded work, we shared BI and evaluation skills with our partners through joint projects and more formal training, ranging from workshops to 1:1 statistics training. We adjusted the 'mix' for each partner between learning-by-doing and dedicated training based on demand, our partners' existing skills and ambition. In our experience, dedicated training by external partners like BIT is useful:

1. at the beginning of a collaboration, to introduce central BI and evaluation concepts and case studies (e.g. through a workshop, see below); and
2. to fill technical gaps identified during project delivery. Academic training, e.g. through a masters in a relevant discipline, can address the same needs.

As every project is unique and involves different decisions and challenges, **learning-by-doing is, however, where BIUs learn how to apply theory to practice and how to avoid/ address some of the common pitfalls**. We found that after running a few BI projects jointly, our partners needed much less intensive support to manage BI projects themselves and anticipated and addressed challenges more confidently.

Workshops are an excellent tool to get policy-makers excited about BI, identify potential projects, and to generate buy-in among those who will sign off on projects and/ or collaborate with a BIU.

Over the course of our GIF-funded work, we ran more than thirty workshops, reaching an estimated 800 - 900 attendees. Training intensity varied from short presentations on BI and evaluation to multi-day case study workshops. In our experience, short, **two-hour workshops or presentations can provide a good introduction to BI and can be used to generate excitement and buy-in, including amongst higher-level officials**. When run by an external partner, **one- or two-day training sessions can additionally provide basic training for a future core team** to provide them with a general understanding of the

structure of BI projects and some relevant examples of BI studies. These training sessions can also be used to generate ideas for potential projects by getting participants to work on their own public policy issues during the sessions. **These sessions can also turn mid-level managers and collaborating departments into 'informed consumers' of BI by providing them with a general understanding of the approach, and make the BIU's collaboration with other departments easier.**

BIU staff need to invest time and effort to acquire the necessary technical skills to run full-scale BI and evaluation projects independently. This requires a high level of motivation, curiosity, and interest beyond what can be learnt in workshops and on a few joint projects with external partners.

In our experience, the most successful teams are those where members are passionate about a BI and evidence-based approach, are inquisitive and find ways of learning the skills to run projects beyond what can be learned on a few initial projects with external support. We are convinced that these BI enthusiasts exist in almost every government institution - identifying and recruiting them will be crucial for a BIU's ability to run BI projects in the long run. In addition to running projects with external support and potentially hiring staff with the right expertise, BIUs can build their skills in a variety of ways, depending on;

1. the type of skills; and
2. the level of expertise aimed for.

Academic training ranging from short online courses to entire master's programmes can help build technical expertise in behavioural science or research methods. On the other hand, **shadowing BI experts or creating opportunities for peer-to-peer exchange provides opportunities for learning more about the practicalities of running BI projects.**

Recommendation: Provide BIU teams with space to learn and experiment

Give BIUs the time to learn the necessary technical skills and space to test different approaches. A BI approach means embracing the tenet that a lot of great ideas do not work as hoped. Do not judge a BIU by the number of statistically positive results it can produce within the first year, but by rigour of the methodology used to design and test interventions (acknowledging that it's fine to start with simple projects and low-hanging fruits!).

BIUs need team members with existing expertise and experience in research methods, especially quantitative approaches, or easy access to these skills within their organisation.

BI projects combine behavioural science with rigorous qualitative and quantitative research. Building these from scratch is challenging, especially in quantitative data analysis and the statistical methods that are needed for rigorous impact evaluations. Government departments can of course run BI projects with external support if they do not have these skills. But **having at least some team members with a background in quantitative methods is crucial for a unit's ability to deliver high-quality impact evaluations independently.**

The same goes, to a somewhat lesser extent, for experience with qualitative data collection - for example the ability to conduct semi-structured interviews. A lack of the necessary technical background also affects the ability for external partners to upskill government staff through learning-by-doing, as a basic understanding of e.g. statistical knowledge is key to being able to work together on RCTs. That said, a team running BI projects could also make the conscious decision to draw on expertise elsewhere within the organisation for technical tasks more permanently: For example, it might draw on an internal or external research team for trial design and analysis, rather than developing the skills themselves. **On the other hand, BIUs can build BI skills more easily on-the-job and through independent reading and most government departments will be able to recruit (internally) at least some staff with strong project management skills.**

Recommendation: Make sure the BIU has the right skills

Having the right mix of technical and project management skills as well as networks and policy knowledge is crucial for developing high-quality projects and getting them off the ground effectively. But this does not mean that your team needs to bring all these skills to the table right away: external collaborators, such as academics, can bring valuable technical knowledge. Organisations such as BIT or other government BIUs who have successfully delivered BI projects within governments in the past can provide input on how to navigate institutional politics (although they can never replace the insider knowledge that your staff will bring!) and the practical considerations when implementing a BI project.

