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THE CHOICE OF FORMAL POLICY ANALYSIS METHODS

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Introduction

In the 1960s, formal policy analysis methods were adopted by US federal government agencies on a large scale. Academic expertise was recruited into government agencies, and academics were tasked with conducting formal analyses to underpin public policy decisions, bringing elements from many disciplines.

The adoption of formal policy analysis approaches helped analysts and advisers to interpret the information and evidence base, design alternative policy solutions, and introduce more transparent and rigorous processes for making informed judgements by evaluating alternative courses of action. The adoption of these methods equipped governments and their advisers with a more professional set of processes and practices, resembling those in the private sector.

The term formal methods cannot be defined precisely—covering a range of quantitative methods and analytical techniques borrowed from economics, operations research and other social sciences. These methods were also called rational methods or techniques. Economists contributed cost-benefit analysis to help measure the efficiency and effectiveness of government projects and programmes. Multi-criteria analysis broadened the focus to take in the values and consequences of concern to decision makers. Carley’s book, Rational Techniques in Policy Analysis, published in 1980, included cost utility, impact assessment, forecasting and futures research, and social indicator research.

Academics from many disciplines contributed to a new multi-disciplinary field of ‘policy sciences’, which cast a rational lens on real-world problems to seek solutions consistent with the norms and beliefs of the era (see DeLeon & Vogenbeck, 2007). Discussion among academics and practitioners led to extensive debate about the strengths and weaknesses of specific formal policy analysis methods and the relative emphasis to be given to analytical, political and other dimensions of decision making by governments on policies and programmes.

Some methods were recognized as particularly useful to practitioners, and some governments mandated the use of specific techniques. Over several decades, schools of public policy were founded and the academic and practitioner literatures grew, contributing to the development of policy analysis as a distinct field and advising as a distinct profession. Policy analysis during this time relied heavily on ‘formal’ or ‘rational’ policy analysis methods and techniques.
This chapter explores the selection and choice of formal policy analysis methods from several vantage points. It begins by looking at the influence of formal methods on the development of policy analysis as a distinct field and on the profession of policy analysis and advising. The precise role of formal methods depends on practices that vary from place to place and over time. There is also some potential for confusion arising from the lack of consistency in the way that policy terms such as formal methods, models, frameworks, tools and techniques are used by academics and practitioners.

A brief discussion of cost-benefit and multi-criteria analysis highlights the strengths and weaknesses of these widely used formal methods, and describes their contribution to policy advisory work. The changing nature of policy analysis practices is considered, including, implications for the use of formal and other methods, models, frameworks and other tools and techniques in the policy adviser’s repertoire, drawing on experiences from New Zealand by way of illustration.

While the trend of formal methods emerged in the US, similar approaches were adopted in other countries. Many governments in both developed and developing countries have introduced formal methods in an effort to enhance the policy analysis capability of advisers. While formal methods and other policy analysis practices have been adopted in many countries, the patterns in their use and popularity are rarely smooth and consistent between or within countries, for many different reasons.

The Influence of Formal Methods on the Development of Policy Analysis

Many factors can shape trends in the use and choice of formal methods, including changes in the institutional, political and governance arrangements that determine the role of policy advisers in and outside of government; and the changing roles of citizens, stakeholder groups, research institutions and actors and institutions in the private and community sectors.

The formalization of public policy analysis produced various models and heuristics for the methods and practices used for certain steps and stages in preparing policy analysis and advice for a client or decision maker. In some countries, the prevailing model assumes the government is the client of policy advice; in others, the client may be an individual, group, organization, or institution from the public, private or community sector. Definitions of policy analysis are often linked to providing advice, with attention to values and the evaluation of policy options to enhance the quality of advice. However the process is conceptualized or formalized, advisers and policy practitioners must wrestle with issues and look for ways to design policy processes and practices to support and inform public decisions and decision makers.

