

Teaching Policy Analysis in Cross-National Settings: A Systems Approach

Professor Claudia Scott, Professor of Public Policy,
Victoria University of Wellington, New Zealand and
The Australia and New Zealand School of Government (ANZSOG)
Email: Claudia.Scott@vuw.ac.nz or C.Scott@anzsog.edu.au

Introduction

This paper discusses the design and delivery of a post-graduate, post-experience course in policy analysis and advising for senior public servants studying for the ANZSOG Executive Masters of Public Administration Executive (EMPA) degree. ANZSOG was established in 2002 as a world-leading educational institution with the mission of enhancing the management and policy capability of current and future public sector leaders. Since 2003, I have been subject leader of *Designing Public Policy and Programs*, which is delivered yearly as a five day intensive to three separate cohorts of 40 students across Australia and New Zealand. Until mid-2009, the course was designed and delivered in collaboration with Dr Karen Baehler, a colleague at Victoria University, who is now a Scholar in Residence at American University.

In 2010, our book *Adding Value to Policy Analysis and Advice* was published by the University of New South Wales Press and now serves as the textbook for the course. It presents policy models, frameworks, tools and practices surrounding policy analysis and advice which add value to decision-makers and citizens. The book has relevance to course on policy analysis and advising in different country contexts and can be purchased and 'searched' at <http://www.amazon.com>.

Context

Many policy agendas include complex and intractable 'wicked problems' (Australian Public Service Commission, 2007) that governments can not deal with working on their own. *Designing Public Policy and Programs* adopts a systems approach to policy design and broadens the perspective of practitioners working for governments so they analyze issues in a wider context. This is important as decision-makers can sometimes rush to implement

'solutions', with inadequate attention to problem definition and sound policy logic connecting problems to solutions.

Governments in both countries play a significant role in shaping economic, social, environmental and cultural outcomes. The strength of the Executive and Cabinet relative to the legislature makes it much easier to make and change laws and this is particular so in New Zealand where there is a single house of Parliament. These arrangements can make public servants too optimistic about what governments can do and deliver.

Australia and New Zealand governments operate in the Westminster tradition in which public sector advisers play a central role in offering free, frank and fearless advice. Advisers maintain their positions when the government changes; however, Ministers also have access to political advisers who work in their offices. The growing influence of political advisers has led (particularly in Australia) to greater contestability between analytical and political streams of advice, a phenomenon sometimes described as a shift from 'Westminster' to 'Washminster'.

Relative to students who enrol in a public policy program, this cohort has many participants who hold management and service delivery rather than policy roles. At an early stage in the course, the connections between strategy, policy, service delivery and outcomes are explored making use of concepts drawn from the UK Strategy Survival Guide (2002). This demonstrates to managers that their role in funding and/or delivering public services demands a compelling policy rationale.

The concept of 'public value' – as promulgated by Professor Mark Moore of Harvard University and various other writers in the field – is also considered and has become popular as an underpinning to government activity in both countries. Moore's 'three circles' model explores interrelations and potential alignment between public value, the authorizing environment and organisational capability. Rather than assuming public value exists, the case is put that public value must be interrogated through policy analysis which explores various options for delivering outcomes relative to the status quo. The options may involve governments but also actors and institutions from the private and community sectors.

A distinction is made between 'strategic', 'operational', and 'responsive' policy – the latter referring to the importance of advisers serving the government of the day and assisting with the implementation of its policy proposals. Connections made between different techniques, methods and approaches which may assist working in these overlapping policy domains. Value adding policy advice designs policy which adopts a medium term perspective, and engages with underlying causes rather than symptoms of policy problems.

Learning Outcomes:

Some key learning outcomes for the course are:

- Understanding different models of and approaches to policy analysis and advising, and the benefits of viewing more complex policy issues from a wider system perspective;
- Building new skills to scope and frame policy problems and to craft policy options for simple and more complex issues;
- Reflecting on the features which define 'quality' and 'value' in policy advisory work and creating strategies to enhance policy capability and performance;
- Developing an understanding of the strengths and weaknesses of different policy frameworks, tools and methods and the contribution they can make to enhancing policy systems in Australia and New Zealand.

