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Interactive policy-making – a model of management for public works

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Abstract

In this article a management model for interactive policy-making is proposed. Interactive policy-making is a process whereby multiple parties play an active role and jointly arrive at a decision. The management model consists of six stages: exploration, initiative, common perception, joint problem-solving, decision-making, and implementation. The activities assigned to each stage are examined in detail. Finally, the last section of this article reviews the criteria that can be used to assess interactive policy-making. Three perspectives are relevant. The first perspective is the course of the process; the second is democratic legitimacy; and the third is problem resolution.

Keywords: Interactive policy-making; Governance; Process management; Public works; Assessment criteria

1. Introduction

Planning for public works – such as building roads, reinforcing dams, selecting sites for dumping waste or dredging sand, installing or expanding port facilities – is becoming increasingly complex. This is mainly because the issues are becoming more complicated; they are no longer only technical and economic in nature. Other interests are increasingly involved, such as the environment, nature conservation, and quality of life. For the most part, these interests represent societal values that are jeopardized by the projects in question. And it is not unusual for this to lead to conflicts. But these issues are also complicated in an administrative sense. In the past, it was taken for granted that these issues fell entirely within the jurisdiction of a single governmental body; that is no longer the case. More and more, an authority has to make arrangements with other governmental bodies and the private sector – both firms and interest groups – to achieve the desired results. Cooperation is the only way to create a basis for support, in view of the divergent interests that are at stake. But cooperation is also the best way forward because

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these other parties may have resources that are needed to carry out the project. Those resources are mainly legal and financial.

At the same time, the need to collaborate puts the planning processes on an unstable footing. The problem is that the parties involved will not necessarily have the same interests. Moreover, there will not always be full information available on the aspects involved in decision-making. Furthermore, the role of the government authority taking the initiative for the project is less straightforward. In addition to its role as a party with an interest in having the project carried out, the government body will also have to play other roles. For instance, the authority will not only have to direct the complex decision-making process but will also have to negotiate with other parties or broker the bargaining process. These are the reasons why the policy-making process cannot be a routine procedure.

In this article, we consider a way to manage these complex policy processes. We propose a management model for interactive policy-making; this is a process whereby multiple parties play an active role and jointly arrive at a decision. The central question in this article is how interactive policy processes can be organized and how such processes can subsequently be assessed. Firstly, in the following paragraphs there will be a further exploration of the changing role of governments in society and of interactive policy-making as a new management strategy. From the literature four conditions for effective interactive policy-making will be formulated. Thereafter the management models for interactive policy-making will be presented. We have developed this model for the Dutch Ministry of Transport, Public Works and Water Management. It is used to assist process managers who are confronted with complex policy issues (Verdaas et al., 1997). The term 'model' must not be interpreted too literally. It mainly concerns a structure of aspects, which at various phases of the policy development process deserve attention. The importance of these aspects can be inferred from experiences with interactive policy-making which have been gained in the Netherlands to date (see for e.g., Glasbergen, 1992, 1995; Driessen and Vermeulen, 1995).

2. The changing role of government

The government is losing its central governance role under the influence of a growing societal integration and organizational fragmentation. This insight is by no means new. At the end of the 1970s, the German political scientist Scharpf drew attention to this process. He described the relation between the government and its sphere of activity in terms of a complex network of public and private actors, connected by diverse relationships and dependencies. Policy takes shape in this network, often under the influence of divergent and opposing interests (Scharpf, 1978, p. 347). Thus, policy-making is not just a question of give and take; when push comes to shove, it is accompanied by conflicts and power plays.

This view of policy has been variously called the interorganizational approach, the social interaction approach, and the network approach. Each of these names reflects the concept's disciplinary background. The first comes from the field of organization studies (Wassenberg, 1980), the second from sociology (Simonis and van Houten, 1985), and the third from policy studies (Glasbergen, 1989; Hufen and Ringeling, 1990). Yet all three are essentially concerned with the same phenomenon. They all take the same point of departure, namely a government that operates in a policy arena with other more or less equal partners. Or, in the words of Hanf (1978, p. 12), they all assume "... that policy making involves a large number and wide variety of public and private actors from the different levels and functional areas of government and society". Fixed rules and procedures do not set the course of the policy-making process. Rather, its direction is determined through consultation and negotiation rounds, which take place in organizational forms that are continuously being, renewed (Nelissen, 1992, p. 14). Numerous definitions of the problem and many possible solutions are brought to bear. Government intervention is seen as one of the factors in the process, but one that is internally diverse, as the authorities act in various capacities and represent different interests (Glasbergen, 1989; Gage and Mandell, 1990; Kickert et al., 1997a).

Many have already pointed out the need to formulate and implement policy in a network-oriented and interactive manner. The literature of the policy sciences abounds with theoretical alternatives (see, for instance, Süsskind and Cruikshank, 1987; Gray, 1989; Gage and Mandell, 1990; Schwartz and Thompson, 1990; Marin and Mayntz, 1991; Godfroij, 1995; Glasbergen, 1995; Kickert et al., 1997a). But in practice too, the authorities have been experimenting more and more with this form of governance. They typically try a new angle when traditional means of governance have repeatedly failed. Traditionally, government has been centrist (a single actor) and hierarchical (command and control) (Driessen and Vermeulen, 1995, pp. 158/159). In the Netherlands, this applies to the construction of public works in particular. Other parties have only been asked to take part in complex projects once the plans had already been drawn up. They were not expected to take part in the preparation, decision-making, or even in the implementation of the plans. Their exclusion prompted administrative and social opposition to these works. In order to complete a project, however, collaboration by diverse parties was imperative. When they were left out, certain projects ran into serious delays, which raised a public outcry, or could not be carried out at all.