Models of policy analysis and advising were an early introduction into the field of policy analysis. They reflect the institutional and governance arrangements in the particular countries in which they were developed and applied.

Policy-process models specify a series of steps or stages of applied decision making, such as identifying the problem, gathering information and evidence, designing policy options, evaluating options against criteria, choosing an option to implement the policy, and evaluating policy outcomes in relation to specific policy goals and objectives. These tasks reflect problem-solving methods and techniques utilized in many disciplines and fields of enquiry. The models and heuristics developed to guide policy practitioners in designing processes and selecting specific methods, tools and techniques remain widely applied and discussed to this day. A multi-step policy-cycle model brought some order to the tasks of addressing simple and more complex problems. Policy practitioners linked specific formal methods, tools and techniques to particular steps and stages in the policy process.
Alongside and sometimes competing with policy-cycle models, there arose a range of ‘network-participatory’ models, which in effect challenged the assumption that formal methods are sufficient and universally applicable. Rather than process, they focus on the various actors and institutions—at state, society and international levels—in policy issues (see Howlett & Ramesh, 2003). Such models challenged the objective reality of more rational and more formal approaches to policy analysis, and acknowledged a wider policy system; they proposed values reflecting more collective and participatory approaches to policy work, and the democratization of efforts to address public policy problems. Some authors acknowledged both rational client- and state-centric models of policy development as well as network-participatory models, suggesting that the two can co-exist (see Colebatch 2002, 2006).

Literature on the selection and use of formal methods has been primarily concerned with their specific and various suitability for addressing real-world public policy problems and challenges. Commentary by Vining and Boardman (2007) and Howlett and Lindquist (2007) on the merits and limitations of formal policy methods on policy practices in Canada reflect an on-going tension between the analytical and political dimensions of policy analysis and advisory practices.

Support for formal quantitative methods came from those seeking analytical rigour. Qualitative methods were regarded as inherently inferior, and there was scepticism about methods that imported information on values and criteria from sources outside of government. Such evidence was regarded as lacking scientific and objective rigour, and as introducing bias into the analysis.

As the field evolved, more experimentation and discussion of formal methods surfaced in the academic and practitioner literatures. Models of the policy process, nevertheless, were an early and lasting contribution to policy analysis as a field. Many of the models and heuristics developed to guide policy analysis, understood as a multi-step approach to problem solving, remain widely used to this day.

Policy-process models can be useful for guiding policy practice when there is a clearly identified client seeking professional policy advice (see Bardach & Patashnik, 2015; Althaus, Bridgman & Davis, 2013). Policy-process approaches are popular when governments and their advisers have prominent roles in designing and evaluating policies and implementing policy through legislation and regulation, as is common in some Westminster-style governments. Guidance documents issued by government agencies sometimes link policy models to project management techniques, which has been shown to improve the efficiency of policy advisory work.

The approach of Mayer, van Daalen, and Bots (2004) shifted attention from policy processes to the roles and tasks that policy advisers undertake, and the suitability of different policy methods, tools and techniques for performing specific tasks. This model was developed by academics who examined actual policy practices, drawing on written advice provided to governments on policy issues and the analytic practices used to prepare the advice. Their model described how policy advisers undertook their work and the processes, methods and tools they used. The model has several analytical roles in common with other models, but also some distinctive interactive and participatory roles involving stakeholders or the public.

A model based on tasks accommodated rational analytical and strategic tasks as well as those involving participation, engagement and collaboration with citizens and stakeholders. This suggested that a dedicated policy process should emerge from consideration of the particular instance. Quality was now associated with analysis that was specifically designed for the particular purpose; steps in the process were to be selected and sequenced to suit the
specific policy issue and context. This approach drew attention to policy advisers’ need for design and crafting skills.

