Generating Potential Courses of Action

3.1 Where Do We Find Solutions?

In many respects, the second step of the analytical framework merely represents the logical extension of the first. That is, having decided the direction that the analysis will go in light of our preliminary examination of the problem and relevant evidence, we can next turn our attention to extending that examination of the evidence to see what potential solutions to the problem are suggested. If we have defined our policy problem effectively, then we will already have some notions about the features that we will need to incorporate into any workable solution to our problem. Furthermore, at this point we will already have developed ideas about the root causes of our problem, and, although not wholly confident of these notions yet, we will use these desired features and ideas about plausible causes of the problem as the basis for our generation of potential solutions.

Armed with our problem definition then, we begin to generate ideas about potential solutions to our problem. As we start this process, we take a “blue sky” approach, meaning that we are unlimited in our thinking and we are now willing to consider a wide variety of potential courses of action (COAs). At this point, we will seek ideas from a wide variety of sources, and we merely add the ideas to our working list of COAs without regard for their fea-
sibility or desirability. Put another way, it is important that we avoid assessing the potential COAs at this point. Now is the time for creativity and imagination, rather than critical analysis.

It is important that we consult with others and look outside our own experience for potential solutions to our problem at this point in the policy analysis. There are a number of ways that we can achieve this broader perspective, and the first activity that we usually engage in when confronted by this task is "brainstorming." Brainstorming can be an individual activity, but it is most effective when it is done as a group exercise. We brainstorm by working at the problem at hand through a relatively unstructured group discussion of the problem, its root causes, and potential COAs that could address the problem. It is always most effective to include both subject-matter experts and nonspecialists in the group in order to avoid the tendency to stray too far from reality while still considering new ideas and revisiting time-honored assumptions. It is often quite helpful to be forced to articulate aloud the logic and rationale behind the policy changes that we are beginning to consider.

In addition, we have other avenues to pursue in our search for potential COAs that might help us solve our policy problem. We conduct additional research at this point, including primary and secondary source document analyses, and we interview other people to ask how they have dealt with similar problems in the past. Frequently in policy circles you will hear this idea of consultation with others in similar circumstances referred to as "best practices" research, or the search for the "best" solution employed by others in order to apply that solution to your own situation. Given the challenges of particularity described in chapter 1, however, and although "best practice" is an effective way to generate additional ideas for our working list of potential COAs, we should always proceed cautiously before assuming that solutions that worked elsewhere will work in our own invariably unique conditions. Nevertheless, we talk to others inside and outside of our organization and we search for written accounts of successful approaches to similar problems as an effective way to enhance our own generation of potential solutions.
Finally, the decision maker is a good source of ideas about potential changes that we might consider in constructing our working list of potential problem solutions. In any event, we will consult with the decision maker at this stage of the analysis to get his or her ideas about potential COAs for practical reasons as well as analytical ones. In fact, while I have listed the decision maker last in this list of potential sources of ideas about problem solutions, frequently the decision maker's proposed policy change was the driving force behind the analysis in the first place. If this is so, then we will certainly add this COA to our list. However, the point here of listing the decision maker last is to call attention to the fact that his ideas are among many that we will want to consider as we pursue the goal of objective rationality. Part of our "value-added" as policy analysts is taking a broader perspective on the consideration of the problem at hand.

Once we have done our brainstorming and consulting, we then have our unconstrained working list of potential COAs. Most often, this working list is a rather general list of ideas that will need to be refined further before we can analyze them with any rigor. Moreover, it is usual to have to revisit the first step of the process, our problem definition, at this point in the policy analysis. In light of the new ideas and new evidence that we will have collected during the generation of our working list of potential COAs, we may need to revise or refine our definition of the problem prior to moving forward in the analysis. As noted before, policy analysis is an iterative process, and we may work in fits and starts, particularly in the first few steps of the process. Nevertheless, once we have generated a working list of potential COAs, we are ready to take our next step forward in the policy analysis.

3.2 The Status Quo

As part of our working list of potential alternatives, we always include the status quo, or the choice of maintaining the existing policy in place, as an option. We do this for several reasons. First, the status quo serves as the baseline against which we will evaluate the
other potential COAs that make it onto our eventual short list of
options, performing an important function in our analysis that be-
comes apparent as we get further into the comparison of alterna-
tives. Second, the status quo represents a real option, since the
decision to maintain a policy in place involves the allocation of
resources and expenditure of those resources with resulting conse-
quences. Along these same lines, it is important for the analyst and
decision maker to realize that although the status quo policy has
produced certain results under past conditions, the future will not
necessarily hold the same prospects. It is important for us to take a
close look at the consequences of the current policy as we project it
into the conditions likely to arise in the future. Finally, as it often
turns out that the status quo represents the best potential COA for
the future when all of the analysis is done, we always want to con-
sider the status quo on our working list. It is always an option to
stay the course, even in the face of political pressure to the contrary.