3. Interactive policy-making as new governance strategy

Interactive policy-making is a process whereby government bodies collaborate with other authorities and/or private organizations to develop policy. The purpose is to facilitate the implementation of that policy and to make it more effective. Cooperation is based on the assumption that when third parties play an active role in developing policy, they will be more likely to accept the outcome. Furthermore, cooperation is based on the premise that the joint introduction of policy instruments can lay a better foundation for the implementation of the measures. Interactive policy-making offers a chance to develop policy through dialogue. On the other hand, it calls for partnership and co-management. The latter implies that a certain 'pride of ownership' will have to coalesce around the plan or project; that sense of common property would be conducive to the implementation of the plan (Mitchell, 1997, p. 156).

Of course, cooperation among the parties will rarely occur spontaneously. The aims and interests are too different and often contradictory. The possible outcomes are uncertain. And there is a potential for conflict over the distribution of costs and benefits (which are tied to both the problems and their solutions) (Klijn and Koppenjan, 1997, p. 149). At any rate, government bodies are in the best position to take the initiative for cooperation. For one thing, they already play a special role as defender of the common good. In that capacity, they have to ensure a balanced representation and due consideration of the partial interests that are involved. And the government bodies will have to ensure that the decision-making process is conducted in a democratic manner (Kickert et al., 1977b, p. 180).

Interactive policy-making has to meet certain conditions if it is to contribute effectively to the resolution of complex social issues. From the literature four conditions can be deduced.

First of all, interactive policy-making is only meaningful in determining how to tackle social issues if the process takes major dependency relations between public and private actors into account. An actor is dependent upon other actors if he or she cannot reach his/her goals – either in part or at all – without the help of others. The number of dependency relations and the nature of the dependency are related to the aims that an initiating actor pursues. The more ambitious and wide-ranging the aims, the more dependencies will be recognized the more diverse they will be. In light of these dependency relations, the principal can selectively activate the actors. In other words, the initiator can allow only those actors to participate who are absolutely indispensable in making strategic decisions and implementing the policy (Scharpf, 1978, pp. 364–365; Marin and Mayntz, 1991, pp. 17–18).

Let us turn to the second condition for successful interactive policy-making. The participating public and private parties must be willing to

negotiate with each other. This has two implications. First of all, the parties must be given enough scope to defend their own interests. At the same time, they are also willing to let go of their traditional standpoints and enter into dialogue with others in order to seek alternative ways to serve those interests (Driessen, 1998). Secondly, negotiation means that the process of developing a plan may not be dominated by the standpoints of the government body that took the initiative. There must be a real chance of leaving the bargaining table with a result that is beneficial to all parties. It must be possible to perceive the outcome of the negotiations as a package deal in which each of the parties involved can recognize their own interests. Therefore, this package deal should also include chances for parties whose position might be threatened. Because participation in interactive decision-making will be voluntary, the added value for all parties will always have to be clear. The prospect of coming out ahead will provide an ongoing impetus for cooperation.

In the best-case scenario, the negotiations will ultimately have to lead to consensus. However, this does not necessarily mean that the parties have to agree with each other in every respect. It is even very likely – in view of the diversity and incongruency of the interests involved – that contradictory views will persist on crucial points. Consensus means that the parties are willing to work together because their own interests are well served by doing so (Driessen and Vermeulen, 1995, p. 156). In short, consensus is not the same as harmony.

It is important to consider the extent to which the parties can take part in these negotiations on an equal footing. Interactive policy-making requires the parties to follow certain rules. They must be willing to enter a negotiating arena in which open dialogues, mutual respect for each other's interests, and a creative approach to problem-solving prevail. That is, where the equality of the parties reaches its limits; they will have different resources by which to influence the process of developing policy. And these resources can have different impacts on the implementation of that policy. That is, it is not necessarily true that the weaker interests will always be overruled in the process. Certainly in the case of complex policy processes, the distribution of power will be extremely diffuse. The chance of forming effective coalitions and exerting influence will vary accordingly. In any event, each party has at least one important instrument of power. Any participant can threaten to terminate their collaboration and to obstruct the process by another route, be it by taking legal proceedings or seeking publicity for their standpoint. The challenge to interactive policy-making is precisely not to allow too much leeway for this 'best alternative to a negotiated agreement' (BATNA; Fisher and Ury, 1981, p. 106).