Doing policy work involves processes, and many models of policy development reflect this. Models vary: some give attention to process and others to the content of policy. Some models are client or adviser-centric, while others offer a state-centric view. Some provide an 'inside government' perspective, while others look outwards to non-state actors and institutions, international influences, stakeholder views, the media and various shocks and influences on policy change and outcomes. In countries in which governments dominate the policy space, there is an inherent risk that insufficient attention is given to exploring options involving actors and institutions from the private and community sector.

Students compare the models to determine how they will work in their own country context and consider the particular strengths and weaknesses of each. Some aspects considered include: their focus on outcomes; their engagement with citizens and stakeholders; and the degree to which they have regard for both the political and analytical streams of policy work.

Deeper understanding of the workings of the policy system is explored through the study of various 'policy pathways' which show how policies develop and travel down paths - some of which lead to successful outcomes, but others do not. Good policy advisers become familiar with these patterns and become better able to design policy processes which contribute positively to policy developments and manage certain risks including 'death by research', 'group think', and actions which contribute to proposals morphing into 'policy fiascos'.

Policy capability is defined as the knowledge, skills, competencies and behaviours required to deliver quality policy analysis and advice. The issue of lifting policy capability and performance is important in both countries and the market for policy advice is becoming increasingly contested. Ministers and governments sometimes express concern that policy performance and capability is poor and single out deficiencies in the public sector advisory

system rather than others factors which influence the quality and value of policy analysis and advice. Reviews of the quality and value of policy expenditure in New Zealand (2010) and of government administration in Australia (AGRAGA, 2010) document the need to invest in and professionalise the policy advisory function and to put greater emphasis on strategic policy issues.

The course also discusses how 'quality' and 'value' derived' from policy advice can s be assessed. At a time when governments hope to link more to actors and institutions in the private and community sectors, the public sector sometimes lacks adequate horizontal and vertical coordination and alignment across government agencies.

The systems perspective draws attention to the knowledge, skills and competencies of analysts and advisers but also the role of elected and appointed representatives, citizens and stakeholder groups, the media the contribution of experts and other influences which enhance the quality and value of analysis and advice.

Project Work

The multi-jurisdictional nature of the ANZSOG student cohort is exploited through the use of cross-jurisdictional project and syndicate teams. Project teams experiment with various models, frameworks, tools and techniques as they design and evaluate policy options for an assigned policy area with which they may have limited knowledge and experience. These tools and techniques include brainstorming, systems and causal mapping techniques, intervention (program) logic and other approaches which encourage thinking 'outside the box'. Students are assigned to broad topic areas and provided with some limited background articles and readings in the area and bring information to the course as to how the issue plays out in their own jurisdiction.

Project teams scope, frame, design options and criteria and construct an outcomes (alternatives) matrix. They apply and adapt different models of policy development to their tasks, including Bardach (2009), Althaus, Bridgman and Davis (2007), Mayer, van Daalen and Bots (2004), and Scott and Baehler 2010).

Policy frameworks to underpin the design of options and consideration of the role of governments and other actors and institutions include market and government failure, distribution failure, social capital, Maori Potential/Treaty frameworks, and others are used which relate more specifically to the policy topic under consideration.

The public sector orientation of these students means that many regard the client of policy advice to be the Minister and/or the government of the day. Some students show reluctance and difficulty in designing options which vary in relation to problem/opportunity definition, and are not supported by the current government. The program encourages new ideas, and project teams are warned to resist tendencies for 'group think' and project

team 'consensus'. Instead, teams are asked to design a set of credible but different options with respect to the role(s) of government and others, includes competing program logics and a range of criteria.

Examples of some policy topic areas used over recent year are: arts and culture, health priority setting, housing affordability, industry policy, and drug policy (methamphetamine, cannabis). Students need to establish a jurisdictional context and have the freedom to develop an issue which fits the broad category. This offers students some direction while also providing them with choices of a range of topics which can fit under a broad topic area. After years of running the course, I am often pleased by the analysis which emerge from these cross-jurisdictional project teams.