To run a full BI project, you will need:

- ✓ **Project management:** Someone who keeps the high-level overview of the day-to-day activities and coordinates all the moving pieces effectively;
- ✓ **Stakeholder engagement:** Someone who has the networks and clout to obtain necessary buy-in and sign-off and coordinate work with other departments involved in the project, e.g. on the delivery side;

✓ **Policy knowledge:** Someone with a deep knowledge of the specific policy area as well as current government policies and systems;

✓ **Quantitative research skills:** Someone with a background in statistics, quantitative data analysis and ideally impact evaluations;

✓ **BI:** Someone who understands how to generate and use evidence about human behaviour to design interventions informed by behavioural insights.

Map which of these skills your (future) BIU or BI project team has available already, for which you want to hire and for which it will rely on external partners for the time being. Do not be shy asking for pro-bono support if your institution does not have the resources at this point to pay for consultants: especially academic advisors are happy to collaborate if they can publish the research later.

Also keep in mind that behavioural insights and related approaches (such as behavioural economics or human-centred designs) are relatively new and the idea of running RCTs and other robust impact evaluations in public policy only entered the mainstream a few years ago. The staff with the right technical skills might therefore be found at a more junior level. This does not mean that more experienced staff should not also be part of a BIU - they will often bring the important policy background, institutional knowledge, and networks necessary for coordination and obtaining sign-off. But do make sure that you give junior staff a voice and decision-making power appropriate given the skills they bring.

Beyond skills and experience, teams need to be willing to push themselves outside their comfort zone.

Some of our partners found it intimidating initially to conduct Explore work[6] to better understand services and policies from a user perspective. They were often uncomfortable or worried that they did not have the right skills, but found the process eventually extremely valuable. **Simple exploratory activities, such as experiencing a service from a user perspective and mapping out the process, conducting interviews to understand motivations around a target behaviour, and analysing data to understand bottlenecks, can bring government officials - both from within BIUs and more generally - many valuable insights on the programs that they have been managing, often for years.** At the same time, some of our partners (especially those who did not already work in innovation units) were often initially intimidated by the idea of conducting such relatively innovative activities. We therefore made sure to either conduct these activities together with our partners or to provide support by drafting/reviewing interview guides, compiling lists with tips and debriefing with them.

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[6] 'Explore' is the second stage of the TESTS methodology. During this phase, teams will normally conduct interviews and observations to understand the end-user perspective on a service or policy.

Recommendation: Invest in Explore research

Given the importance of understanding the context and barriers to target behaviours before designing policies/ interventions, do not skip the Exploratory research. If your team is new to the relevant approaches, start with simple techniques such as semi-structured interviews or testing a system yourself, and build from there to more advanced approaches, such as cognitive interviews.

A BI project is inherently iterative and might require going back to the drawing board after a solution has already been developed, if it 'fails' during end-user testing. However, this might clash with and has to be balanced with the requirements of internal processes within government institutions, such as getting approval for projects.

Even within institutions where necessary buy-in and skills exist, staff have to work within the boundaries of their institutions. There might therefore be a trade-off between being rigorous and being pragmatic: while it takes away some of the iterative nature of developing a BI intervention, we think that it will help the team institutionalise this approach within their organisation.

Different organisations will achieve different levels of in-house expertise, depending on original level of in-house skills, staff motivation and desire/ need at an organisational level.