Scott and Baehler (2010) adopted a ‘systems approach’ to policy work, which involved cultivating awareness of the interactions between the state and non-state actors and institutions influencing the policy space. This approach sought to encourage public servants to be aware of options other than government interventions and initiatives; it called for more extensive regard for the private and community sectors in policy and programmes, and encouraged public–private partnerships.

In Australia and New Zealand, this approach to policy analysis and advising was shown to lead to more creativity and innovation in designing policy options. The approach encouraged less attention to process and no longer assumed that there was a single client for policy advice. Public servants became skilled in designing and choosing specific methods, frameworks and tools to suit the specific contexts, issues and tasks (see Scott, 2013).

Discussion of the benefits and limitations of various formal policy approaches often focuses on the role of policy analysts and advisers and their responsibility and accountability in governmental advisory systems. A Washington-style policy system typically has different relationships between elected members and advisers from those in a Westminster-style parliamentary system (see Patapan, 2005). The career of policy advisers or analysts in the US may include working for the public, private or community sectors, and policy practice experience at local, regional, national and international levels.

A Westminster-style government, on the other hand, may have a career public service tradition where apolitical public servants provide ‘free and frank’ advice to current and future governments. There is provision in Australia for ministers to have political advisers, alongside the professional advice offered by public servants. In some Australian jurisdictions the number of political advisers can be large, but there are clear protocols distinguishing the roles and accountabilities of the two groups. In New Zealand, changes in the electoral system have produced a series of coalition governments; a government must now bargain with minor parties to secure sufficient support in Parliament to pass legislation, which can also require a government to support and adopt policy proposals and priorities that are supported by minor parties. Coalition deals can lead to policy settings that have had no scrutiny from public sector advisers. Some Westminster executive governments rely on their policy advisers to lead policy innovation and change; alternatively, new ideas may be developed outside of government, leaving the public service with the role of overseeing policy processes and implementation, rather than more fundamental policy design.

Beryl Radin (2000; 2013) has authored two volumes describing changing policy advisory practices in the US and observing some differences between Washington- and Westminster-style advisory systems. Beyond Machiavelli: Policy Analysis Comes of Age (Radin, 2000) describes policy analysis practices in the US government as involving at their peak ‘duelling swords’, meaning the pressures of balancing the analytical and political inputs into policy work. Her second volume, Policy Reaches Midlife (Radin, 2013) observes a decline in analytical skills and a growing emphasis on political dimensions in the Washington advisory system. Radin also observes trends in parliamentary systems: less dominance by central agencies in some countries; movement of analysts outside of government; greater use of whole-of-government approaches; and new influences on practice coming out of the academic study of policy analysis in various countries.

The fact that many policy issues affect future as well as current populations is an incentive for governments to consider the long-term implications of policy options. Countries vary in the degree to which advisers working within government can think independently and serve
the interests of both current and future governments. In New Zealand, the State Sector Act 1988 was modified in 2013 to require chief executives of government departments to demonstrate ‘stewardship’ and ensure sufficient policy capability to provide the advice required by current and future governments.

The selection and use of one or more formal policy methods remains one of many important choices to be made in a complex policy project. However, the earlier tendency to mandate specific formal methods for certain policy tasks and stages of the policy cycle is no longer routine. The increasing complexity of some policy challenges has encouraged the use of other methods, frameworks, tools and techniques that may be more appropriate.

The choice of formal methods must suit the context of policy advising and the scope of the policy, and be able to deal with complex issues in a world where policy settings are influenced by international trends, multiple actors and institutions, and a policy agenda seeking challenging economic, social, and environmental outcomes. Two formal methods frequently used and sometimes mandated by governments are cost-benefit analysis (CBA) and, to a lesser extent, multi-criteria analysis (MCA).

