

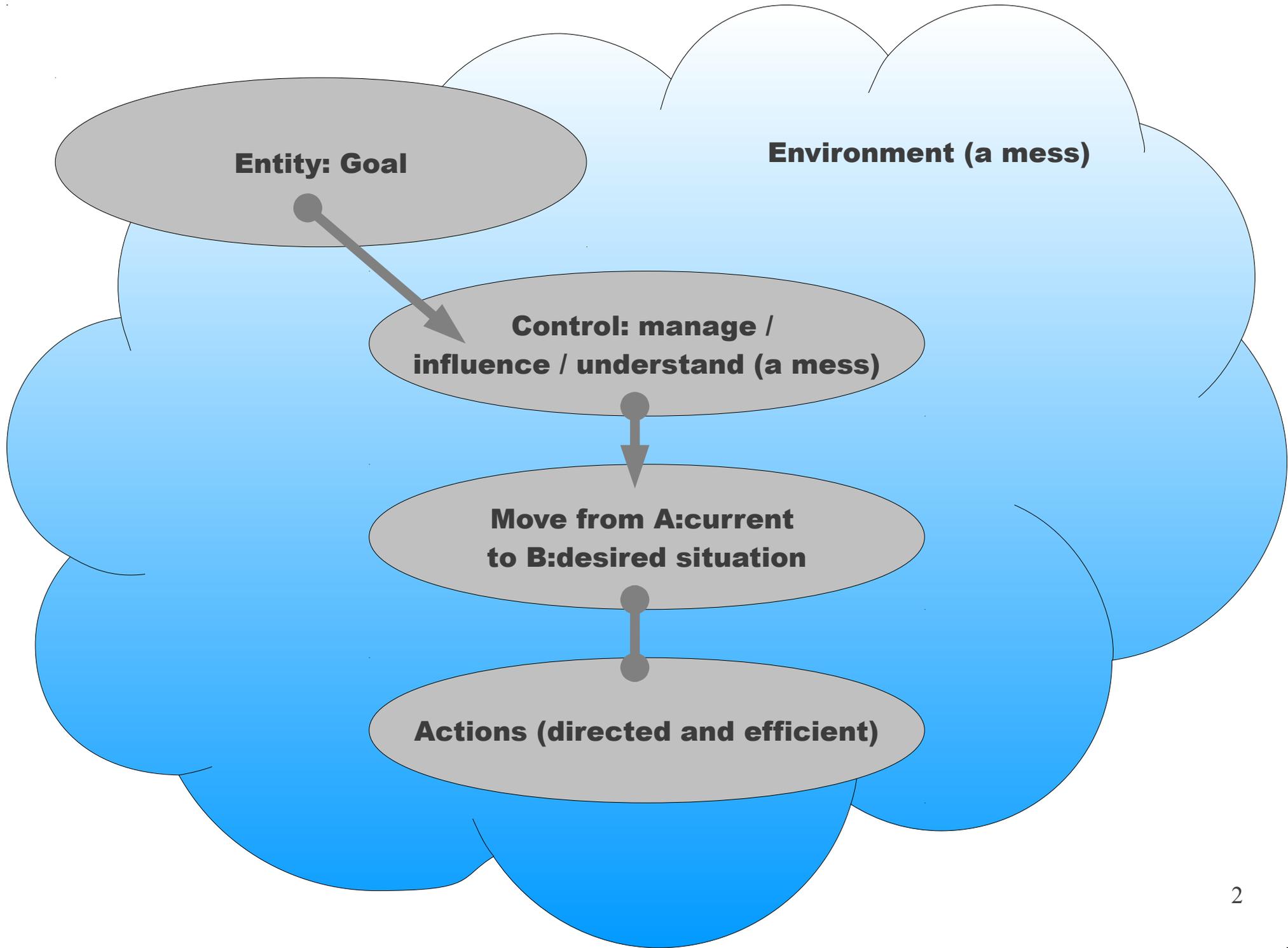
Public Policy Design: formulating a mess

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Social system

- A **purposeful system**
- whose **members** are **individuals** and **organizations** who
- intentionally and collectively **formulate objectives** of the system and
- are engaged in **continuous interaction towards realization** of the formulated objectives;

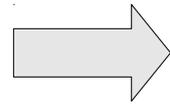
Policy

- A **definite course** or method of **action**
- **selected** from among **alternatives** and in
- light of given conditions to **guide** and determine **present** and **future decisions**.

Model

- a **schematic description** of a system,
- theory, or phenomenon that accounts for its **known** or **inferred properties** and may be used for
- **further study** of its characteristics