The third condition is that interactive policy-making should not be conducted according to a standard procedure. Instead, it can be given the form best suited to the problems and the positions of the actors involved. These different forms mean that choices have to be made each time with regard to the background of the actors, the procedures to be followed, the means of communicating with each other, and the financing of the policy process. Nevertheless, the process of interactive policy-making should proceed with caution. Due attention should be given to weighing interests and cultivating consensus, explaining the decisions, making the steps transparent, and clarifying the roles of the participants in the process. The methods falling under the heading of alternative dispute resolution may be helpful in moving through the process (Bacow and Wheeler, 1984; Bingham, 1986; Süsskind and Cruikshank, 1987; Carpenter and Kennedy, 1988).

The core task of managing interactive policy-making could be described as arranging and streamlining the communication process between the parties involved. The process manager should take as independent a stance as possible in performing this task. He/she should concentrate on safeguarding the quality of the policy process and on reaching compromises between different interests. In doing so, the manager may act as both facilitator and mediator (Süsskind and Cruikshank, 1987; Pruitt and Carnevale, 1993). In the event that the process manager comes from the government body that took the initiative (the principal), the manager's independent role may be disputed.

As mentioned earlier, the principal also has a stake in a particular outcome of the process.

The fourth condition is that different means of implementation should be taken in interactive policy processes. Instead of a programmed implementation strategy, a more adaptive one should be taken (Holling, 1978, pp. 19–20; Mitchell, 1997, p. 140). It is not so much that the agreed plan sets the guidelines for action. Rather, action is geared to the viewpoints and preferences of the parties and should reflect how these values are perceived at a given time. Such viewpoints and preferences may diverge from policy that had previously been forged. Thus, the process of building consensus does not end when the policy is formalized. Indeed, consensus will have to be continuously verified in the course of the implementation process or even have to be built anew on the grounds of new developments and insights.

4. Process management

It is important to understand how an interactive method of policy-making can be designed. It was mentioned above that a large degree of uncertainty arises during the process; even the policy aims are subject to change. Only in the course of the negotiations it becomes clear which of the available policy instruments will be applied. Interactive policy processes are extremely vague. While the direction of the outcome is more or less known, it will only be possible to say where it will end up after many rounds of consultation and negotiation.

A special form of process management is required to work with so much uncertainty. In this case, we speak of a process, because we are mainly concerned about the course or the development path of the interactions between the actors. A process such as this does not take place spontaneously. It requires governance, coordination, monitoring, and accountability (Driessen and Vermeulen, 1995, p. 160; Verdaas et al., 1997, pp. 9–10). Governance means that initiatives have to be developed to bring the stakeholders together and get them to communicate with each other. It also entails getting the parties to develop creative ideas about where to look for solutions. Coordination means that the different activities have to be geared to each other, allowing the parties to act in concert. Monitoring refers to the importance of being thorough with regard to content and legal, financial, and administrative issues. Finally, accountability calls for reportage on all activities that take place in the course of the policy process. The purpose is to ensure that the decision-making process is both transparent and clearly documented.

These functions or roles are indicative of the type of behavior required. They allow process managers to identify with the role they play and offer recognizable points of departure on which to take action. The more complex the project, the more important these roles. Thus, the task of reportage will get more emphasis in a complex and long-lasting project than in a straightforward one. This is not only because there is more to report on. Reportage is also a way to keep an eye on the progress of the entire process, to see whether the agreements have been met, etc.

In Section 3 it was noted that there is no predetermined procedure for interactive policy-making. Nevertheless, it would appear from the practice concerning interactive policy-making in the Netherlands that certain steps in this direction are in fact being taken (Driessen and Vermeulen, 1995). In the following, these steps will be indicated as phases in the interactive policy-making process. These phases are not linearly connected. The relation between the phases is better described as cyclical and iterative. During the policy process feedback may be obtained from earlier phases and the policy process can also be embarked upon on several occasions. Whenever one phase ends and another begins will not always be readily identifiable in practice. But these phases must be interpreted as being crucial elements in the interactive policy-making process. The concrete completion of these phases will vary from case to case, and this is the reason why we do not here pretend to be able to present any standard procedure.

Phase 1: Exploration. In this preliminary phase, the project should be characterized in terms of complexity and dependency. Its profile should be sketched with the help of a situation analysis. On

that basis, an initial estimate can be made of the chances and risks of the project.

Phase 2: Initiative. This is the phase in which the project formally gets started. The participants tell one another what they expect to gain and what they can offer. At this point, support has to be generated for the method that is going to be used.

Phase 3: Common perception. This is the point when it must be determined whether or not consensus can be reached among the parties. The participants are expected to agree on the definition of the problems and the objectives of the project.

Phase 4: Joint problem-solving. At this point, it is important to determine how willing each of the participants would be to take action. This inventory would also cover their willingness in not taking any action. This is particularly important with regard to the possibility of starting court proceedings to appeal a judgement, for example.

Phase 5: Decision-making. In this phase, the decision is formalized. The degree of support for the decision among a wider population is ascertained.

Phase 6: Implementation and evaluation. In this phase, the agreements are turned into actions. Also, some kind of progress monitoring has to take place. On the grounds of the findings, an adaptive implementation strategy can be designed.