Cost-benefit analysis (see Goldbach & Leleur, 2004; New Zealand Treasury, 2015) is a highly developed technique that performs well for assessing alternative options on the basis of efficiency. It is less successful in incorporating difficult-to-measure efficiency impacts on third parties, and the approach is of limited use in dealing with trade-offs involving social, environmental and cultural outcomes, or policy issues where there are multiple values and impacts of concern. Multi-criteria analysis takes account of multiple criteria and the various values and impacts related to particular options. MCA also provides ways of weighting criteria to give them selective emphasis to reflect priorities.

Vining and Boardman (2006, 2007) provide useful guidance on meta-choices between cost-benefit and multi-criteria analyses. Cost-benefit analysis is suited to assessing efficiency, as are related approaches such as cost-effectiveness and cost-utility analyses. Cost-effectiveness analysis and cost-utility analysis are close relations to cost-benefit analysis, and can be used where projects have to be ranked within a fixed budget and the benefits can be quantified but not expressed in monetary units. CBA is useful for ranking alternatives when costs and benefits can be measured in the same units.

MCA techniques are diverse in themselves and in the kind of problems they address. CBA and MCA are sometimes mandated to ensure that specific criteria such as efficiency, equity and cost to government are included in the analysis. The benefits of analytical rigour must sometimes be sacrificed to incorporate multiple criteria and accommodate technical problems, such as measuring externalities, establishing important costs and benefits, and fixing the discount rate (see Gamper & Turcanu, 2007).

Cost-benefit and multi-criteria analysis are both useful techniques for the evaluation of options, though multi-criteria analysis can incorporate a much wider range of values and impacts. More refined comparisons give welcome attention to the specific strengths of each approach, and some commentators and guidance documents now portray the two approaches as complements rather than substitutes. This is reflected in recent guidance provided by the New Zealand Treasury (2015), which suggests that MCA is not to be used as a substitute for CBA, but should be used as a complement when dealing with policies that have economic, social and environmental impacts.

The balance needed between analytical skills and skills relating to political and institutional contexts varies from one government to another. Responsibilities, accountability and relationships between decision-makers and advisers differ between and within countries, and shift over time as they are adapted to address different policy issues. Devolution and
decentralization of governance and service delivery in some countries, coupled with an increase in partnerships involving government and the private and community sectors, has made the clients and users of policy advice more numerous and diverse. This is especially so in the US, where the government is less involved than in welfare states.

The choice of formal method in policy practice must be suited to the country context and the nature of the issue under investigation. Policy settings change over time and the policy environment shifts. Public policy as a field of study is now addressing more complex issues than ever, and the focus of decision making is no longer on ‘government’ as the primary client of policy advice. The changing role of government in many countries requires advisers to consider multiple clients and customers of policy advice as they work to address complex issues.

The choice of method cannot be made arbitrarily: it will ultimately affect many stakeholders, and the methods must be suitable for evaluating alternative policy proposals with diverse potential impacts on the state, the economy and society. The choice of methods and frameworks is an integral part of the policy analysis design, depending on the level of analysis called for, the complexity of the issue, and the nature of the particular problem or opportunity.

### Changing Policy Practices

Over the years, far more attention has been given to the theory and practice of policy analysis as process than the selection and application of a specific formal policy analysis method. The use of formal methods in policy analysis has made a lasting contribution towards effective and efficient policy decisions. These approaches bring some practical benefits to the empirical and normative tasks of policy analysis, and their benefits and shortcomings encourage the development of new theory and practices to address public policy challenges. The selection and application of formal methods remains an important topic for academics and practitioners in the field.

The history of policy analysis practice in many countries has been influenced by the US and other early entrants to the field, but there remains a wide spectrum of practice and emphasis. Global trends and governments’ diminishing influence on policy relative to other sectors have put pressure on governments to adopt policy settings conducive to investment, trade and reputation. Westminster-style systems place more reliance on a cadre of public policy advisers who serve ministers as clients. However, fiscal constraints and closer relationships with the private and community sectors in some countries have expanded the quantum of actors and institutions involved in policy matters, and led to competing sources of policy analysis and advice.