Example 1: Arts and Cultural Policy. The range of projects which have been developed under this project category is enormous. Participants can choose to look at a specific art form, a particular level of arts activity (professional or community arts); the area of culture is rich and has produced projects concerned with social cohesion and ethnic diversity and issues surrounding national identity, multi-culturalism and bi-culturalism. One group did a project examining policy choices surrounding the national art collection in Canberra. The application of social capital as a policy framework was extended to include the concept of 'cultural capital' which can be used to provide a rationale for the state becoming involved to support cross-cultural awareness and understanding and to subsidise art forms which support ethnic diversity and social cohesion.

Example 2: Industry Policy. Industry policy has yielded many interesting projects which relate to the support of industry as well as broaden issues relating to regional development, major infrastructure projects and government initiatives such as broadband. Of particular interest is the way in which policy interventions by some governments have changed from selective industry interventions to more generic and inclusive economic, growth and innovation strategies.

A key element of the course is the opportunity which it provides for individuals from different jurisdictions to work together as a project team. The project work involves a presentation of the team's experiences in designing a policy outcomes matrix, including comments on problem/opportunity definitions, options, criteria, outcome projection and if possible, some 'contingent' if-then recommendations. Project teams present to one another and teams are assessed on their presentations, and also on their ability to provide comments and questions to other project teams.

This approach provides incentives for students to engage in all projects and to observe the application of similar tools and techniques to the analysis of diverse policy topics. The experience drives home the importance of 'design' in developing and analysing policy options – and assists in promoting the notion of policy craft and the desirability of building capability in the design of policies through experiences working on different issues. This

learning is valuable and helps students think about crafting a policy process which is 'fit for purpose'.

Policy processes are seen as part of policy design – and this helps students appreciate the limitations of simplistic linear and stepwise policy process models and the potential benefits of designing processes to suit the particular issue and context. The governmental context for policy development means that there are many 'clients' and stakeholders involved in policy design and implementation. Considerations surrounding implementation become an integral part of policy design and policy logic takes account of implementation issues and risks and facilitates evaluation and learning which can lead to policy redesign or possibly policy termination.

This is much discussion about the merits and demerits of formulating an outcomes/alternative matrix. Weimer (1998:115) suggests that constructing goals/alternatives matrices is the most important of all policy craft skills because (1) it provides an organising framework for bewildered analysts and (2) it imposes a discipline on analysts that helps them avoid many common pitfalls – including failure to consider the full range of relevant values in comparing alternatives, failure to anticipate unintended consequences, and failure to identify potentially desirable alternatives (Weimer, 1998: 115).

Working with the outcomes matrix helps students appreciate that they can examine alternatives at many different levels of analysis. The matrix can also lead to problems; for example, giving too much attention to a single dimension in the specification of alternatives; combining various instruments in ways which result in various multiplier effects; and limitations on the information and research base upon which to project outcomes. I have observed groups who become determined to fill in all of the cells of the matrix in order to get the job done, and such behaviours are discouraged. My approach is to wander around listening to the work of the project teams as a 'fly on the wall'. I only stop if I think the group need to redirect its energies or if they are very much 'off track'.

Overall, students benefit from developing and analyzing an outcomes/alternatives matrix, It provides great insights on applied problem solving and in particular, highlights the importance of selecting those criteria which resonate with the options being considered and are essential to 'telling the story' to decision-makers and citizens.

The Program at a Glance

A brief overview is provided below of the program and associated activities. Course activities include several academic and practitioner speakers, case studies and other class activities to expand on the various topics covered. In addition to the text, there are additional required and recommended readings for topics; in particular, those which are the basis of the second individual assignment (***) which are taught by Professor Mark Evans, Director of the ANZSOG Institute of Governance, at the University of Canberra.