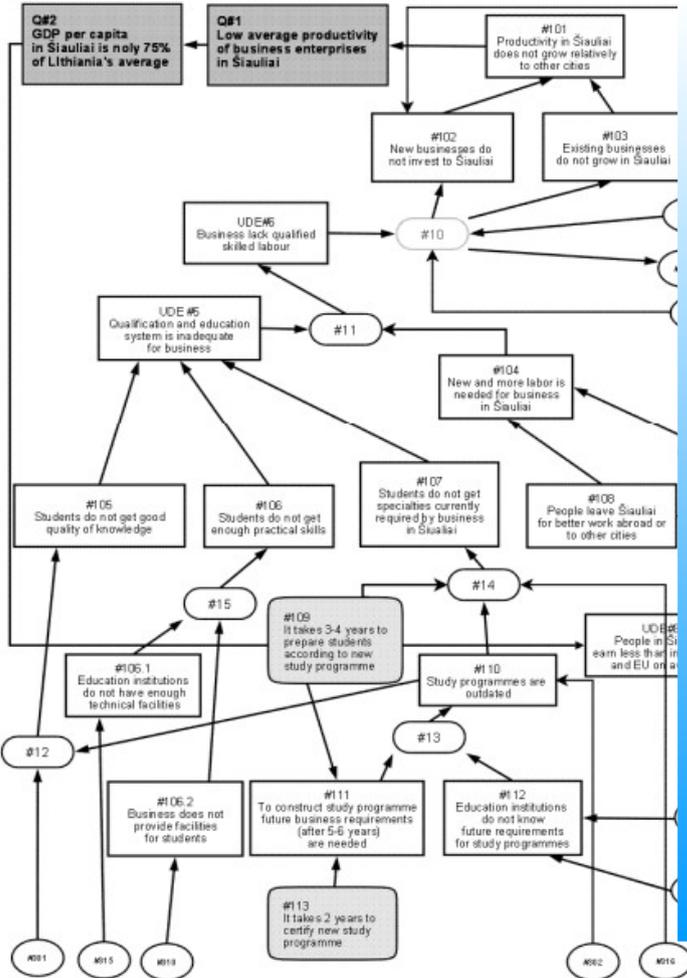
Current Reality Model



Policy

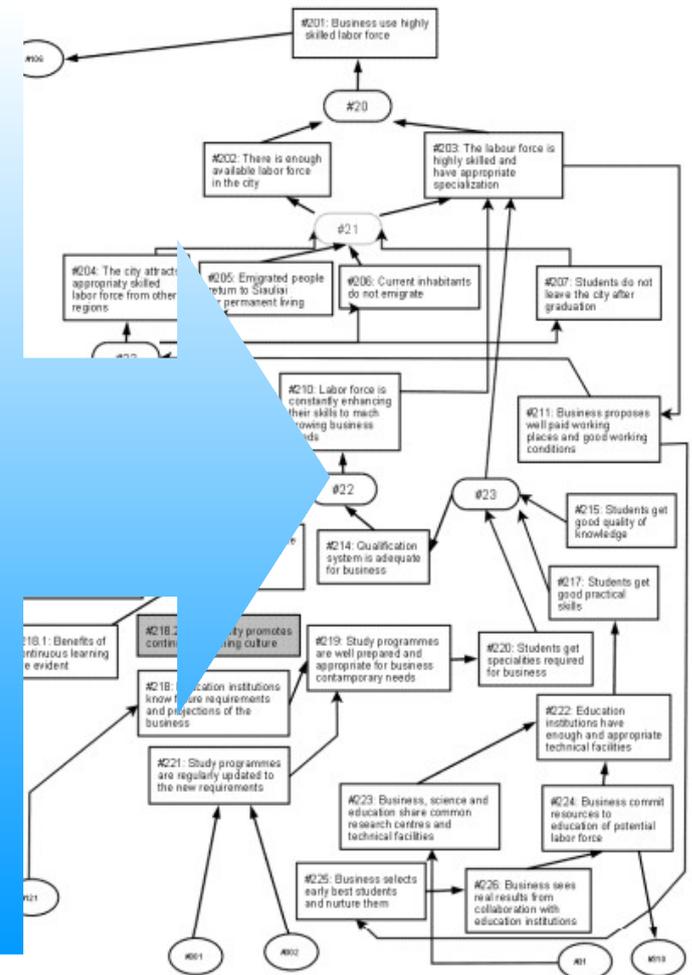


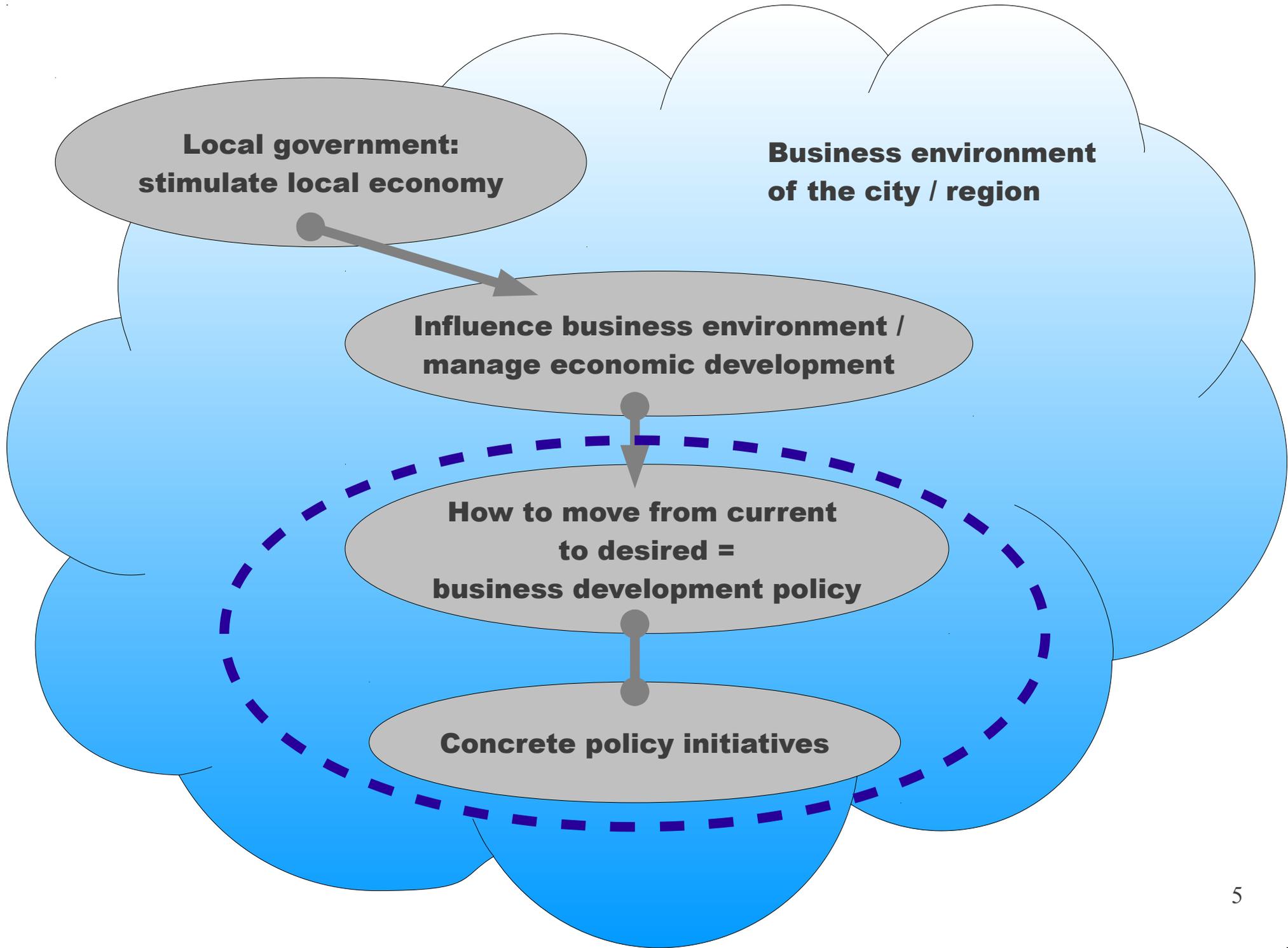