5. Exploration of the project

One of the most important steps, and one that must be taken at the outset, is to make an inventory of the main characteristics of the project. This inventory should be considered as part of a process of increasing awareness. A better understanding of the project makes it easier to formulate the reasons for a particular approach. Specifically, the degree of complexity and the preconditions that apply to a particular project can be formulated at this point. That overview provides insight into the degree to which openness is desirable and feasible. In determining the relative complexity, we can take two hypothetical situations from the opposite ends of the spectrum. At one end, we find the simple projects. These projects have several characteristics in common. As there are hardly any contradictory interests, virtually all of the participants will be comfortable with the stated objective. Furthermore, the mutual dependencies are limited, the preconditions are clearly described, the objective to be achieved by the project is straightforward, and there are hardly any political sensitive issues involved. At the other end of the spectrum, we find the complex projects. There are multiple actors involved in these projects and those actors have conflicting interests. The aim of the project is ambiguous, there are many different dependency relations, the preconditions are either diffuse or non-existent, and there is a high degree of political sensitivity. As a rule of thumb, we can say that the fewer preconditions there are, the more openness there can be, whereas the more complex a project is, the more openness there must be (Verdaas et al., 1997, p. 17).

There are five factors that determine the complexity of a project. They are interrelated and operated in conjunction with each other.

- The substantive and technical objectives of the envisioned project: building a new airport is more complex than widening an expressway.
- The network of stakeholders: as more parties become involved, more conflicting interests and dependency relations will show up.
- The governmental and societal context: situations and experiences (particularly negative ones) from the past can exert a strong influence on a project. The project's historical baggage can also stir up social opposition and heighten political sensitivity to the issues.
- The timeframe that the project covers: the longer a project takes, the harder it becomes to keep track of all the aspects that can play a role in the policy process. Thus, the level of uncertainty increases.
- The financial scope of the project: decision-making is more complicated when a project has a large financial scope. That is, because financing is generally harder to arrange. For that reason, the principal has to bear greater financial risk.

Preconditions can give direction to a project. But they can also pose limits on the degree of openness. For instance, a proposed procedure with fixed deadlines can provide structure in the decision-making process. But it can also put so much

pressure on the project that little room will be left for interaction between the parties.

The preconditions may relate either to the content or to organizational aspects of the project. Substantive preconditions exert an influence on the question of which issues are open to negotiation and which are not. If the utility and the necessity of a project have already been determined – as, for instance, in the case of building a waste incinerator – only certain issues can still be brought to the bargaining table. These include the location, the technology, and measures to prevent environmental nuisance. If neither the utility nor the necessity have been established, there is obviously greater scope for negotiation. The bargaining process may then also cover whether or not incineration is really the right way to deal with the waste problem. But even then, certain organizational and process-related restrictions may play a role. For instance, in view of the amount of time available, the financial means, and the formal procedures, it may be necessary to set limits on the interactive character of the policy process.

Table 1 is an aid to thinking about the complexity and the preconditions of the project. The table helps parties who are directly involved in the project to gain insight into the diverse perceptions of its complexity and the room to maneuver. That insight emerges at an early stage when the parties are asked to fill in the table and motivate their answers. The parties can then be confronted with the various perceptions that have been registered.

6. The initiative

The phase in which a party takes the initiative for a project is the start of the actual interactive policy-making effort. In the preliminary phase, the principal was engaged in making an inventory. No other parties, either public or private, were involved at that point. The initiative phase, in contrast, does require interaction with those parties. The reason is that the relevant actors have to be brought together and the necessary support for the desired approach must be created in this phase. As mentioned above in Section 3, the principal can operate selectively in activating the parties.

One of the most important aspects of this phase is that it clarifies the issues. The role of the principal becomes clear, and so do the interests that other parties represent. This greater transparency can lead to insight in the degree of incongruity among those interests. But at the same time, it may become clear which points of departure may be found for interweaving these interests. All parties should realize that they have a common interest and that they can give form to it by participating in a given project. Their common interest is usually expressed in very general terms as the statement of the project aim and serves as the project's banner, so as to speak. The parties will also have to declare their commitment to play a constructive part in the policy-making process. The formulation of a joint statement of intent can be helpful in

Table 1
Profile of the project

Characteristics	Type of project	
	Simple	Complex
Technical and substantive complexity	Small	Large
Number of actors	Few	Many
Degree of conflicting interests	Low	High
Mutual dependency	Weak	Strong
Compromising prior history	Absent	Present
Societal opposition	Weak	Strong
Political sensitivity	Low	High
Timeframe	Short-term	Long-term
Financial scope	Small	Large
Risks of principal	Low	High
Preconditions: substantial and organizational or process-related	Clearly specified	Undefined

emphasizing the obligation of the parties to make an effort to achieve the agreed objectives.

Subsequently, the parties will have to be drawn together in a specific organizational structure. Which form of project organization is most suitable depends on several characteristics of the project. For instance, it depends on the project's complexity, the degree to which conflicting interests are involved, the distribution of resources and responsibilities among the parties, and so forth. The process manager has to recognize that the way the project organization is structured has an effect on the course that the policy process will take. By manipulating various parts of a project organization, the process manager can determine to some extent that will be able to bring in which interests at what point and by which means. Then, the process manager can orchestrate the convergence of these diverse interests. Let us consider four examples.