Topics	Topic title	Activities
1	Policy analysis and advising	Whole group discussion
2	Understanding policy models and systems	Comparing process and system models
3	Scoping and framing policy problems	Project team workshop on policy tools to scope their topic
4	Policy learning from overseas **	Live case study laboratory of processes of policy transfer
5	Developing policy options, criteria and an outcomes matrix	Discussion of examples
6	Working in a contested policy environment	Case study – New Bedford Harbor
7	Designing citizen-centred policy-making **	Whole group evaluation of engagement methods
8	Ministers and their advisers	Presentation and group discussion
9	Understanding implementation in public policy design**	Case study – Whanau Ora (Maori Family Well-being)
10	Crafting policy	Whole group discussion of examples
11	Building the capacity for policy innovation**	Whole group problem-solving exercise – ‘evaluating the ingredients of effective policy innovation’
12	Working in an uncertain policy environment	ANZSOG Case study – New Zealand Meningococcal Vaccine Strategy (A)
13	Building policy capability and performance (joint)	Syndicate group discussion by jurisdiction
14	Adding value to policy analysis and advice	Action plans for building policy capability presented by jurisdictional teams

Assessments

There are three written assessment required for the course and two oral assessments.

- Written:**
- (1) Individual essay on comparing policy models or alternatively reflections on advisory system strengths and weaknesses;
 - (2) Project Team Report– scope and frame issues, design options, develop criteria and assess options and if possible contingent (if-then) recommendations, including reflection on experiences and methods.
 - (3) Individual essay which links theory to practice based on one of four topics; implementation; policy transfer; citizen-centred policy; policy innovation.

- Oral:
- (1) Students do a 5 minute report back on day 2 on their experiences applying various tools and techniques to scope their policy issue.
 - (2) On day 5 they do a 20 minute presentation on the development of their outcomes matrix and then respond to questions and comments from other project teams.

Jurisdictional syndicate groups discuss and report back on policy capability deficits and the final session of the course prepare an action plan for enhancing capability and performance of the policy system.

Connections with other EMPA Courses

There are good linkages between Designing Public Policy and Programs and the first course in strategic management – called Delivering Public Value (DPV); Government and the Market Economy (GME) explores economic and market failure, efficiency, effectiveness; and Decision-making Under Uncertainty: Evidence-based Policy (DMUU) explores the role of evidence in policy and management decision-making and the use of various qualitative and quantitative methods. The EMPA includes a work-based project which is done by cross-jurisdictional teams on an existing management or policy issue put forward for consideration by a government organisation in Australia or New Zealand.

Summary

High-quality policy analysis and advice is crucial for governments as they wrestle with complex and intractable issues that they can neither manage nor solve on their own. The systems approach has been effective in dealing with issues which are complex and has encouraged participants to explore different approaches to option design and to overcome the tendency for public servants to be state-centric in their search for 'solutions'.

This course has been successful in drawing more attention to 'problem' and 'opportunities', has fostered greater experimentation with a wide range of policy tools and techniques; and helped students to appreciate that policy analysis is not a multi-step march from problem to solution. Policy analysis and advising involves design, judgment and a solid information and evidence base. Once policy options are designed, they must be assessed in relation to criteria which are the underpinning for supporting one option over another and assessing trade-offs. Criteria are defined to include value and impacts, which include implementation issues, costs and benefits and policy risks.

Evaluating several options which are quite different from one another has highlighted the importance of good information and evidence to assist option design, the need for transparency in terms of the logic underpinning options, and transparency with respect to the specification of criteria and the methods used to project outcomes.

There are major issues within the public sector which relate to the challenges of integrating policy developments at department and ministry levels to gain the required coordination and alignment across public sector agencies. Federalism adds further complexity in relation to public sector organisation; however, working with the private and community sector is increasingly common – and will become more so given pressure on public resources.

Designing Public Policy and Programs seeks to build the design and crafting skills of individuals and groups while also looking at strategies for improving the quality, capability and performance of the policy advisory system as a whole, and the complementary roles of advisers, analysts, managers and others.

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Author details:

Professor Claudia Scott. Professor of Public Policy
Victoria University of Wellington and the Australia and New Zealand School of
Government (ANZSOG), 8.05 Rutherford House, 23 Lambton Quay,
Wellington, New Zealand, Tel 64-4-463-5377 Fax 64-4-463-5454