Future (desired) Reality Model



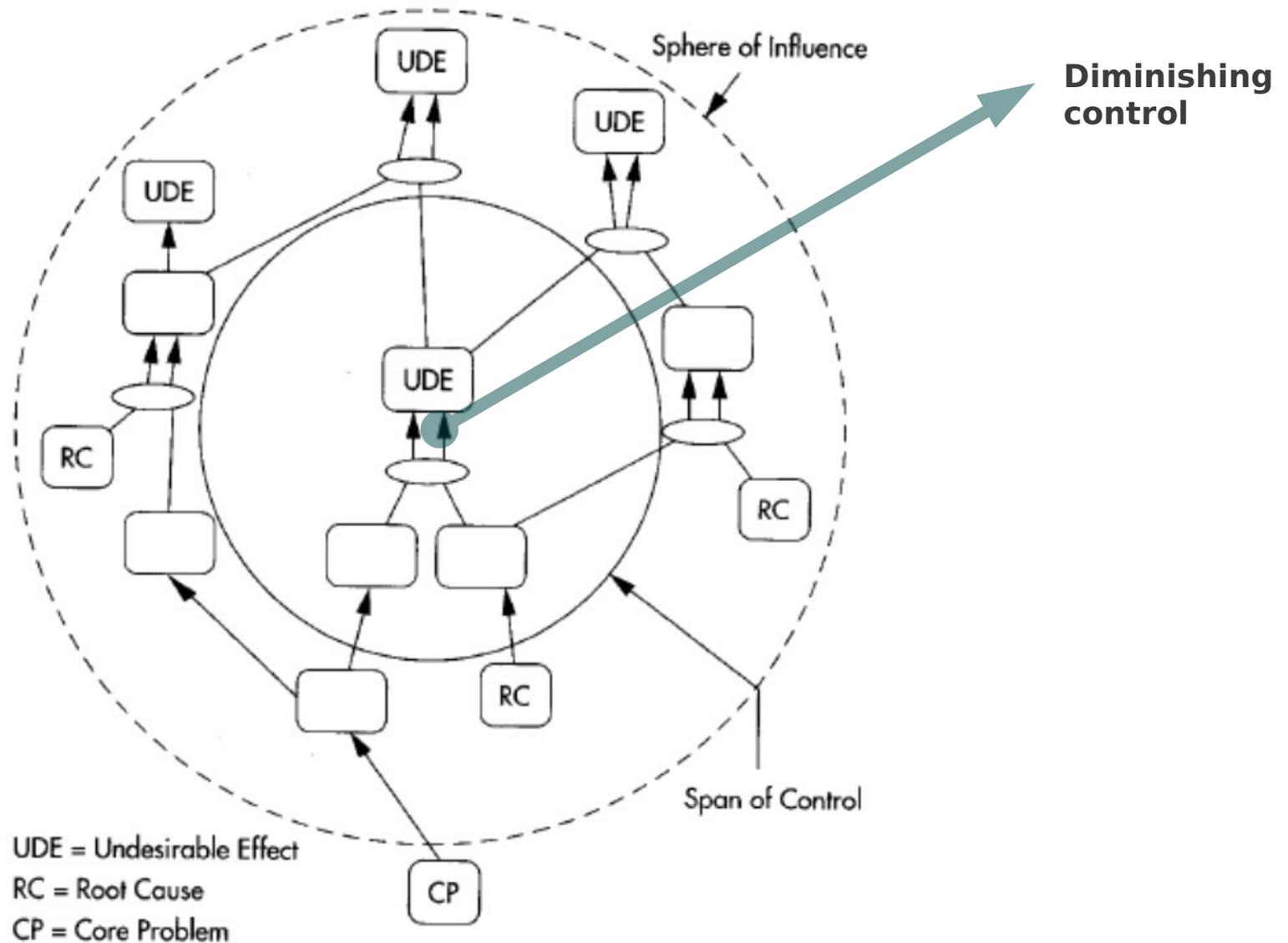
**Concrete initiatives/
actions =
What should we do?**