To run BI projects independently and institutionalise a BI approach within their organisation, a team will need BI and data and impact evaluation expertise, as well as project management skills and governance structure, including buy-in. For some organisations, the level of expertise along these dimensions might not go beyond the level of an 'informed consumer' (level 1-2 of our BI capacity framework, see Annex B). For these organisations it will make sense to keep working with external partners in the long run. Other teams might have the background skills, motivation and backing to achieve a level at which they can run simple projects independently (Level 4) but they might still want to work with external partners on complex projects (e.g. those that require cluster RCTs or aim to change more complex behaviours). In our experience, it takes at least two to three trials - and a lot of dedication from the government teams - to build skills to this level. **Building technical capacity so that a team will not benefit from any external support (level 5) will likely require running further projects of increasing complexity independently over the course of many years with external ad-hoc advice and coaching.**

That said, we strongly believe that even 'imperfectly' executed BI projects will be valuable: they still allow teams to build experience (and learn from mistakes) and they are likely to replace decision making that takes place with even less evidence base than even a basic BI project. While there is a small risk of incorrectly executed quantitative analysis leading to

wrong conclusions, we believe that these can be mitigated by BIUs by putting into place quality assurance processes (i.e. internal or external technical reviews) and by making sure they push their boundaries slowly.

3. Establishing BI units within government

Creating a formal BIU will require high-level backing that weathers political change. While there is no one-size-fits-all for the structure and location of such a unit, careful selection of early projects to generate buy-in and highly motivated team members are central success factors.

Changes in government can pose a threat to sustainability when a unit is not yet well established or the political change is accompanied by a far-reaching replacement of the civil service. Capacity building support for BIUs should therefore be concentrated on government teams with political and organisational backing.

A unit's ability to have impact depends on its ability to make changes to government services and on its ability to evaluate those changes. Political and organisational backing at both senior and technical levels is crucial to run TESTS projects. In our successful collaborations, the teams benefited from high-level support for their work, including endorsement from ministers. In contrast, one initially promising partnership failed when management was reluctant to use a BI approach to tackle their policy challenge and the technical team did not have the clout to overcome this resistance.

Importantly, continued demand and backing for teams running BI projects will also be crucial for long-run sustainability. This is especially the case when administrations change at the early stages of establishing a BIU, and efforts are needed to secure buy-in as part of official handover processes.

There is currently no single best-practice approach for a BIU. A hub-and-spoke model, either at the country or the organisational level, might be the most promising, but context matters.

We have tried several different approaches for BIUs: central, departmental, and external. Each of these models have different advantages and disadvantages. Central units, such as those in a Prime Minister's office or a Minister of Finance's office typically have strong political backing. This positive influence of political power, however, comes with the instability of political changes. Additionally, central units also often have to rely on other teams to actually implement projects - meaning a potential loss of control or additional inter-ministry coordination.

At the country level, a hub-and-spoke approach can help individual BIUs feel connected, if a central unit in a Prime Minister's/ President's office serves as the coordinating 'hub'. **Within individual organisations, a central BI 'hub' can provide the technical expertise and visibility needed**, while working closely with policy/ implementing units to ensure focus on policy priorities and smooth implementation. Departmental units, e.g. those looking after specific policy areas, have the advantage of increased control over project implementation and visibility of current priorities, but can suffer from less political

backing and staff might have lower technical abilities for BI projects (and the resources to build these).

In settings where BI projects are just one part of a larger research programme or where there is not (yet) enough broad institutional backing for a BI approach, a stand-alone BIU might not actually be the most sustainable way to ensure that BI projects become part of the everyday work of government institutions. Instead, it might make sense to embed BI capacity within existing teams (central or not) with dedicated budgets and enough institutional backing. As an added advantage, approaches generally used on BI projects - just as impact evaluations - could benefit other projects that are not explicitly ear-marked as BI.

Finally, BIUs working on public service delivery do not necessarily have to be placed within government, but could be based in non-governmental organisations with the right skills, remit and connections into government. For example, in Bangladesh, we worked with BRAC, an NGO that delivers services directly to the poorest and has the technical capacity to conduct high-quality research. Such a model can provide more stability in settings where changes in government have implications for the civil service, provided the non-government organisation has stable funding streams.

Recommendation: Consider the location of a team carefully

When deciding where to locate a BIU consider:

- the skills available, both within the team but also around them (for example, a BIU set up within the research directorate might be able to draw on statisticians and other researchers on an ad-hoc basis);
- the buy-in at different levels;
- the ability to influence or change policies and interventions; and
- whether you want to set up a stand-alone BIU or whether BI capability should be built within an already established unit, such as the organisation's research team.

While having a team focused exclusively on BI projects helps with specialisation, embedding/ training BI specialists within an established team with reporting structure and dedicated budget can help with mainstreaming a BI approach and guarantee sustainability. Map out several different options for the location of a team, with the advantages and disadvantages of each, before making a choice.