- A *steering committee*, which includes administrators or decision-makers, can set the preconditions for the project and/or monitor compliance with those conditions. Furthermore, the committee can take final responsibility for decision-making.
- A *project group*, which includes representatives of the diverse participating parties, can prepare decisions that will ultimately be ratified by a steering committee.
- Separate *working groups* can be formed for various problems and make a substantive contribution to the project on those themes.
- A *sounding board group*, which consists of outside experts and/or representatives of the private sector (that is, parties not included in the decision-making process, including civil organizations and the business community), can provide the setting for a trial run. The process manager can thereby test the level of support for solutions before they are finalized.

If the form of the project organization were to be determined solely by the process manager, that individual would be able to direct the entire process. Of course, this is not the intention. All the other parties have to feel comfortable in the organization. It should be obvious that the organization and the positions of the participants within it will provide points of departure for governance. In addition, the process manager will have to check to see if the various representatives have a mandate from their constituency to do business in the project organization.

Moreover, it goes without saying that the rules of the game have to be spelled out beforehand for those who will take part in the project organization. This means that the tasks and authority of each of the project bodies – steering committee, project group, sounding board group, and/or working group – must be agreed upon and that the steps of the procedure will be determined in consultation among the parties. It may be useful to record the general aim of the project and the rules of the game in a document, which is prepared jointly by all parties concerned.

The last point to consider in the initiative phase is risk analysis. When a project is complex, it is very important to assess the risks as early as possible. It should be ascertained which risks might occur in the process of policy-making and what response would be appropriate. A distinction can be made between internal and external risk. An internal risk may denote technical problems, resistance by the actors involved, inadequate funding, or the lack of a mandate for the negotiators. An external risk arises when other parties make decisions outside the scope of the project, decisions that are crucial to the success of the project in question. In a densely populated country like the Netherlands, it is not unusual for several infrastructure projects to be in preparation or in progress in the same general area. Decision-making on the one project can have an impact on the other. Clashes can be avoided by identifying these risks at an early stage.

The outcome of a risk analysis should take the form of a list of factors, actions, or developments that are expected to have a negative impact (Sasse, 1990). That effect should be circumscribed in as much detail as possible. Then, it should be assigned a priority in line with the nature and extent of the threat it poses to the project. Furthermore, an inventory should be made of what could cause those problems and it should be determined how likely those causal situations are. Meanwhile, the options and obstacles to proactive measures

should be charted and it should be checked to see if temporary solutions are possible. Certainly in the case of policy processes that are complex and of long duration, a risk analysis should be conducted more than once.

Table 2 summarizes the points to be considered in the initiative phase. The table also shows which role the process manager has to play with regard to these points.

7. Forming a common perspective

When it is clear that who will be involved in policy-making and how that process will proceed, the time has come to actively seek a solution that can count on broad support. The aim of this phase is to move from isolated perceptions of the problem to the formation of a common perspective. In this phase, it is important to look back at aspects that have already been considered (see Sections 5 and 6). At the same time, it is important to look forward and consider issues that lie ahead. Have any new risks appeared? Are there any parties who should be drawn into the process at this point? Is the project still on schedule? The time is ripe to ask questions like these.

The actions to be taken in this phase are mainly in the cognitive sphere. There is an exchange of information, ideas, and preferences. Through discussion, the way the various parties perceive the problem can be influenced. The conflicts of interest will come to the surface for the first time. Meanwhile, an effort must be made to convince the diverse parties to let go of their traditional standpoints. They have to be shown that their interests can be served by some other means as well. This calls for creativity. Not only the process manager but also all the participants in the project must be willing to look for alternatives.

First, agreement is needed on the definition of the problem that the project was designed to resolve. For instance, it makes a big difference how a sand-dredging project is defined. It may be defined as an environmental problem: How much does this activity threaten the natural and landscape values?

Table 2
Points to consider in the initiative phase

Point to consider	Relevant questions	Role of the process manager
Role of the principal	• What is the role of the principal? • Is the position of the principal clear to all parties?	Coordination
Actors and their interests	• Are there organized interests in play? • Who should be involved in the project? Is it necessary to make a selection among the parties (and on what grounds)? • Which mutual dependencies exist? Can these be turned into win–win situations?	Coordination
Project organization	• Which project organization is effective? • Should representatives of administrative, civil service, and/or societal circles be drawn into the consultations? • How professional are the actors? • Do the representatives have an adequate mandate from their own organization?	Governance/coordination
Formulation of project aims	• Is it necessary and/or feasible?	Governance/coordination/reportage
Approval of agreements	• Commitment to the need for cooperation • Rules of the game • Is moral support enough? Is a formal commitment possible?	Governance/coordination/reportage
Risk analysis	• Which risks are present in a substantive, procedural, financial, and political sense? • When might these risks emerge?	Coordination

It may be perceived as a location problem: Where is the best place to dredge sand? Or it may be a development problem: What we do with the area once the project is finished? In general, multiple definitions may be used in tandem, though of course the parties involved would have to agree among each other on using diverse definitions. These definitions tend to represent the various aspects and partial interests that are connected with the problem. In that respect, one way to keep the parties at the bargaining table is to widen the scope of the problem. When the problem is broader, each one of the parties will feel that his or her own problem will get due attention in the project. Yet broadening the problem also increases its complexity.