In several countries, policy practices have undergone substantial and rapid change regarding the role of public-sector advisers relative to stakeholders and organizations outside the public sector. This has happened in countries including Australia, the Netherlands, New Zealand, South Korea, Sweden and the United Kingdom. Some countries have maintained earlier changes while others have reverted to earlier practices. Policy analysis in the Netherlands has shifted from a rationalist scientific approach to a participatory and consensus-oriented approach (van Nispen & Scholten, 2015). In other countries, formal methods have often been adopted in part, for specific policy analysis tasks, but not on a larger scale.

There are many different reasons for these varying responses to adopted formal policy analysis methods. In Japan, for example, the use of formal policy analysis methods was restricted to certain economic, political and historical approaches. It is now suggested that
there are unexploited opportunities to adopt a wider range of formal methods to build policy capability (Adachi, Hosono & Iio, 2016).

Over time, public policy analysis developed its own body of theory, drawing on its inheritance from other disciplines. This has led to sophisticated and diverse policy practices, and consequently more choice between specific models, tools and methods for policy analysis and advice. More variety has emerged in the selection and use of policy analysis methods, models and techniques. Practice as a result has become less mechanistic and more diverse, calling upon multiple skills. Policy work is now recognized to be an art and a craft as well as a science.

Official guidance documents provide advice on various practices, including processes, choices of methods, frameworks, tools and techniques. In New Zealand, policy guides are one of a number of initiatives undertaken by central or line agencies to build policy capability at the individual, organizational, sectoral and system levels.

Policy guidance documents are now common in many countries. In New Zealand and Australia the guidance may be provided at the national, regional and local levels and for specific government departments and ministries. For example, the New Zealand Ministry for the Environment developed a Policy Guide to professionalize policy advising, which was then followed by a Natural Resources Framework that involved collaboration with many departments and agencies concerned with environmental policy issues (see New Zealand Ministry for the Environment, 2011, 2013). Other ministries in New Zealand have drawn up detailed specifications of the knowledge, skills, competencies and behaviours they expect their analysts and advisers to demonstrate as a prerequisite for holding policy positions at different levels in the organization.

More emphasis is now placed on commissioning policy projects with the awareness that policy issues are often under review. A broader ‘systems’ approach to policy development has challenged the process view, particularly when the problem is complex and governments lack the mandate and ability to solve problems if they pursue solutions in isolation without contributions from other participants.

Policy analysts now possess a wide range of knowledge, skills, competencies and behaviours, and an array of policy frameworks, tools, instruments and methods. They must demonstrate the ability to apply different frameworks to the analysis of diverse policy issues. Specific policy tools and methods include, for example, consultation, intervention logic, stakeholder analysis and data analysis. It is recognized now that these means can be applied at various points and sometimes multiple stages in a policy process. The challenges of designing policies for more complex issues include the selection of appropriate methods and policy tools, and also the appropriate sequencing of multiple policy tasks for the issue at hand.

Policy advisers must judge the likely value and limitations of particular models and methods, and develop the skills to select and apply a wide range of tools and methods, tailoring them to the specific context and policy problem or opportunity. The economic and governance context must also be taken into account, along with the quality of the information and evidence available to support the analysis.

A key choice for policy practitioners is finding the appropriate balance between formal methods and analytical approaches to problem solving, on the one hand, and approaches that are more sensitive to context on the other. Alternative approaches can incorporate the values and political influences that motivate governments to take action, and are thus an integral part of public policy choices.

In New Zealand, various public sector agencies have invested in developing their own policy models and have created agency-specific frameworks to guide policy practice. Some of
the frameworks that have been developed to guide policy development involve the British Crown and indigenous Maori in the context of the Treaty of Waitangi, and other legislation involves the New Zealand Government and Maori as treaty partners. An opportunity-oriented Maori Potential Framework has also been developed. A Policy Framework for Pacific People has been designed to take account of cultural and other dimensions to policy development. A gender analysis framework and corresponding training was developed by the Ministry for Women’s Affairs.