Early project selection is crucial for building momentum, either by delivering positive impact on government priorities or demonstrating the value of BI tools.

Providing examples of BI being effective at improving government services in other contexts, implemented by other governments, carries very little weight compared to some early results of the BIU itself. Because of this, project selection early on is crucial, in order to get results

quickly and gain buy-in more broadly. This can be achieved most easily and convincingly by choosing projects where:

- a behaviour is already measured routinely (so that evaluation set-up is easy);
- there are existing touchpoints that can easily be adapted to influence this behaviour (e.g. existing communication); and
- the behaviour is likely not too difficult to shift, to maximise the chances of a positive result.

BIUs are likely to have to react to institutional priorities. Ideally, early projects should be chosen keeping government priorities, feasibility and potential for positive results in mind - even if they do not shift the most complex or socially impactful behaviours. Even where an early project delivered a null-result, partners saw the value of evidence-based decision making, as well as the gains from the process e.g. skills in the team, which paved the way for future projects.

The initial members of the BIU need to be highly motivated, and the skills mix within the team is important. BIUs will ultimately need to set their own vision and criteria for the type of projects they select and manage.

BIUs are 'innovative' and often seen as disruptive because of their insistence on approaching policy problems differently and evaluating everything. It is almost inevitable that they will face headwinds at some point. Opposition can come from individuals who were never supporters of the idea of a BIU, who think they "know what works, because it's always be done that way" or even from those who are generally supportive of the approach, but might be opposed to the idea of, for example, RCTs or interventions that change things too much. To weather these storms, **BIU team members need to have high intrinsic motivation and bring a mix of skills that covers not only the technical aspects of projects, but also project management and navigating the institutional environment.** The team also needs to **create a vision of the types of projects they should run and how the unit should be set up, considering skills and remit.** Developing a vision does not have to happen right at the beginning, but can be done after the unit has run a few projects and has a better sense of what is feasible. For example, after supporting the set-up of a BIU at one of our partner organisations and running a couple of projects with them, we gathered the team to discuss their value added to the organisation, their vision and what they want to achieve in the medium term. We then did a brainstorming session where the team members proposed their dream projects and we selected the first partner-led trial from that list.

Recommendation: Provide opportunities for collaboration, exchange and networking

Applying BI within government is relatively new and your team is likely to be a bit of a trailblazer. This is fun and rewarding, but it is likely that the BIU will face challenges along the way. This can range from internal resistance to a BI approach to technical challenges around intervention design and evaluation. Consider how you can provide the BIU with an

informal network of external support and opportunities for exchange and learning, be it by linking up different BIUs within government, allowing staff to attend conferences or setting up opportunities for secondment to other BIUs.

Creating a governance structure and formal aims is necessary for the BIU to be sustainable. Early results can be used to get backing for a formal governance structure. It is particularly important to do this before any changes in government administrations.

Early BI projects, especially if they fit with existing government priorities, can be implemented with no governance structure in place. This is possible when civil service staff already have time devoted to the same outcome as a BI project. If the political and organisational will is not there to start a BIU initially, this can be a useful way to demonstrate impact and gain momentum. **However, a more formal set-up will increase the likelihood that a BIU is sustainable even when there are changes at the political level:** The experience in the UK and Australia, where government BIUs 'survived' changes in administration and BI is now very much mainstream, show that with sufficient institutionalisation prior to change, units are more likely to be sustainable.

Recommendation: Formalise the set-up of the team and processes to ensure sustainability

It is fine for the first BI projects to be run by an ad-hoc team. This can help build momentum and buy-in needed to obtain the budget necessary for a permanent team. However, make sure that you work towards institutionalisation of approaches and team structures within the medium term (say, within a year after the first project). Otherwise, BI projects might fall victim to budget reallocations or shifts in political priorities and team members might not have the time and headspace to systematically identify and progress new projects. From the beginning, get high-level buy-in for a roadmap towards setting up a permanent team, even if the details still need to be worked out.

4. Funding capacity building and innovation projects

With more and more donors interested in funding BI projects, but also innovation projects more generally and programmes to build governments' capacity in these areas, effective resource allocation requires that demand from the potential recipient organisations and countries is established up-front. A flexible funding mechanism will then allow capacity building providers and their partners to focus efforts on areas with the biggest demand. Finally, evidence-based policy making will require good data and funders might therefore consider investing in data infrastructure through standalone projects.

