



# How to nudge government services to deliver better outcomes

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## The government challenge

Governments, by their very nature, inhabit space where community expectations and needs grow faster than available resources. The significant social, environmental and technological changes are transforming communities, how we do business, how we move around, and how we engage with government services.

Governments of today need to solve increasing more complex problems that require multi-disciplinary and multi-agency thinking.

To solve some of these more complex problems, governments around Australia and the world are enthusiastically adopting nudge solutions. Put simply, nudges are subtle interventions that steer people toward a better decision without taking away their choice.

Small interventions to help customers make better decisions are hardly new. Since the 1950s, behavioural scientists have been using a mix of economics and psychology to improve the choices made by customers and influence how employees react in the workplace. Over the past decade, governments are applying the insights of nudge theory, with impressive results.

## Examples of government nudge solutions

As nudge units and teams are sprouting up across the government sector, we are seeing widespread effectiveness in adopting nudge solutions:

The UK Government established the famous [Nudge Unit](#) (now [The Behaviour Insights Team](#)) that partners with governments, local authorities, businesses and charities. Some of its successful nudge work includes:



- [supporting mental health patients on waiting lists](#)
- [encourage citizens to pay their taxes](#)
- addressing public-health issues.

The NSW Department of Premier & Cabinet's Behavioural Insights Unit have achieved significant outcomes in:

- [increasing job applications in regional NSW](#)
- [reducing domestic violence](#)
- [empowering patients to make informed choices](#)

VicHealth used nudge techniques to [encourage healthier habits](#) to reduce sugar and alcohol intake.

### The nudge approach

*"Nudges are not mandates. Putting fruit at eye level counts as a nudge. Banning junk food does not."*

The central premise of an effective nudge is that it must be easy for those being nudged. If a public school wants its students to eat healthier food at school, than put more healthier foods in the school tuckshop, make it easier to find, and make the healthier options taste better. This may seem obvious, but in the thick of complex issues, simple solutions are easy to miss.

Making it easier for customers and citizens to be nudged doesn't necessarily mean it will be easy for the government agency doing the nudge. On complex issues, it may involve an end-to-end analysis of a government service provision, extensive data analysis, deep customer research and cross-agency engagement. The nudge solution must then focus on various aspects of the government service provision, from internal processes and systems, employee capabilities, point-of-service delivery, to customer usability.

Cautionary warning – when nudge solutions are poorly designed, are vague and ethically questionable; they can cause frustration and anger among the very people you are trying to help.

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### Critical success factors

- *Start small* – adopt a nudge pilot program on a single service line or internal program. This allows your government agency to refine its approach relevant to staff capabilities, workforce structure, services and customers.
- *Cross-functional oversight* – ensure your agency has a lead advisor/expert that can bring different perspectives to the table e.g. communication, behaviour science, HR, customer service delivery, policy etc.
- *No one-size-fits-all* – the unique internal and external challenges must be addressed when designing nudge solutions
- *Continual testing* – is necessary to refine and expand the effectiveness of nudge solutions.

At Phillips Group, we work across a range of issues to design creative, low cost and scalable nudge solutions for government agencies. Our work centres on optimising government processes and service delivery.



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