A recent addition is a ‘Living Standards Framework’ (Karacaoglu, 2015) which establishes a set of common goals and objectives, measures the impact of policies on the four capitals (financial and physical, natural, social and human capitals) and provides useful measures of trade-offs among these policy goals. The ‘Living Standards Framework’ is being applied to arrive at a more consistent ranking of specific policy proposals against a set of common criteria for measuring well-being. Concern about the environment and sustainability has also encouraged the development of methods and techniques that incorporate related goals and objectives, and the expansion of analytical tools such as CBA to incorporate social, environmental and cultural well-being.

The creation of explicit frameworks has brought more formality into analysis. Examples of widely used frameworks are market and government failure, human rights, gender analysis, and frameworks tailored to specific issues and population groups. Policy analysis has borrowed and also inspired the design of new frameworks for addressing specific policy issues, in turn advancing the design of policy options and instruments. Such newer frameworks for analysis have addressed market and government failure and the expression of values and impacts as criteria, and the development of performance measures for help in ranking options.

The use of specific policy frameworks has led to new tools, techniques and methods to deal more comprehensively with specific policy developments. Frameworks regarding market and government failure are very useful when designing options assigning different roles to government and others. Weimer and Vining (2015) are particularly strong on identifying different types of market and government failure and linking them to specific kinds of policy interventions. The market and government failure frameworks continue to be used, and have been expanded to include other frameworks to address failures relating to human rights and gender issues. More attention is now given to the selection and choice of policy instruments, and various taxonomies have been developed to classify policy instruments in relation to specific policy frameworks.

Policymakers now have more regard for policy goals and more awareness of criteria such as sustainability and the impact of policies on future generations. There is now greater awareness that options analysis should project outcomes, and policy alternatives are often valued because of their influence on specific economic, social, environmental and cultural outcomes. Specific analytical frameworks have also become embedded in criteria for assessing the quality of policy analysis and advice.

In both Australia and New Zealand, an independent Productivity Commission has been established and funded by governments to address important policy and regulatory topics. Governments can also engage on policy issues by establishing dedicated working groups, task forces and policy advisory groups which are serviced by public servants and sometimes bring together a wider range of expertise and opinions on policy issues. Such groups are more independent and can encourage discussion of a much wider range of issues and options than is likely to be put forward by public sector advisers.

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New tools and approaches to consultation, participation and engagement (such as www.iap2.org) contribute to policy developments. A single tool, such as intervention (programme) logic, is now selected to assist with many tasks and stages when developing policy issues such as problem definition, designing options and dealing with risk management in policy design (see Baehler, 2002). Analysis is becoming more sophisticated, with new approaches to selecting and designing values and criteria to assess options and project outcomes. MCA analyses will sometimes weight criteria, and computer software can now assist the analyst by identifying when weights will take on values that will alter the ranking of the alternatives. Contingent recommendations provide opportunities to associate specific options with particular values and impacts to create if/then statements, allowing decision makers to decide which options perform well against the criteria they prioritize (see Congressional Budget Office, 2013); computer software shows the impact of the weights on the choice of options, and contingent (if/then) recommendations create linkages between particular policy goals and criteria and preferred options.

Policy practices continue to reflect institutional and governance arrangements and can change suddenly in response to a new government, to changes in world events and crises, and to changing expectations regarding the role of governments and other actors in contributing to policy processes and resulting policy decisions. The association of specific tools and techniques with a particular stage of the policy process has given way to policy practices that have expanded the use of tools and techniques such as intervention/programme logic and system and causal mapping. The association of specific tools and techniques with particular steps and stages is less common. Co-production can be used at any stage in the policy process and is useful when there is limited consensus across stakeholders though such processes can be expensive and carry a significant risk of failure. Co-production has been used to develop scenarios and strategies for the future, and to design services in many country contexts. Co-production and co-design are being used for strategic and operational policies and provide direct input for the clients and users of services (Dunrose & Richardson, 2015).