Classic policy processes attach great value to scientific research in this phase. While interactive policy-making does not underestimate the importance of research, it supplements research by drawing on the expertise of the parties involved. The mutual exchange of information is therefore very important. A common way to reach consensus in this phase is to ask those parties whose opinions are farthest apart to write a joint memorandum on the problem. The assumption is that intensive communication in a limited group might be more conducive to consensus than extensive discussions involving the whole project organization. A more radical method is to reverse the roles. Consider, for example, a project to expand a harbor. The environmentalists could be asked to analyze the economic issues at stake in that port facility. At the same time, the business community could be asked to assess the environmental impact of port expansion. In this manner, the parties that are traditionally cast as adversaries could identify with the opposing interest. This empathy could pave the way for consensus building.

However, there are other ways to reach agreement on the definition of the problem. The literature on project management offers several techniques. These include analysis of interconnected decision areas (AIDA) (Friend and Hickling, 1987), brainstorming, consensus mapping (Hart et al., 1985), delphi (Rauch, 1979), and stakeholders analysis (Mitroff, 1983). It should be clear that facilitators and mediators can play an important role in this phase too (Süsskind and Cruikshank, 1987).

As soon as agreement is reached on the definitions of the problem, the task shifts in reaching consensus on how to operationalize the project objectives. The aims of the project may make it necessary to broaden the perspective on the problem (Table 3).

8. Joint problem-solving

It is self-evident that all parties in these phases wants to make sure that there is sufficient support for the decision within their own organization. One of the pitfalls of interactive policy-making is that representatives of the parties involved may reach consensus among each other but neglect to rally support within their own constituency. In this way, it could happen that during the formal decision-making period and even during the implementation of that decision, opposition to the agreed policy could still arise.

In this phase, it is determined how willing the participants would be to take action. Are the parties willing to let the collective decision prevail over their own plans? And are they willing to make the necessary resources available in order to achieve the objectives of the project? These questions apply to governments as well as to private stakeholders.

In order to mobilize a readiness among the parties to take action, they have to know what consequences the decision will have. In any event, they have to know what they stand to win and what they could lose. Furthermore, the parties must know what is expected of them: they must have insight into the ensuing procedures and their accountability. This means stipulating the tasks and responsibilities for which each of the individual parties will be held accountable in the course of the implementation.

It is also important to estimate how much room to maneuver will remain once the decision has been made. In particular, the risks that accompany some amount of leeway should be assessed. For instance, a decision that is formulated in very

Table 3
Points to consider in the phase of forming a common perspective

Points to consider	Relevant questions	Role of the process manager
Looking back, looking ahead	• How much time has been spent or is still available? • Are the available funds sufficient? • Are other administrative and/or political risks likely to emerge? • Are there relations with other projects or procedures? Are links possible?	Monitoring/coordination
Attuning experiences	• What are the main bottlenecks according to the parties involved? • What are the short-term and long-term interests? • Should the definition of the problem be broadened in order to increase the chance of reaching consensus?	Coordination
Defining project aims	• Is there agreement on the project aims? • Is there insight into alternative means to achieve the project aims?	Governance/ coordination
Building consensus	• Which methods of building consensus can be used in the context of the problem at hand? • Is an outside mediator necessary? If so, what role can a mediator play?	Governance/ coordination

general terms might enjoy the support of all parties, since everyone has a chance to introduce their own accents at a later date. However, this may be have a negative effect on the project, if it proves that the decision can be interpreted in various – even contradictory – ways.

Finally, in the framework of risk analysis, it is important during this phase to make an inventory of the obstacles that other parties can still create. These may be political and administrative stumbling blocks (for e.g., problems created by political parties in democratically elected bodies) or social obstructions (for instance, legal proceedings started by interest groups (Table 4)).

9. Decision-making, implementation, and evaluation

Finally, the policy will have to be formally adopted. But before it gets that far, it is possible to test the degree of social and administrative support for the policy. This can be done by presenting the documentation to the public for review and comment. In the decision-making phase, the inward-looking perspective of the project organization thus turns into an outward-looking orientation. That does not necessarily mean that while the policy is being formulated, the project organization – whatever its composition – is expected to operate in a closed manner. The essence of interactive policy-making is actually openness. An open stance is expected of all those involved. This includes those who are directly involved in generating that policy, but it also includes the public at large and the civil organizations operating in the sidelines. The broad basis for engagement calls for frequent information campaigns, perhaps in the form of organizing public gatherings or distributing brochures. This is a way to keep citizens and the civil organizations that are not involved in the policy-making from feeling surprised by the decisions.

In the phase of decision-making, it is very important to demonstrate to those not involved in the process that a concerted effort is being made to develop policy. This underscores the shared responsibility of all parties involved in the policy.

Interactive policy-making is no guarantee that the process will run smoothly. It is conceivable that certain parties will dispute the decision, even if they had been closely involved in the process of formulating it. Nonetheless, it may be assumed that the tendency to block further decision-making will be limited if the parties have insight into the way in which the best attainable solution was determined and if they know their own organization will benefit.