**Policy framework =
How to think about
what is right thing
to do?**

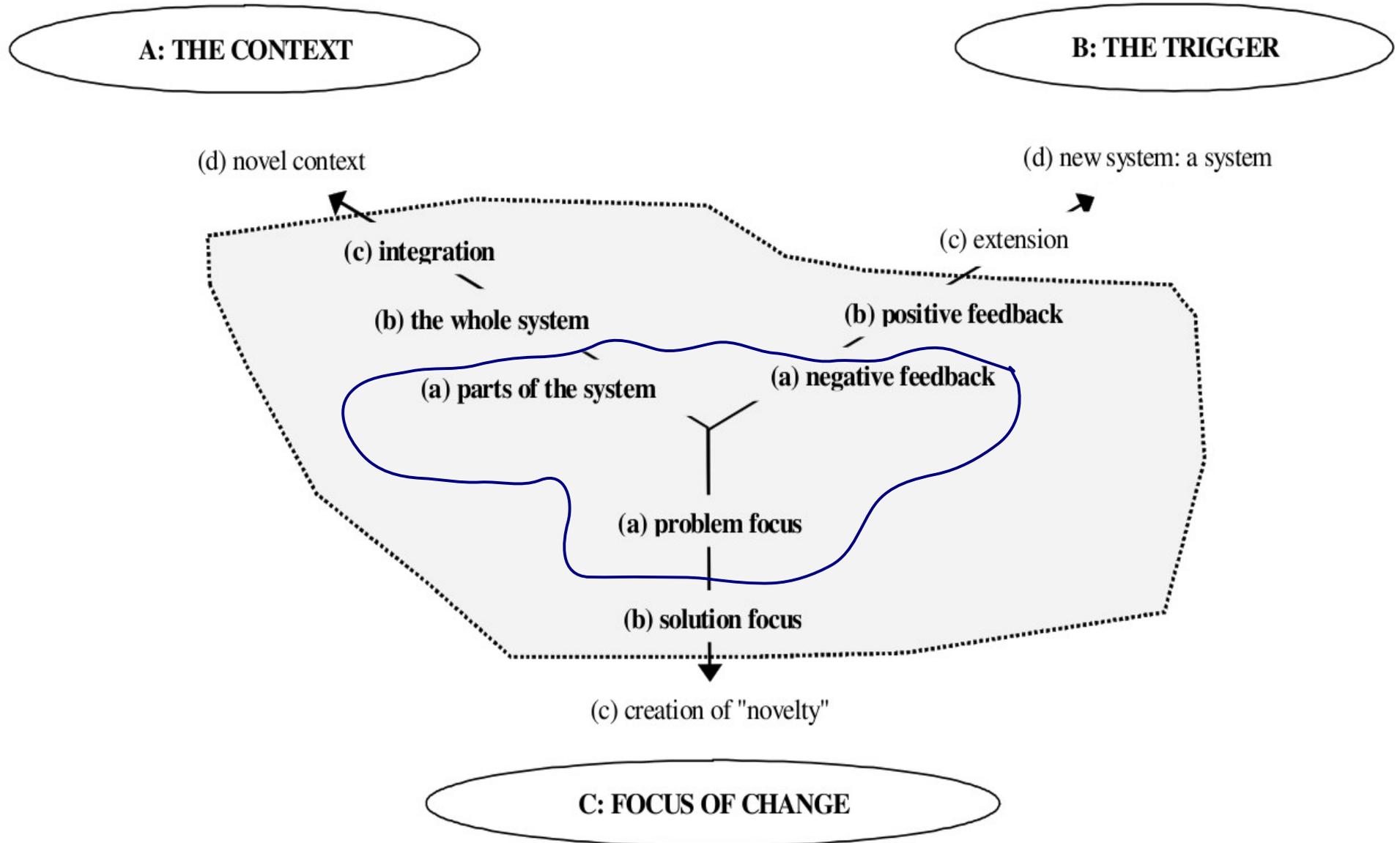




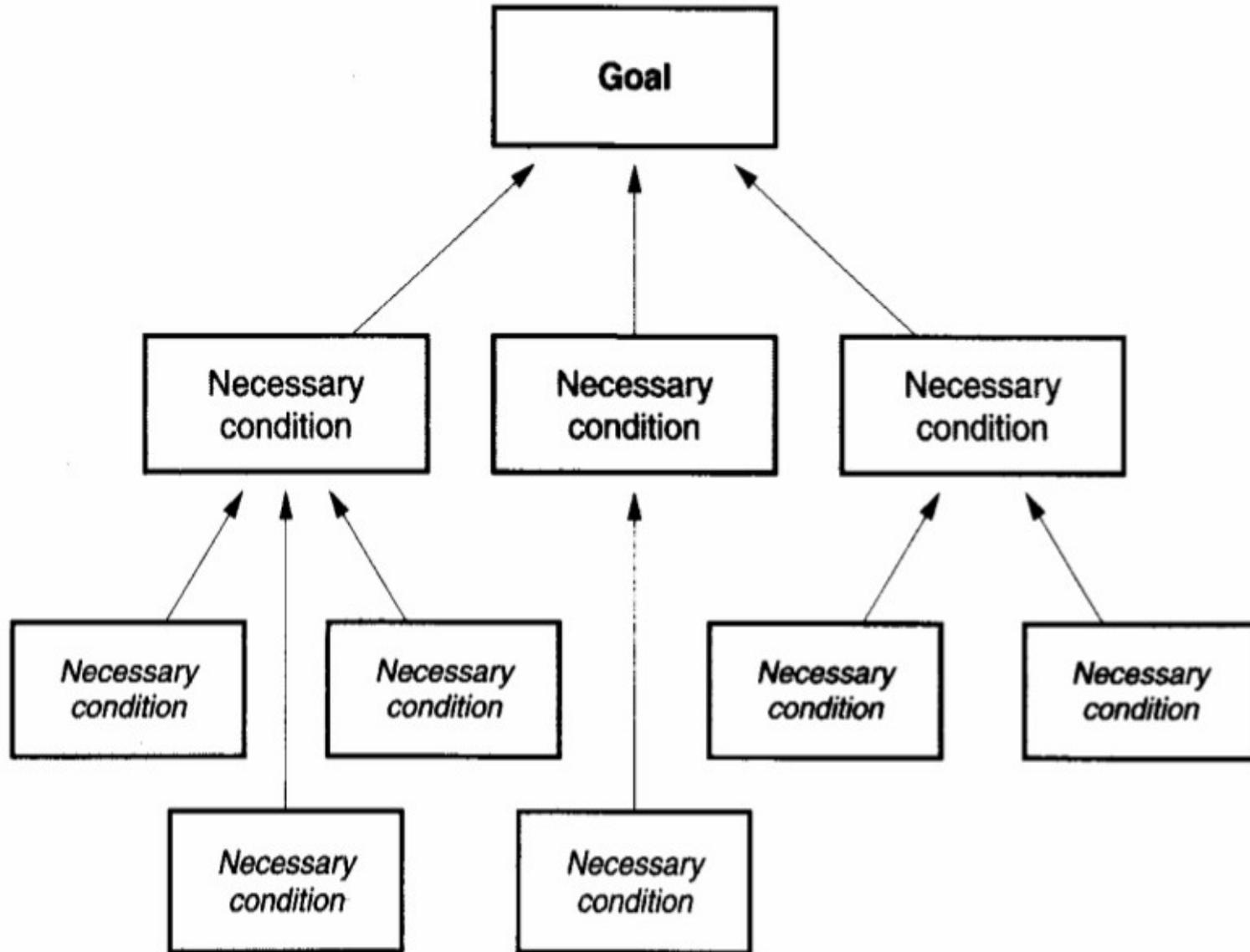
Span of control / sphere of influence



Boundaries of design inquiry



System purposes



Data Collection Matrix

- Whom to ask for information?
= defining “interest groups”;
- What are aspects of business environment (to collect data about)?
= defining “information categories”;
- What do we need to know about these aspects?
= defining “research questions”;