The New Zealand Prime Minister’s chief science adviser has produced various reports on the role of evidence in policy formation and implementation (Gluckman, 2013), suggesting that scientific advice can improve public policy outcomes and in no way weakens the authority of the political process. He supports the wider use of randomized control trials (RCT) and other formal methods for gathering evidence on public policy issues and asserts that greater reliance on scientific advice will strengthen rather than weaken the authority of the political process.

Discussions surrounding the use of information and evidence have led to an expansion of the information and evidence base, including the use of big data to support policy analysis and advisory work. Policy practitioners are more aware of the need for good information to inform policy design and implementation and the importance of research results to inform policy work. At the same time, the call for evidence-based policy requires considerable care and attention. Evidence-based policy is sometimes associated with the use and application of large data sets to inform policy work. It is still common for policy advisers to lack the kind of information that is needed to address the complex issues on current policy agendas. The focus on introducing greater rigour to the analysis of information and evidence is reflected in greater investments in data analysis and policy research.

The construction and use of evidence hierarchies provides the basis for advisers to balance and weigh up the rigour of methods with the relevance of the research to the specific policy issues under consideration. Greater attention to the role of evidence in supporting policy has sometimes promoted approaches that are rigorous but not always relevant. Evidence hierarchies
are important and useful when policies are being considered which draw on knowledge and experiences from different country contexts.

In New Zealand and Australia, independent productivity commissions have been established and funded by governments to conduct enquiries on important public policy and regulatory topics. Another way for governments to engage on policy issues is to establish dedicated working groups, task forces and policy advisory groups that are serviced by public servants and which bring together a wide range of expertise and opinions on policy issues. Such groups are more independent and can encourage discussion of a much wider range of issues and options than is likely to be put forward by public sector advisers.

Changes in the nature of public policy theory and practice have broadened the bodies of knowledge, skills and competencies of policy analysts and advisers. The focus on the choice of formal methods, while relevant, is now part of a much larger range of choices as analysts select and also create new approaches involving various methods, models, tools and frameworks in analysing complex issues in diverse governance settings.

Greater complexity in dealing with policy issues has diminished mechanistic and technical approaches to policy work. It has alerted practitioners to the need to develop ‘design’ skills so they can create analysis and advice which suits the specific issue, context and environment. There is now a demand for ‘crafting skills’ that require knowledge and experience built up over time. Globalization puts pressure on countries to consider the selection of methods that have been successfully used in other countries and in some cases set a good-practice approach.

There is a need to balance analytical and political elements of public decision making to find policy solutions that are workable and sustainable, both analytically and politically. Policy analysis is increasingly done by groups and teams rather than individuals. Theories surrounding policy analysis have given considerable attention to models of policy processes rather than to the relationships between various methods, tools and specific tasks. Sometimes countries have excessively focused on the role of institutions and processes, and paid less attention to external influences and policy transfer from other countries. In a connected world, more attention must be placed on settings and practices in other countries and contexts.

Today’s policy practitioners draw from a wide range of formal and informal methods, models, frameworks, and various tools and techniques when conducting policy analysis to address a real-world problem. Evidence suggests that the skills of policy advisers grow primarily by experience working on a wide range of different policy issues. This allows advisers and analysts to experiment with and share experiences regarding the selection and choice of approaches to be used. Through experience and reflection and learning from others, they can hone their knowledge, skills and competencies and become more proficient at understanding what works well and why. The word ‘craft’ also recognizes a repertoire of knowledge and skills and the ability to apply them to meet the requirements of a specific issue or client (Scott & Baehler, 2010; Bardach & Patashnik, 2015; Parsons, 2004; Weimer & Vining, 2015; Weimer, 1998).