For donor-funded partnerships that require the recipient organisation to both make available significant human resources and buy into a novel approach, establishing demand upfront and formalising resources required from all parties can manage expectations and allow directing funding where buy-in is largest. Additionally, it can reassure technical teams of higher-level support for their work.

While we had received initial indications of interest from individuals within the partner countries, a lack of specific and up-front commitment meant that we spent a lot of time and resources to identify and generate demand. Across all four partner countries, a good part of our first year of work funded by GIF was spent identifying potential partner organisations and opportunities for projects. In some cases, we invested substantial resources into building relationships and conducting initial work on a TESTS project, only to then abandon the partnership as we were not able to generate the necessary buy-in. A frank conversation upfront, spelling out what BIT could offer but also the inputs required from the government partner both for running BI projects and for setting up units, could have managed expectations on both sides. This conversation could have been with centrally placed gatekeepers (e.g. in Prime Minister's or President's offices) when selecting the partner countries and at a departmental level for specific projects and the set-up of units. While we wanted to avoid unnecessary bureaucracy for our partners, in some cases written MoUs with named contacts or even applications for BIT-support could have made the necessary commitment upfront and served as a selection mechanism to identify the most promising partnership. Additionally, it can provide technical teams with a signal that their work has the support of the organisation, which in turn may increase motivation and help with getting internal project partners on board.

It should also be acknowledged that such programmes do not come at zero cost to governments, even if expert advice is fully funded by a donor: **governments will have to make staff available, and in particular often those colleagues who are highly skilled and in high demand** - with substantial opportunity costs (e.g. those who speak English if the expert advisor does not speak the local language and those with quantitative skills).

The commitment needed for running an individual BI project is very different from that needed to set up and sustain a BIU.

Our proposal assumed that through running projects jointly, long-term demand would grow organically with formal units as the logical consequence. While this might be true in certain contexts, different settings required different approaches to ensure the sustainability of our approach. **If the goal is to fund the set-up of a permanent team rather than 'just' a number of projects, an initial agreement between the funder, the recipient and potential expert advisors might therefore also cover long-term funding plans and plans for institutionalisation.**

Recommendation: Run an application process open to selected countries to identify governments with demand for BIUs

For initiatives similar to the BIT-GIF partnership, we propose dedicating substantial time and thought upfront to designing a mechanism to ensure that the support is offered to countries and government departments with the right level of interest and that partners are aware of the requirements of investing their own resources for a successful collaboration. Funding for the creation of BIUs may be based on criteria such as proposed governance structure and matched funding. If the ultimate goal is to set up a team, this should be included in any agreement - not necessarily as a firm commitment, but as an ambition with clear criteria and a break-clause if either the funder or government do not want to move ahead.

Flexible funding awarded under a draw-down/ framework contract allows recipient organisations and expert advisors to focus efforts where the potential for impact is highest, without upfront commitment stifling the ability to respond to nascent demand.

The funding mechanism within our grant was very effective at allowing us to work with governments on their policy priorities and to re-allocate funding to more promising projects if necessary. **Policymakers usually work in rapid cycles and it is difficult to match innovation projects that government teams want external support with to funding opportunities.** Within the grant, we would scope a project with our partner and then send a mini trial-protocol to GIF with details of the target outcome, findings from Explore research, an outline intervention idea, and a rough plan for evaluation. GIF would then approve the project or not depending on potential for impact. Similar quick sign-offs within broader agreements can allow external partners to work with governments on their priorities, which might change over the course of a multi-year programme.

> ## 💲🤝 Recommendation: Set up funding agreements such that they allow for adaptive and responsive programming
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> While adaptive programming has been regularly referenced of late in the international development community, the actual funding mechanisms are often not set up for work that responds quickly to government priorities. Framework agreements between funders and expert consultancies to support governments, with quick sign-off procedures when a project is identified, would make it much easier for government teams to draw on external expertise using third-party funding. Basing research and innovation funding on rigorous methodology rather than specific activities allows adaptive and responsive programming.

Data for some policy areas, such as taxation, can be excellent. However, for many government priorities and potential target outcomes, data either does not exist or is inaccessible to decision makers. Consequently, standalone projects that improve data quality on important outcomes could provide a foundation for multiple innovation and BI projects.

