Strategic Planning and Long-Term Thinking in Policymaking
Herbert M. Singer Conference Series

“Strategy, the Strategic Perspective, and Public Policy”

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Topics for Discussion

1. The nature and role of strategy and the strategic perspective in public policy

2. International experience with the use of strategic thinking and processes

3. Strategy in Israel’s domestic public policy
The plan

The reality

D-Day, 6 June 1944:

"Where is the U.S. 502nd Parachute Regiment?"
“Plans are worthless...

... but planning is everything.”

-- President Dwight D. Eisenhower
Daniel Kahneman Speaks of Two Systems of Human Thought and Decision

- **System 1:**
  - Fast, automatic, frequent, instinctive, pattern-based

- **System 2:**
  - Slow, deliberate, infrequent, conscious, calculating

*Dwight Eisenhower might have asked:*

“How can we create the ability to use slow thought

...in situations that force us to think quickly?”
A “Strategic Perspective” Supports Government Decision and Action
What Builds a Strategic Perspective?

• Institutions and processes that ask the questions:
  – What issues may affect the public interests?
  – How do these issues connect to one another?
  – What public purpose can benefit from policy action?
  – What is realistically attainable through
    • appropriate selection of policies and tools
    • other public means, both direct and indirect?

• Active observing and analysis based on these questions.

• An apparatus for (and commitment to) working toward the answers
  – Often requires framing and testing of alternatives.
Placing Emphasis on Strategic Perspective

Makes Key Points Explicit:

1. Strategy is a tool, a means for achieving goals, so
   – Begin with an *explicit vision* of desirable outcome.

2. A ‘strategy’ may be a valuable outcome, but
   – The *process* may be as valuable as the product

3. Gov’t needs assessment of trends and outcomes, so
   – *Measurement* should be rooted in any strategy

4. Government can never know all you need to know, so
   – Make use of *external expertise*, and
   – Build *flexible and adaptive* thinking and planning
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How is Strategy in Public Policy Different from in the Military?

The government faces a much harder problem. Why?

• The military’s purpose is to control the environment
  – the government public sector must work within it

• Military goals are relatively limited
  – government must achieve across policy spectrum

• Typically, military success moves in one direction
  – the government must balance opposing values
    (e.g., economic growth and environmental health)
We Looked at Where Governments Have Active Strategic Processes

- Detailed case studies of: Denmark, Korea, Singapore, British Columbia

More topical surveys of Canada, Ireland, Finland, Netherlands, Germany, New Zealand, U.S.
Strategic Perspective is a ‘Precarious Value’

Survival of strategic processes in an organization is always in danger.

Creating supply of strategic thinking is not sufficient.

Strategic perspective will not survive unless there is internal demand.

Source: http://etfovoice.ca/article/precarious-work-the-new-reality/
Demand for a Strategic Perspective May Come From Differing Sources

Legal requirements

British Columbia

Engagement by government heads

Singapore

Denmark

Culture of strategic thinking
The Strategic Perspective Provides Tangible Value to Government

• Enhances ability to make short-term decisions
  – consistent with long-term goals
  – with the benefit of prior analysis and assessment

• Provides a platform for discussion and deliberation
  – within and across the government
  – between the government, public and stakeholders

• Can create shared vision that makes it easier to
  – move toward implementation
  – create mobilization for carrying out policy
  – assess outcomes and provide navigation for policy
Some Common Themes Emerge from Cases of Success and Failure

- Engagement of head of government
- Strategy unit linked to the PMO
- Internal demand for strategic thinking
- Presence of strategic capacity in line ministries
- Analysis and input from outside the government
- Longer-range strategy coupled with continuous updates
- Formal analytic methods used to aid deliberation
- Publication of strategy documents and materials
- Strong links between strategy and budget formulation
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Israel’s Government Actions Should be Made Effective, Adaptive, and Robust

• “But wait just a minute! Isn’t flexible and adaptive what Israel already does?”

• Not really. Being adaptive and effective comes
  – not from short-term improvisation
  – but from anticipation and preparation

• ‘Strategic perspective’ supports better informed decisions
  – Ongoing observation and analysis
  – Look at complex issues that
    • cross ministerial boundaries
    • bridge the short, medium, and long term
Comparing Israel’s Past Practice and Global Strategic Best Practice Raises Questions

• Testimony points to some possible gaps:

  1. Strategic process ill-connected to decision makers
  2. Reactive action rather than active strategic engagement on policy challenges
  3. Inter-ministerial coordination is difficult
  4. Low levels of stakeholder and public engagement
  5. Not sufficient use of research and information
  6. Difficulty moving from strategy to policies and their implementation
  7. Inadequate outcome measurement and evaluation
What Obstacles to a Strategic Perspective Exist in Israel?

• All of the usual ones that every democratic government is confronted with...

• ...Plus several more:
   1. The understandable predominance of security
   2. Bias against “academic” or “theoretical” in favor of tachles
   3. Relatively small size of policy apparatus
   4. Framing a vision of the future for a diverse society
A Time Traveller Brings Back Proof of His Journey to the Future...
...A copy of the ‘Economist’ from the year 2027: What story does it tell?

- What might the story of 2027 Israel be?
- What would the Israeli public and government like it to be?
- What must happen for this change to occur?
- What was necessary in 2015 for these changes to happen?
- What did not happen so that the changes could occur?
Israel Pursues Goals in Several Venues: Elements of A Balanced Scorecard* for Israel

Well-Being of the Individual

Sustainable, Growing and Innovating Economy

Effective Government Function, Democracy, & Equal Access to Opportunity

Geopolitics & National Security

Israel’s Role Among Jewish People

Not All Elements Weigh Equally in Socioeconomic Strategies and Outcomes

Well-Being of the Individual

Sustainable, Growing and Innovating Economy

Effective Government Function, Democracy, & Equal Access to Opportunity

Geopolitics & National Security

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### Broad Goals, but Several Dimensions

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<th>Goals</th>
<th>Dimensions</th>
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| **Goal: Enhancing socioeconomic well-being of individuals** | Income and wealth  
Jobs and earnings  
Housing  
Health status  
Work and life balance  
Education and skills  
Civic engagement and governance  
Social connections  
Environmental Quality  
Personal security  
Subjective well-being |
| **Goal: Sustainable, Growing and Innovative Economy** | Sustainable growth  
Innovation  
Macro stability and finance  
Regulation and competition |
| **Goal: Excellence in Government Performance, Democracy, and Equality** | Political participation  
Government Performance  
Access to education  
Access to employment  
Quality of life |
| **Goal: Israel’s Role Among Jewish People** | Partnership with Jewish communities  
Connection with Jewish individuals  
Jewish culture and education |
With Targeted Outcomes and Selected Key Indicators, You Have a Tool for…

1. Measuring progress
   – Suggest course corrections

2. Forming and sharing ideas
   – identify problems and provide context
   – tie together different perspectives or issues

3. Mobilizing for action
   – entry point for wider discussion and engagement
   – can be double-edged sword as a political weapon
The Ingredients for Change in Israel Exist

• Increasing interest in international experience and benchmarking;

• Dissatisfaction with “business as usual” from within government offices

• Government decision of October 2012:
  – Created new institutions
  – Created new processes
  – Seeks to stimulate demand for strategic perspective within Israel’s government

• New strategy unit in NEC already provided strategic briefings to incoming government 2013
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