These trends can be seen in the changing curriculum of some policy schools, which are now more strongly linking public policy and public management and bringing in expertise in human resources management, organizational behaviour and leadership. Expertise in formal methods has been and remains an important contribution to policy analysis as a field—as do knowledge, skills and competencies across a wide range of different theories, frameworks, methods, tools and techniques that contribute to the analysis of a specific policy issue or problem.

The priority given to different frameworks, methods and techniques for conducting policy analysis can be observed in various standards for assessing quality policy analysis and advice.
Individual agencies often purchase independent reviews of their written policy advice from a private sector organization. Many agencies specify the knowledge, skills, competencies and behaviours that are required to be appointed to junior and senior policy analyst and advisory positions.

While policy analysis and advising is not regulated and formalized compared with other professions such as law and economics, various initiatives have been undertaken to enhance the capability of policy advisers and analysts and to ‘professionalize’ the public service advisory system. They include establishing programmes to build skills and capability in partnership with universities. Some countries have formed explicit partnerships between the government and specific universities to credential public policy and public management qualifications. Such offerings are far less common than in-house civil service training programmes and university-based academic programmes.

As policy analysis developed as a profession, issues were raised regarding the degree to which quality policy analysis and advice should be assessed by standards and criteria of best practice, drawing on the expertise of professionals working in the field and/or the client(s) for policy advisory services. There is growing interest within governments to establish objective measures and criteria to evaluate the quality of analytical, written and oral advice.

Approaches to assessing the quality of analysis and advice within government are associated with measures of the quality of inputs and policy processes, and also the selection and application of rigorous analytical methods. The selection and choice of formal policy analysis methods, frameworks, tools and techniques are important aspects of policy analysis design and implementation. One measure that has been considered and used from time to time is a measure of the proportion of advice that is accepted by decision makers, though this approach has limitations and has the potential to discourage advisers from offering ‘free and frank’ advice as is the norm in some Westminster advisory systems.

There is now more focus on ‘good practice’ (for a specific context), rather than ‘best practice’, which can result in a one-size-fits-all approach. Current practices are more successful in bringing together the art, science and craft elements of policy analysis, including new frameworks, tools and techniques and methods to respond to changing policy priorities, county contexts and governance arrangements (New Zealand Department of Prime Minister and Cabinet, 2015; New Zealand Treasury, 2010; UK Civil Service Board, 2013).

Conclusions

The concept of formal policy methods has been promoted and also challenged by academics and practitioners working on policy issues. The growing multi-disciplinary and applied nature of policy analysis theory and practice has led to less clarity as regards the concept of ‘formal methods’ and there is now greater integration and linkages across methods, frameworks, tools and techniques. This mirrors what has happened with CBA and MCA, which were previously viewed as competing methods.

With the increase and wider use of more transparent analysis, both academics and practitioners in the field have recognized the need to balance the political and analytical dimensions of policy analysis and advisory work. There are numerous actors and institutions who form part of the wider policy system and provide a set of influences on policy option design, evaluation and choice, and who have a major impact on specific goals, objectives and outcomes.

Doing policy analysis involves bringing together elements relating to the arts and social sciences and crafting skills in order to design a policy process that reflects the complexity of
the issue and context, builds analysis on a strong information and evidence base, and draws lessons from international experiences and evidence while also acknowledging local knowledge and experience.

Formal methods can play an important role in deriving valuable information, alongside a good information base and evidence to support and shape policy analysis. However, the choice of single method will rarely comprise a standalone approach to the analysis of a policy issue. Context and values are integral to addressing policy issues in a more global, complex and changing world.

Rather than seeking to discern ‘best practices’ that may be associated with the use of more sophisticated analytical methods, quality analysis should focus on policy analysis designs that are fit for purpose. More attention should be given to developing crafting skills and using a variety of methods, tools and techniques for a specific task with a focus on what works well and what does not.

References

Formal Policy Analysis Methods