Interest groups (of business environment)

No.	Interest group
1	Government (Šiauliai municipality administration)
2	Business associations (large business)
3	Education system (universities, schools)
4	Labour market institutions
5	Other (mostly business support institutions)
6	Banks and financial institutions
7	Medium business
8	Small business

Information categories for business environment

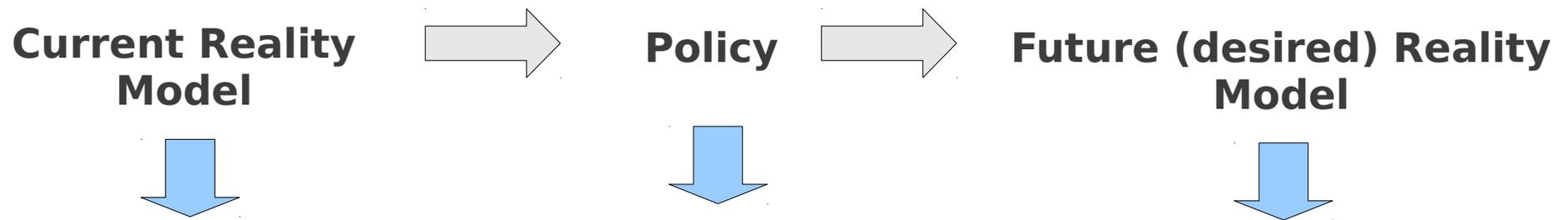
- How: existing research on the subject;
- Result: detailed list of “information categories”
= business environment defined;

Information categories for business environment

No.	Policy aspect	Sub-category	Micro-policy
1	Fostering firm creation and entrepreneurship	1.1 Financial markets efficiency 1.2 Providing entrepreneurial education 1.3 Efficiency of goods market	...
2	Seizing the benefits of information and communications technology (ICT)	2.1 Enhancing ICT skills at all levels of education 2.2 Implementing e-government 2.3 Developing digital content	...
3	Exploiting and diffusing science and technology	3.1 Enhancing the quality of public research 3.2 Promoting industry-science links 3.3 Fostering collaborative networks and clusters 3.4 Stimulating demand for new products, processes and services	...
4	Enhancing human capital and realising its potential	4.1 Increasing educational attainment 4.2 Providing incentives for continuous training 4.3 Fostering knowledge-based management and organisation in enterprises 4.4 Labor market efficiency	...
5	Infrastructure		...
6	Business sophistication		...

Research questions

- What do we want to know about each “information category”?



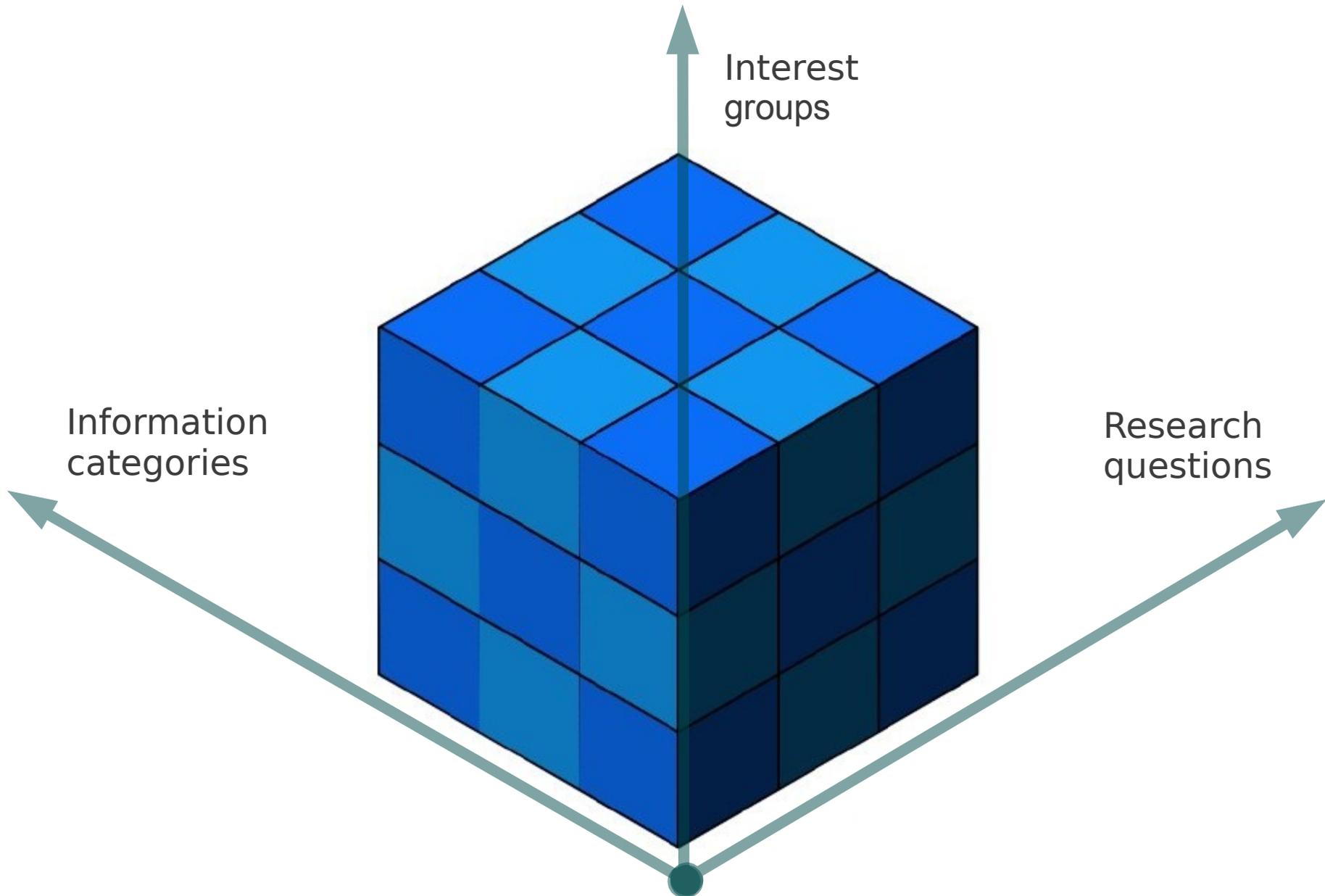
- What's is the current situation?
- What is wrong?
- What are the reasons?