The agreed policy should then be specified and carried out. It is reasonable to assume that the parties will go back to the bargaining table in the

Table 4
Points to consider in the phase of joint problem-solving

Points to consider	Relevant questions	Role of the process manager
Insight into consequences of the decision	• What does the decision mean to the individual parties?	Reportage
Insight into further procedures	• Which legal procedures are necessary or conceivable? • How long do the procedures take?	Governance/coordination/monitoring
Responsibilities	• Who is responsible for what? Who has which tasks or authority?	Coordination/governance
Internal support	• Does the decision enjoy support from within? • What implications does this have for other projects?	Reportage/governance/coordination
Readiness to take action	• Which actions or decisions should be taken by third parties? Are they willing to comply?	Governance/coordination/monitoring
Room to maneuver	• To what extent can the decision be specified later? • What risk does this entail?	Monitoring
Obstacles elsewhere	• Can outside parties still block progress?	Monitoring

interim. Renewed negotiations also go along with an adaptive implementation strategy, as mentioned earlier. Consensus on the approved policy may indeed be important. But it is certainly not the most important element of an effective policy. The challenge is precisely to reach that consensus over and over again in the process of policy implementation. The continual reaffirmation of the policy ensures that the required measures will be carried out. New developments and insights may make it necessary to adapt the policy. Some parties may even want to change the policy objectives. In fact, there is a good chance that the objectives will change when the policy process is complex and of long duration. In the classic approach to policy processes, this is generally considered to be one of the factors that cause policy to fail. In the context of interactive policy-making, this is considered to be a form of contingency. As a result of changes in the nature and size of a societal problem – and in the perceptions and preferences of the parties involved with respect to that problem – the policy objectives and the means to deal with the problem may be reconsidered. This may lead the parties to change their stance on tackling the problem.

Evaluation and monitoring take on a new meaning in this context. The question of whether or not the activities that has been agreed upon will actually be carried out lies at the core of evaluation and monitoring. But this task also concerns whether or not these activities (and the policy objectives and strategies on which they are based) still reflect the desires and preferences of the parties most closely involved in the process (see also Section 11).

10. Points of departure for governance

Which points of departure does a process manager take to direct the process of interactive policy-making? In our opinion, governance can be focused on two main issues. First, it may be directed toward the composition of the network and the interactions between the parties. Secondly, it may concern coordinating the diverse experiences and interests in the network. These two points are elaborated below.

The first point of departure for governance in interactive policy processes is the composition of the network. The purpose is to make an expedient and balanced selection of participants. For instance, the parties who represent important resources will generally have to be involved in the policy process. In addition, an effort can be made to find actors who can serve as mediators between actors with divergent experiences. The process manager is thus supposed to assess which actors might be relevant at which point in the policy process.

Selective activation also means that some parties may be excluded. It is unreasonable to expect that everyone with an interest in the policy process deserve a place in the organization of that process. In many cases, that would lead to unworkable situations. But there are many options between inclusion and exclusion. For instance, the most important parties – that is, those with important positions and resources in the framework of decision-making and implementation – can be included in a steering committee or project group. Other parties could then be assigned an advisory task and included in a sounding board group (see Section 6).

By taking the objectives, interests, visions, and perceptions of the various actors as points of departure, the process manager can elucidate who seeks to accomplish what in the context of the policy process. But the process manager is not the only one who has to have a clear overview. The other actors also need to have insight into each other's interests and show some understanding for those interests. There is no point in negotiating about standpoints. For instance, it is useless to try to negotiate on the question of allowing or prohibiting night flights at an airport. In contrast, negotiations are possible on the (diverse) ways in which the interests can be served. Specifically, it is possible to negotiate on the ways in which, in this case, interests such as the environment, quality of life, and the economy can be served. It is therefore crucial to appreciate the backgrounds of the diverse interests and if necessary to look at the problem from a broader perspective.

Therefore, the interweaving of interests plays a major role in interactive policy-making. The process manager might be inclined to take this task upon him or herself and would thus come up with proposals. However, there is a danger that he or she could become a stakeholder in the process. Therefore, it is better to induce the parties involved to come up with a proposal themselves. In other words, they should restate their own interests in such a way that it becomes possible to reconcile this interest with the other ones and that each individual party will still feel that something has been achieved.

11. Assessment criteria for interactive policy-making

The last topic that we treat in this article concerns the criteria that can be used to assess the processes of interactive policy-making. Being able to assess the policy processes is important for two reasons. First, on the basis of such an assessment responsibility may be laid upon democratically chosen bodies for the results attained and the thereby linked government and financial efforts. Secondly, such an assessment also has a learning function: by means of a systematic evaluation those who pursue such a policy can gain an insight into the workings of that policy. Practical experiences are an important source of learning. Based on these experiences, adaptations of refinements can be introduced into the model of interactive policy-making, which is employed.

It should come as no surprise that the criteria for the assessment of interactive policy-making will be different than those that are applied in the classic approach to policy processes. The latter approach uses effectiveness and efficiency. Those two criteria are not entirely ignored in assessing interactive policy-making, but they are applied from a different perspective.

In our opinion, three perspectives are relevant to the evaluation of interactive policy-making. The first perspective is the course of the process; the second is democratic legitimacy; and the third is problem resolution (see also Driessen and Vermeulen, 1995, pp. 171–174; Teisman, 1992, pp. 96–105). Each of these is briefly elaborated below.