Poor data quality or lack of accessible data is a reality for governments around the world, but often more acute for LMICs. **Some of the most valuable work we did with GIF funding was therefore in the Target stage**: prioritising outcomes that government institutions find important, and then finding or creating relevant data for them. This often involved locating datasets with ministries, uploading offline datasets from regional offices, matching datasets, or working with the government on building entirely new ways to collect and manage data. For example, for one of our projects we worked with more than forty sub-national offices to encourage them to digitise and share data centrally, as the relevant data consisted mostly of paper records held in these offices. This served not only the Target and impact evaluation stage of our project, but also a broader government objective of digitising these records for more efficient management of public resources.

> ## 💲🤝 Recommendation: Fund programs that work with policymakers to define priority target outcomes and create good data sources to track them.
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> Creating programs that solely create good data sources on priority outcomes would have three large benefits: first, this provides administrative data for decision makers on the target outcome to inform policy and resources, (e.g. knowing the average and distribution of basic reading ability across schools); second, this data can inform intervention design (e.g. segmenting interventions on baseline ability of different schools); and third, the data can become the outcome data for multiple pilots and impact evaluations (e.g. testing out different interventions to improve basic numeracy in different schools).

Annex A: Our GIF-funded work at a glance

Table A.1: Our work at a glance

	Bangladesh	Guatemala	Indonesia
TESTS projects, trials and workshops	Five TESTS projects launched Two partner-led trials launched	Seven TESTS projects launched Three partner-led trials launched	Nine TESTS projects launched
Our partners	a2i - *Access to Information* BRAC's Social Innovation Lab - *NGO* Ministry of Land Bangladesh Bureau of Manpower Ministry of Health BRAC's Gender Justice Team and Road Safety Team	MINEDUC - *Ministry of Education* SAT - *Tax Authority* RENAP - *Birth registration agency* Ministry of Finance	BPJSTK - *Social security agency* DJP - *Tax Authority* DLH - *West Java Environmental Agency* JDS - *West Java Digital Service* Rachel House - *NGO* SNKI - *National Financial Inclusion Council* TNP2K - *Vice President's office*
Policy areas covered	Education, gender-based violence, land registration, vocational training, public health	Birth registration, education, tax compliance	Education, environment, financial inclusion, public health, social security, tax compliance

Annex B: Capacity framework

We developed the below framework to map organisation's capacity across four core competencies that are vital for a successful and sustainable BIU: behavioural insights/ TESTS, data and impact evaluation, project management, and governance. The table below shows the expertise expected at each level, ranging from no experience in the respective category (= level 0) to the level of expertise required to run sophisticated BI projects and run a sustainable BIU (= level 5).

Table A.2: Capacity framework

Level	Behavioural Insights	Data and Impact Evaluation	Project Management	Governance
0	No understanding of BI	No use of data or impact evaluation	No processes for running innovation projects	No team or governance
1	General understanding of BI and ability to identify policy and implementation issues suitable for BI solutions	Use of data to monitor policies and programmes	Ad-hoc processes for running innovation projects with significant external support and guidance	Individuals running projects without institutional structure or high-level buy-in
2	Participate in Explore and Solution activities, led by BIT and can articulate the value of a BI approach	Use of data to identify problems, and participation in impact evaluation activities	Understanding of activities to be conducted to run a full TESTS projects	High level buy-in to run BI projects but no or limited financial support
3	Conduct Target, Explore and Solution activities with outside support to solve current challenges	Design and implement simple RCTs with outside support	Create structure for running TESTS projects within organisation with outside support	High level buy-in to run BI projects with budget for the time of team-members

Level	Behavioural Insights	Data and Impact Evaluation	Project Management	Governance
4	Conduct Target, Explore and Solution activities independently for simple projects, including application of EAST framework	Design and implement simple RCTs independently	Established structure for running TESTS projects within organisation independently with defined project roles	Formalised governance structure for team with defined roles and responsibilities, with project-independent budget for roles
5	Conduct Target, Explore and Solution activities independently for complex projects, including application of wider BI literature. Can Creatively apply BI to novel challenges.	Identify, design and implement appropriate impact evaluations to test a range of BI interventions	Conduct full TESTS projects independently with defined roles for team-members and standardised outputs at each stage	Sustainable governance structure for running BI projects, with appropriate resourcing and external demand