- How can we get there?
- What can we do (we = owner of design initiative)?

- What is desired situation?
- What's so good about it?

Category of questions	Questions
Central question	1 What direction of actions or policy should be pursued by Šiauliai city government in order to continuously enhance business environment in the city?
Issue subquestions	1 What are the categories of actors (or institutions) whose interrelationships shape business environment in the city?
	2 What are the actions or positions of the actors which influence business environment in the city?
	3 What are the cause and effect relationships between the actions or positions of the actors related to factors shaping business environment in the city?
	4 How could Šiauliai city government act in order to influence relationships between actors in order to improve overall situation?
Topical subquestions	1 What is the current state of Šiauliai city business environment according to the defined six categories of factors influencing it?
	2 What are the deep underlying reasons leading to the current state of business environment according to six categories?
	3 What are the desired state of the business environment of Šiauliai city by the categories?
	4 What are the feasible (or practically reachable) state of the business environment of Šiauliai city by the categories?
	5 How could the situation in each category be improved?
	6 How could Šiauliai city government influence or directly improve each category of factors, influencing business environment?

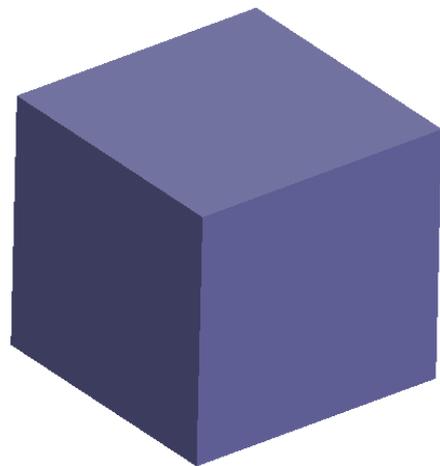
Data Collection Matrix defined



Data collection methods

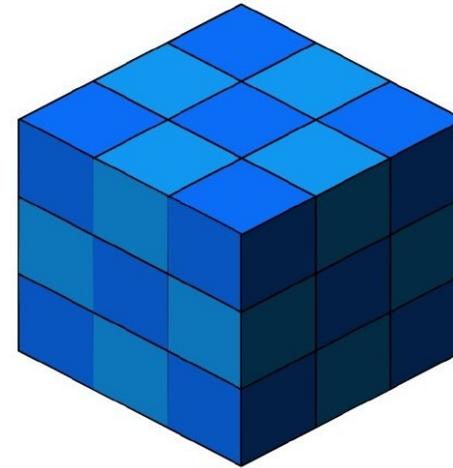
- Deep, semi - structured interviews:
 - List of respondents;
 - Interview strategy / guide;
- Outsourcing:
 - Good partners;
 - Frequent communication / update;
- Text base: transcribed texts of the interviews

Qualitative data analysis

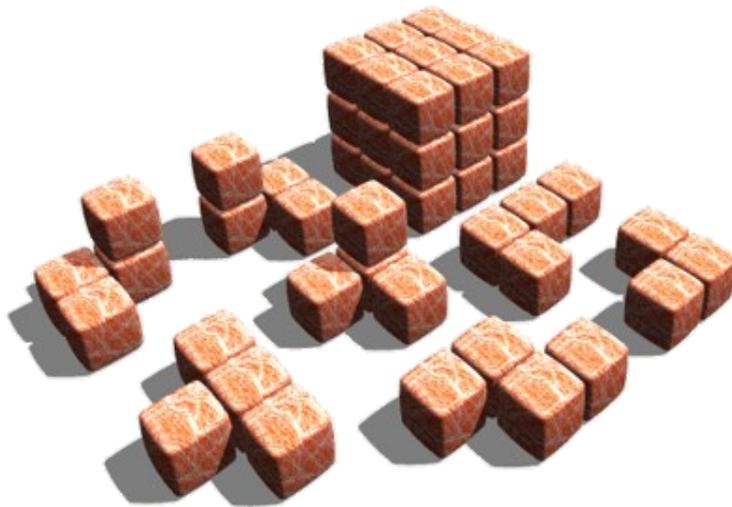


Text base

Coding



Coded text base



Concrete information required

Data analysis



Insertion: textbase management software

The screenshot displays the Insertion textbase management software interface. The window title is "E:\vveitas\phd_project\ecco\seminar\textbase\apklausos_analize_MAXQDA200802.mx3 - MAX.QDA 2007". The interface is divided into several panes:

- Document System:** A tree view showing the structure of the textbase. The "Texts" folder contains 1192 items, and the "Sets" folder contains 1192 items. The "SVV - Smulkus ir mikroverslas" set is selected, containing 155 items.
- Code System:** A tree view showing the coding scheme. The "Code System" folder contains 1192 items. The "4_Žmogiškas kapitalas" category is selected, containing 45 items.
- Text Browser:** A window showing the content of the selected text. It displays interview transcripts for "R. Juskevicius".
- Retrieved Segments:** A list of interview segments retrieved from the textbase. It shows segments for "R. Juskevicius" with time ranges like "24-24", "30-30", "37-38", "20-20", "20-20", "35-36", and "43-44".

The status bar at the bottom indicates "Intersection (Set) [2]".