3.3 Selecting the Short List

With our working list of potential COAs in hand, we turn our at-
tention to a preliminary evaluation of the COAs and the genera-
tion of our short list of alternatives. In this step in the generation
of COAs, our goal is to reduce our “blue sky” list of wide-ranging
policy options to a compact list of a few feasible and potentially
desirable policy alternatives that will merit careful and intense
scrutiny. While we have been careful to this point not to evaluate
alternatives, aiming instead to construct an unconstrained list of
ideas to consider, we begin now to trim our list as we start assess-
ing the merits of the potential policy changes. This step in the
process will likely involve additional research as we seek to refine
our understanding of the likely prospects that correspond to the
potential policy changes that we will consider. However, we will
also find that by now this additional research is becoming increas-
ingly focused on specific topics.

Before we begin this procedure, however, it is helpful to revisit
our problem definition one more time. The goal here is to remind
ourselves of the essence of the problem that we are attempting to address, so that we can ensure that we focus upon alternatives that do in fact have positive consequences for the situation to which we are responding. With this idea in mind, our first sweep through the list is aimed at identifying and eliminating any options that, on second thought, do not actually address our problem. It is not uncommon for us to include in our working list solutions used by others in somewhat similar circumstances, only to realize as we consider our list that some aspect of our case prevents that solution from working in our circumstances. This is a healthy and normal occurrence, and it is better to eliminate those potential solutions at the outset of consideration than to invest time (and subsequent credibility) in analyzing them further, only to realize their impracticality later in the process. So our first task is to eliminate potential COAs that will have little or no positive impact on the underlying problem we seek to solve. We must cross those potential COAs off our list.

Similarly, our second sweep through the working list is aimed at identifying and eliminating those potential COAs that are not feasible. In this sweep, we identify the potential COAs that would likely have a positive impact on our basic problem but would be either difficult or impossible to implement in any meaningful and realistic way. These difficulties could include, for example, the likelihood of funding, unrealistic assumptions, issues of legality or constitutionality, or other aspects of the COA itself that would make it unlikely that the policy change could ever be implemented.

For our third sweep, we would examine our working list for potential COAs that might be likely to fail owing to political considerations and other contextual constraints. These political considerations could be literal blocs of opposition within the bodies holding important decision-making authority or more common organizational predispositions and concerns. Some potentially plausible policy changes just do not work within some organizations or for some decision makers, and it is a waste of time to consider them in your analysis unless there are previously unconsidered aspects of the COA that might outweigh some of those usual con-
cerns. In any event, during this third sweep we take a hard look at our list to identify potential COAs that will be likely to elicit serious contextual or political opposition down the line.

If all is right in your analytical world, at this point you will have developed a short list of between two and five potential COAs, including the status quo, that you will consider for your eventual policy recommendation. The consideration of more than four new policy alternatives within the context of one analytical project is usually unwieldy. Therefore, if you find at this point that you have more than four COAs in addition to the status quo, it is usually a good idea to reduce your list further. In this final sweep, you will apply the criteria of the first three sweeps again and your own judgment to prioritize your potential COAs and reduce your short list to a manageable size.

If, on the other hand, you have performed the first three sweeps only to have eliminated all of your “blue sky” options from the working list, you have a different kind of choice to face. You can start generating ideas again, expanding your research and consulting to generate a larger working list, then applying the criteria of the first three sweeps again to determine whether there are in fact positive, feasible, and practical options to consider. Or, alternatively, you can conclude that there are no such options to consider for the time being, an analytical finding in itself. You would then take this analysis and your finding to the decision maker, after which you both can decide how best to continue from there. Your individual circumstances and judgment will drive that choice.

However, for most analysts this process will result in a short list of potential COAs that you will begin to consider in much more detail as the next step in the analytical process. It should be noted here that the fact that you are considering the merits of these alternatives compared to one another and the status quo does not imply that they are necessarily mutually exclusive options. In fact, it is often the case that our eventual policy recommendations take the form of a package of several recommended policy changes. These changes can be independent of one another or they can be mutually supporting. At this stage of our policy analysis, however, we have
Once again defined our problem more precisely, and we prepare to begin our detailed analysis and subsequent comparison of the COAs.

### 3.4 Defining the Alternatives Up Front

Once we have generated our short list of potential COAs, the next step in our problem formulation is to define them more precisely. This is a critical step, because it is at this point that we truly begin to chart our potential policy recommendations. Taking the time to define our COAs carefully at this point again focuses our analysis and our data collection efforts and saves us time later in the analysis. The precise definition of our potential policy options also enables us to identify the advantages and disadvantages of each COA more easily and enhances the validity of our results.

By way of illustration, consider the implications of precision of COA definition for an analysis of educational system reforms. After working through the generation of potential COAs, we have included on our short list “tuition vouchers” as feasible, desirable, and practical. While most policy analysts active in this field would understand the concept in question, there are any number of variations of these vouchers. Examples of the potential differences include variable eligibility requirements, different payment methods, variations in the dollar value of the voucher alternatives, and so forth. So although the phrase “tuition vouchers” captures an important idea with relevance to the underlying problem that we are trying to address, it is also true that different kinds of voucher plans are going to have considerably different implications for the education system viewed as a whole.

