

Public Policy and Complexity:

A research program

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Abstract

There is a widening gap between citizens' expectations and what governments (local, national, supra-national) can achieve. For the past decades government actions have been guided by a relatively simple strategy formulation and implementation approach. It is often summarized as "New Public Management": decentralization of government activities into separately accountable agencies and units, focus, evidence-based performance measurement, measurable activities and results, and, to an extent, performance-based rewards and sanctions. This has worked well for simple problems in the post-WWII era. Focus was needed for action to be efficient, and problems such as housing, telecom development, healthcare, etc. could be addressed separately and, to a point successfully. Some problems were not addressed successfully: health care costs and the impact of aging populations, youth inclusion (vs. unemployment, delinquency, etc.), cyber security, and others. These problems are complex (or "wicked" as policy analysts sometimes call them). They are characterized by unknown cause and effect relationships in multiple systemic interactions with unfolding unintended consequences, by different but interdependent cost-benefit trade-off between ministries, agencies, and subgroups in the population, and by multiple time horizons. Traditional New Public Management approaches do not work in trying to tackle such complex problems. New approaches are needed. One is simply to make governments more strategically agile. The strategic agility framework originally developed to explain adaptation successes and failures among major corporations (summarized in Doz and Kosonen, *Fast Strategy: How Strategic Agility will help you stay ahead of the game*, Wharton School Press, 2008) has been applied and extended to governments (e.g., *Strategic Agility for strong societies and economies*, November 2011, OECD report). But strategic agility still requires the ability to "make sense" of a strategic situation in an integrated fashion as it develops. In truly complex situations, this is impossible. Hence a second approach is to embrace models of complex adaptive systems, and to apply them to governments. Integrated cognition, anticipatory or real-time, is no longer needed, but features of complex adaptive systems need to be built into the administrative and leadership processes of the government services, and of the actions it increasingly undertakes as a steward of collective interest in collaboration with business, society and non-government entities.