Modelling current situation

- Modelling is based on business process improvement framework (E.M. Goldratt's Theory of Constraints' "logic tools");
- Building of Current Reality Tree:
 - List of undesirable effects;
 - Connecting with causal relations;
 - Identifying root causes / core problem;
 - Deciding which root causes to attack;

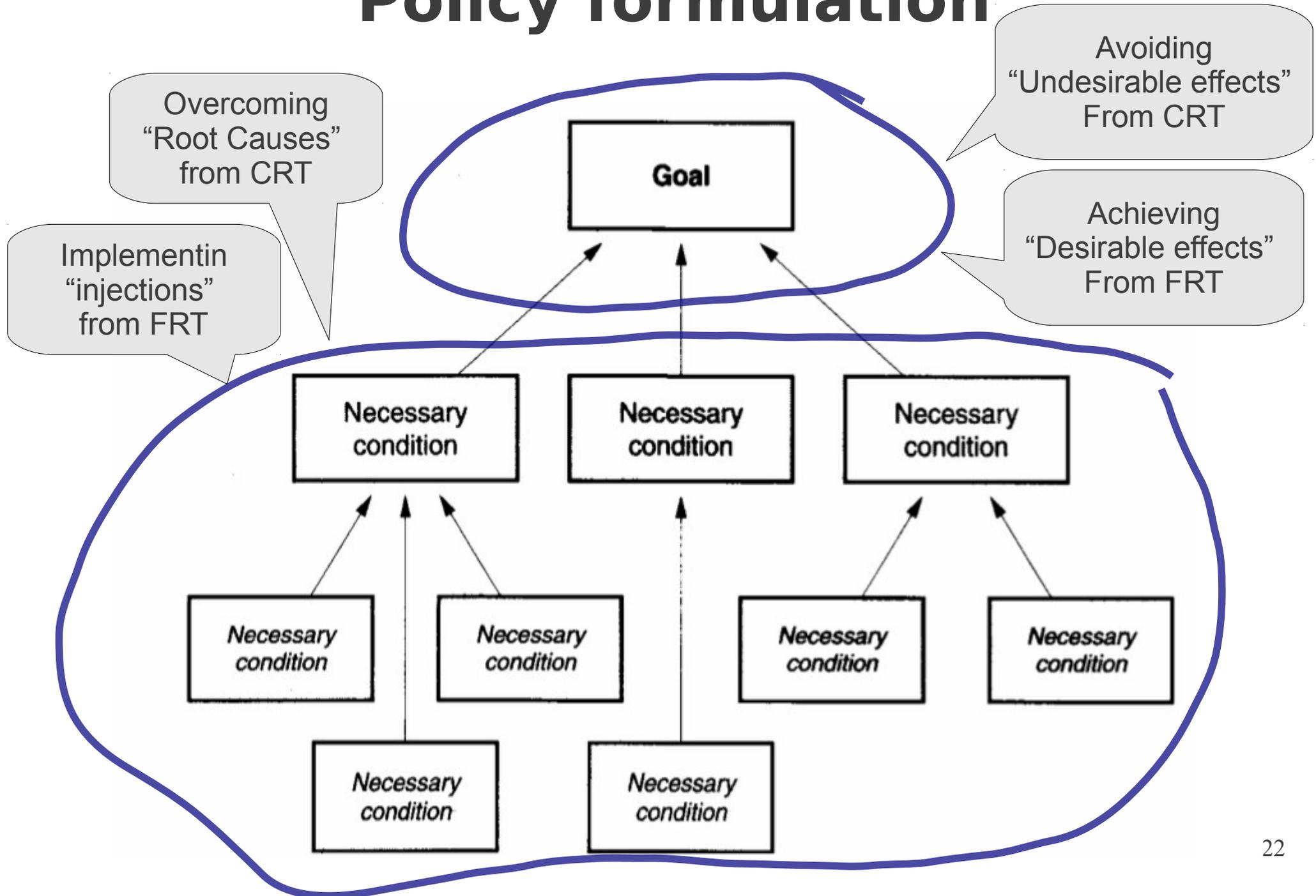
Modeling the future

- Two ways to build Future Reality Tree:
 - Equivalent to CRT, but starting with “desirable effects”;
 - Designing “injections”: actions that could change CRT to desirable situations;
- Usually – both ways at the same time;

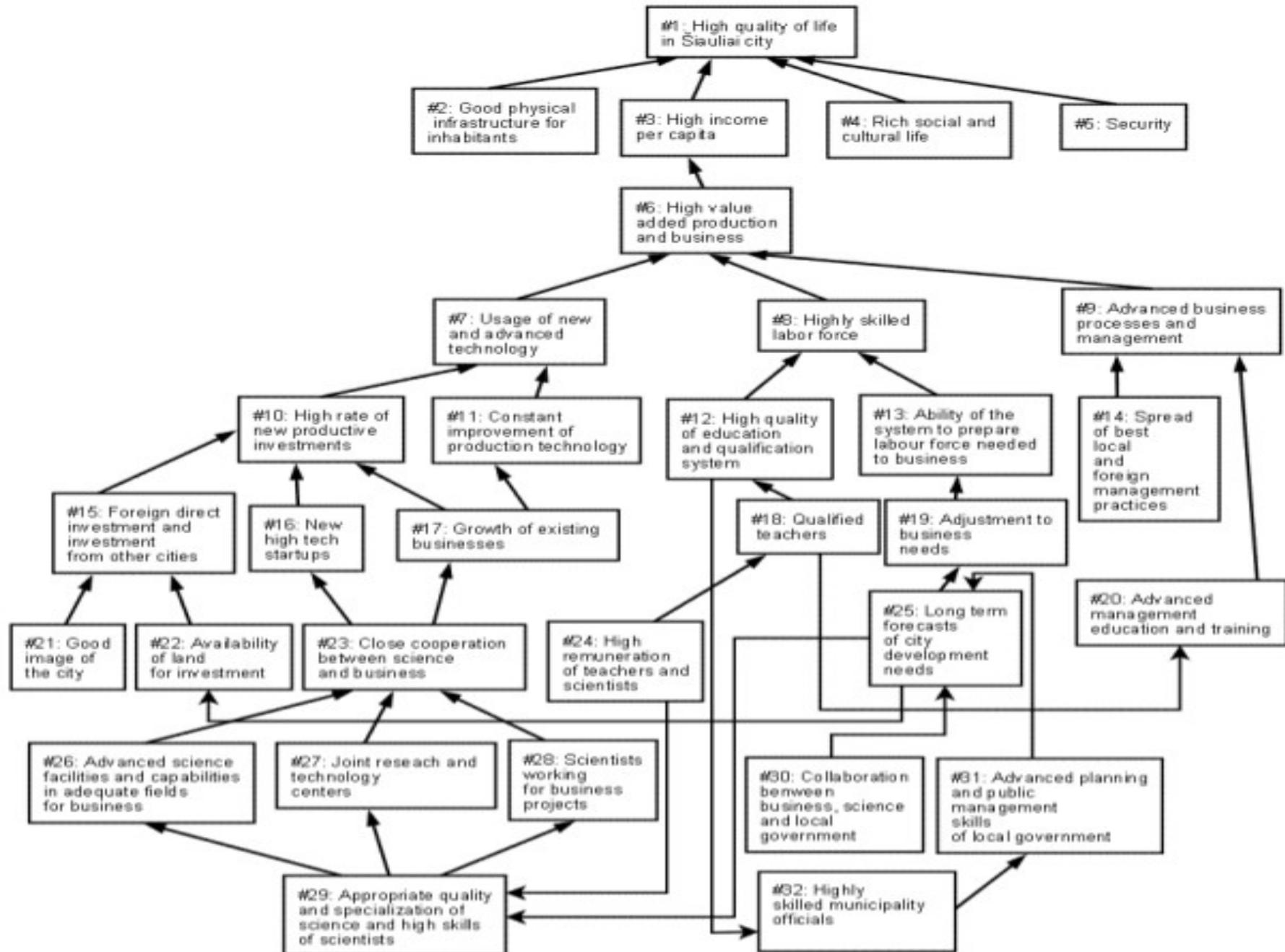
Insertion: is that really needed?