That is, we will need to define a number of important aspects of the potential policy changes carefully in order to make accurate predictions about the likely effects of those changes. A voucher plan that allows parents of school-aged children to forgo property tax payments to pay parochial school tuition will have much different consequences from those of a plan that precludes the usage of the tax credit in parochial schools. This consideration is one of many that will have serious implications for the outcome of any policy change.
Furthermore, the process of carefully defining the potential COAs may also force us to consider variants of the same basic course of action. Using the tuition voucher example, we may end up needing to analyze two or more variations of the basic voucher idea, including a “$1,500 option,” a “$3,000 option,” and so forth. Alternatively, we might decide to make assumptions about these characteristics in light of some estimate of the probabilities of particular outcomes or our own judgments of feasibility or practicality. In any event, we make these choices up front and then justify the choices that we make. Finally, as we continue to compile the specific information needed to define the potential COAs more carefully, we will also continue to extend our understanding of the basic problem we are trying to solve and the aspects of the problem that are most important to us. Now we are ready to begin our analysis of the COAs.

3.5 Transitioning to the Analysis of the Alternatives

Once we have completed our careful definition of the potential COAs, we have also completed our creation of the short list that we will analyze using one or the other of the major analytical techniques. We are ready to transition to the analysis and comparison of the courses of action as we move toward our policy recommendation. During the process of defining our problem and generating our potential COAs, we will have begun to identify the criteria that are most important to us, considerations that have to be fulfilled by any solution that we might recommend. After giving some thought to these concerns, we settle upon the criterion or set of criteria that we will use to evaluate the alternatives.

Once we have completed this selection of criteria, our next step in the process is the application of either cost-benefit analysis (CBA) or multi-attribute analysis (MAA) in analyzing the merits of the COAs on our short list. (These techniques and the criteria that correspond to them are examined in more detail in chapters 4 and 5.) The choice of analytical method is fairly straightforward. When an analyst or decision maker has as his primary concern the
consideration of efficiency or a desire to allocate scarce resources in a way that provides the best net benefit for society or for a particular constituency within it, CBA is the technique of choice. Conversely, when the analyst or decision maker has a variety of concerns, whether utilitarian or normative, and seeks to satisfy all of them as best she can with the optimal mix of variables, then MAA is the logical choice.

3.6 Notes and Supplementary Readings

- Garry D. Brewer and Peter deLeon examine the challenges and importance of alternative generation in detail in chapter 3 of *The Foundations of Policy Analysis* (1983). They contend that the generation of policy alternatives has long been the primary task expected of the policy analyst, and they seek to place this step of the process into its proper context as an important but intermingled part of a larger process.


- John W. Kingdon envisions the “policy primeval soup” that gives rise to a resultant “short list of ideas” in *Agendas, Alternatives, and Public Policies* (1994). This “short list of ideas” is the working list of possible problem solutions that emerges in the consideration of public policy problems.
• As noted in chapters 2 and 3, the policy-making process itself will constrain the range of feasible policy changes available to the analyst for realistic consideration. Michael Hill places the activities of policy projection, policy assessment, and information gathering within the context of the broader policy-making process in *The Policy Process in the Modern State* (1997). In chapter 1 of his book, Hill also addresses the origins of the ongoing debates over the merits and shortcomings of quantitative techniques of policy assessment and the solutions that these techniques suggest. He further describes the various products that can result from the analytic process, among them studies of the policy process, studies of policy outputs, evaluation studies, and policy change advocacy. Frank P. Scioli Jr. and Thomas J. Cook offer their own description of these various analytical objectives in chapter 1 of their edited volume, *Methodologies for Analyzing Public Policies* (1975). In chapter 7 of that book, E. Terrence Jones comments on the differences between analyzing incremental policy adjustments and major policy changes. These considerations are important given that incremental policy changes occur far more frequently than radical policy overhauls.

• In chapter 4 of *Theoretical Issues in Policy Analysis* (1988), M.E. Hawkesworth cautions against the fabrication of false alternatives based upon faulty problem construction.

• Chapter 3 of Duncan MacRae Jr. and James A. Wilde’s *Policy Analysis for Public Decisions* (1985) offers an alternative perspective on the selection and application of evaluative criteria. The authors identify the implications of choosing what they call ethical criteria such as “freedom” and “equality,” and they also address criteria such as “desirability” and “political feasibility” before turning their attention to cost-benefit analyses and “equity.”

• In chapter 21 of Stella A. Theodoulou and Matthew A. Cain’s *Public Policy: The Essential Readings* (1995), Irene S. Rubin describes the particular challenges presented by the politics of pub-
lic budgeting. She outlines the roles and functions of the budget in public agencies, and she comments on the ways that budgetary factors often constrain the range of feasible policy changes that an analyst may consider from the outset of the analytic process.

• George M. Guess and Paul G. Farnham provide an alternative explanation of the technique of cost-benefit analysis in chapter 7 of *Cases in Public Policy Analysis* (2000). The authors also provide an example of the generation of policy alternatives and the type of analysis that results from those alternatives. In chapter 7, the authors provide an analysis of proposed changes in environmental policies intended to improve air quality standards.