In analyzing and evaluating the course of the process, the main issue is whether or not – and if so, how – the key players have been mobilized and activated for the purpose of turning the vision into reality. Two items that should be investigated at the outset. The first is whether or not the most important parties have actually been drawn into the project. This can be determined by analyzing the dependency relations. The second is whether or not these parties have been given enough room in the project organization. They need sufficient scope to bring their viewpoints and preferences into the process. Subsequently, the bargaining

process is analyzed to determine the extent to which the interweaving of interests has proved possible. That is, it is ascertained how well the partial interests have been combined. The last point is especially important because this is the only respect in which interaction has an added value. In this sense, it is interesting to find out whether the principal has been able to link his or her aims to those of other parties, whose resources he or she needs (Teisman, 1992, p. 97). Afterwards, it may also become clear to what extent the outcome is a win–win situation. That is, we can find out if, in the end, the parties expect to get more out of the project than they put into it. It should be kept in mind that gains and losses may be judged differently by each party.

The second perspective centers on how democratic the decision-making process has been. Interactive policy-making tends to cast government in a new light. Traditionally, government was conducted in a hierarchical manner, which entailed a democratic system of checks and balances in accordance with rules set prior to the review. In the new perspective, the government operates by means of consultation and negotiations with other tiers of government and private parties. These actions are conducted according to different rules each time and are couched in continuously shifting organizational forms. This probably leads to broader support for the policy. But at the same time, the parties may feel muted. Private individuals, organizations, and even democratically elected bodies that have not been directly included in the negotiations may feel their voice is not longer important. The managers of interactive policy-making should therefore be on their guard. They should be careful not to present the outcome of negotiations as an accomplished fact. A convincing outcome in the form of consensus on how to tackle the problem (a win–win solution) and the implementation strategy will have to demonstrate its validity in a wider societal and political debate on the basis of its own merits (Driessen and Vermeulen, 1995, p. 173).

The third perspective concerns the implementation of the policy and the results. The extent to which the objective has been reached is ascertained. But the original objectives are not necessarily taken as the criteria for judging the success of the project. First, it is determined whether or not the definitions of the problem and the objectives of the project have shifted in the process of policy-making and during the policy implementation. Attention is also devoted to the original project objectives; they are reviewed to see if any aims had been added in the process. As noted earlier, complex policy processes are characterized by widening the scope of the problem and shifting the objective of the project. Indeed, it is quite acceptable to make such changes as long as the parties agree on the revisions. When determining the extent, to which the objective has been achieved, it is therefore imperative to take these changes into account.

Once that is done, another question has to be answered: Are the parties satisfied with the results? In other words, it must be determined if all parties feel that the problems they brought into the process have been addressed and resolved in a satisfactory way (Teisman, 1992).

12. Conclusions

Interactive policy-making in the Netherlands is already frequently employed. This occurs not only in the case of large-scale projects of national importance, such as the decision-making concerning the location of a second national airport or the extension of the Rotterdam harbor area, but also in the case of smaller, regional projects. Examples thereof are indicating locations for dumping polluted port sludge, tackling traffic congestion at certain crossroads and the reconstruction of dykes along the major rivers. It is still too early to be able to pronounce a definitive opinion, based on these experiences, on the value of interactive policy-making. The experiences in question are very recent in nature and many of these projects still have to be completed.

Nevertheless, from these experiences to date, a provisional conclusion may be made. It can be established that with the utilization of this model of policy-making, there will not be any breakthrough as far as contrasting interests between the parties are concerned. The discrepancies will

remain in place, although the parties in question will be better equipped to find a way around such problems. By means of learning processes common points of departure for problem formulations and problem solving may be found. By means of negotiations an attempt is made as far as possible to attune the dealings of the parties to one another so that not only the infrastructure problem can be tackled, but also the interests of the various parties can be confronted. In fact, one tries to benefit from conflicts between the parties as well. They form a source of renovation and change and lead to a greater awareness of the parties' own identity and have a stimulating effect on commitment and creativity.

Interactive policy-making is no cure-all. It cannot resolve all the problems that are associated with the traditional approach to government, which is characterized by centrist and hierarchical intervention. Especially in situations whereby the government has only limited options for independent action, interactive policy-making can provide a good alternative. Such situations are typical of complex policy issues with many and diverse dependency relations. In such cases, the interorganizational relations between public bodies and private actors are attuned to the characteristics of the issue on hand. This should be seen as a necessary condition for successful policy. The hallmarks of interactive policy-making are its links to societal problems, its recourse to consultation and negotiation among various parties, and its orientation toward the process rather than toward results. This approach does entail some risks, however, as we have demonstrated here. A carefully considered approach, like the one described in this article, can keep the level of risk to a minimum.

The Netherlands has a strong history of consensus-based decision-making. It therefore comes as no surprise that in the Netherlands interactive policy-making is extremely popular. In some European countries we can see something similar in, for example, environmental policy, although far less elaborated and institutionalized than is the case in the Netherlands (see for example Glasbergen, 1998). The dominant political culture in a given country can thereby have a stimulating of, on the contrary, restraining effect on the use of this model of management.

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