- Rationale for modeling:
 - Tracking down root causes of surface phenomena (undesirable effects);
 - Getting the “objective” view of the system;
 - Understanding the dynamics of a larger system;
 - Understanding = algorithmisation / information compression;
 - Checking the designed injections;
- Modelling tool:
 - Transformation LogicTree;
 - **Example;**

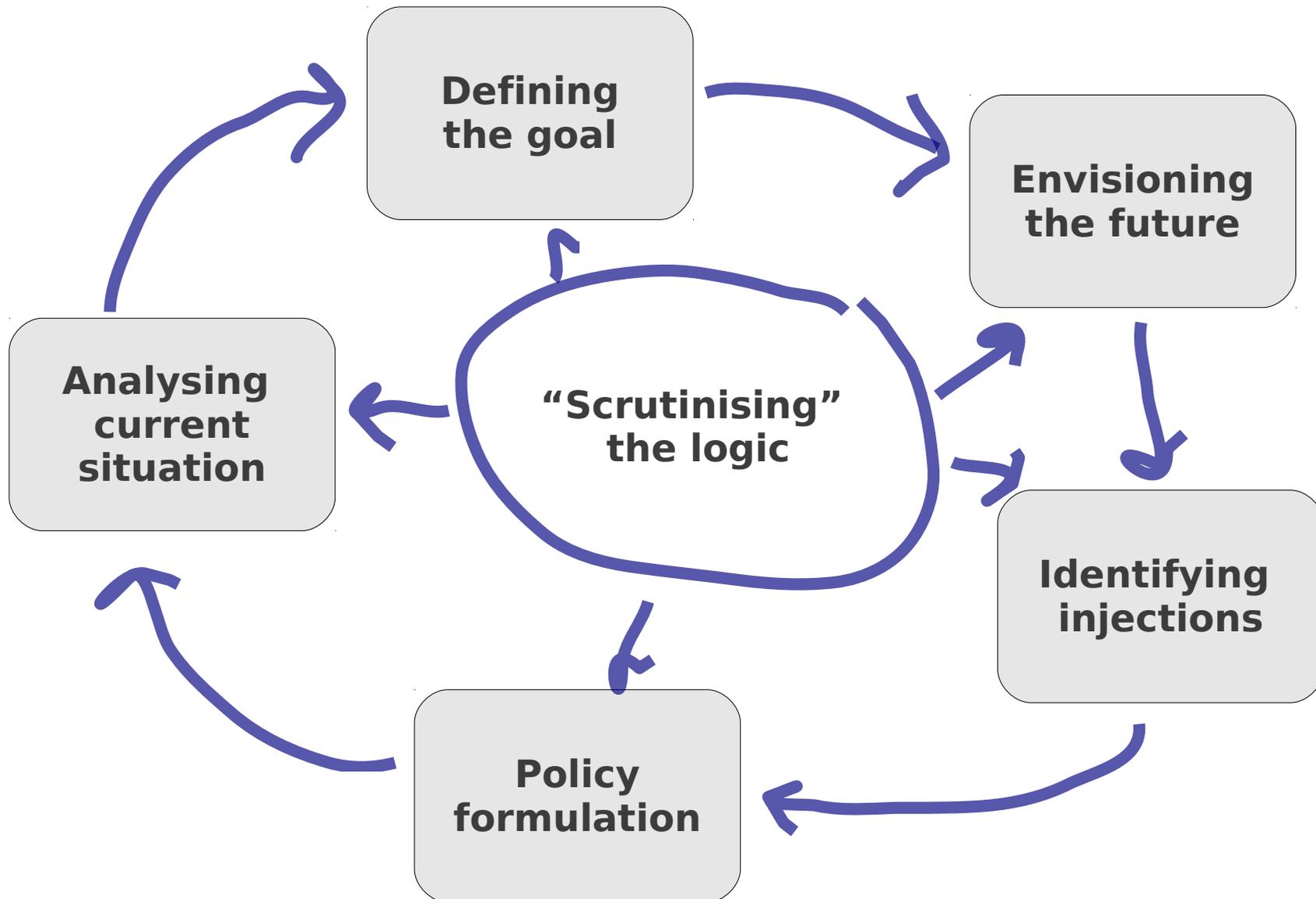
Policy formulation



Formulated policy



Design loop



Final thoughts

- Social system is not a mechanical system;
- Integrating different viewpoints for:
 - Understanding the current situation and dynamics [of the system] “objectively”;
 - “Simulation” of future development of the system;
 - Checking the logic with participants of social system
- Implementation;
- Creation of win-win situations;

Mindbrain



- Premises:
 - Reality has no “objective” internal structure;
 - Organism structures reality in order to reach its goals (“I am the owner of structure/reality”);
 - Goal is given;
- Emergence and incompleteness theorem;
- “Society of mind”;
- "Emergent" phenomena would become explicable in terms of a relationship between different levels in mental systems (D. Hofstadler, GEB);

Emergence and incompleteness theorem

