Shaping the Crisis Perception of Decision Makers and Its Application to Singapore's Voluntary Contributions to Post-Tsunami Reconstruction Efforts

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Abstract

Decision making is one of the most important stages in the process of policymaking, especially when decision makers face crises. Departing from the policy process framework, this paper focuses on the stage of public policy decision making in terms of perception formulation of decision makers in face of crisis. In this paper, the process and content of perception in decision making have been studied, and contested, along with the principles of new public management. The factors that contribute to perception shaping are decomposed, categorized into mechanisms of driving forces and restraining forces, and embraced by policy subsystem context, along with the decision flow towards an outcome of strategic decision. Building on the conceptual framework, an empirical case study of Singapore Red Cross in 2004 post-tsunami reconstruction of Aceh Indonesia is presented to compare and contrast the conceptual framework as an example of perception formulation in crisis decision-making.

Keywords: Decision making, disaster management, tsunami, crisis, Singapore Red Cross

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Introduction

Decision making is one of the most important stages in the process of public policy making, especially when decision makers face crises. There is a rich theoretical literature and dense theory buildings on decision making in politics as usual, but little is empirically understood how perception of crisis decision-making is shaped.

Departing from the policy process framework, this paper focuses on how perception of decision makers is shaped in policy making and elaborates how their perception affects policy making. By analyzing how decision makers perceive of their circumstances, we are able to analyze the reasons behind the adoption and pursuit of major changes in public policy, thus we can better explain the dynamics and mechanics of the time when decisions are made.

To develop this argument, I proceed with two sections as follows. The *first* substantive section provides a conceptual framework and insights of perception formation at the stage of decision making in face of crisis. The *second* section then raises an empirical case study about the practical implications of these insights and more specifically about issues of perception formulation. An empirical case study of Singapore voluntary organization – Singapore Red Cross, together with Singapore government, in 2004 post-tsunami reconstruction of Aceh Indonesia, is presented to compare and contrast the conceptual framework as an example of perception formulation in crisis decision-making.

How perception of decision makers is situated in the decision flow

Following the policy stage heuristic, formulated policies, among others, come to a critical juncture – decision making. The time when decision makers receive the proposal of policy, as I define it, is the decision starter (DS) and the time when decision of preferred policy is made is the decision endpoint (DE). Decision flow is situated between DS and DE.

The perception of crisis varies from whether its *source and motivation* are within or outside existing policy processes. For decision makers, source and motivation of perception can be formed either internally or externally in the decision flow. The internal factors that shape the perception include their preferences and understanding of the issues they face whereas the external factors involve societal and bureaucratic interests, the historical and international circumstances within which the crisis has emerged.

Grindle and Thomas (1991) in their seminal fieldwork book have exemplified explicitly these two factors in their case studies. They indicated that the external circumstances in which decision makers are situated form their perception. This crisis-driven perception makes a big difference in how critical decisions are made. On the other hand, the decision makers, or so-called policy elites, may have personal orientation to the crisis that is shaped by their ideology, training background, political commitment, rhetoric issues, or prior experience. These two plausible factors can be extensively used to illustrate "what" questions in the decision flow, but they are not capable of contributing to causal explanation of how perception is shaped from DS to DE in the decision flow. That it, the "how" questions have not been answered.

At the moment of "crisis" or "non-crisis" where the intervention of crisis accrues, and the perception is formed, an opportunity subsequently arises to potentially bring about significant changes in public policy. In Kingdon's words, a stream convergence of policy, problem and politics is made possible for policy entrepreneurs to leverage this policy window (Kingdon, 1997).

Given the context through different decision criteria, i.e. technical advice, bureaucratic implications, political stability and support, and international pressure, how decision makers perceive of the upfront chance as 'crisis' or 'non-crisis' greatly attributes to choices of policymaking and institutional reform in the decision flow. Therefore perception of 'crises' in the decision flow, once clearly defined and situated, can yield a drastic course of action. In a sense, the moment of 'perceived' crisis is 'instrumental' to decision making (Grindle & Thomas, 1991). We now need to get a closer look to decompose how perception of crisis is shaped by introducing a conceptual framework.

A Conceptual Framework of Crisis Perception in Decision-making

Among the rich literature review on typologies and theories of decision making models (Wildavsky, 1962; Braybrooke & Lindblom, 1963; Forester, 1984; Rochefort & Cobb, 1993; March, 1994; Howlett & Ramesh 2009), crisis perception can be shaped by multiple factors and variables. Policy scholars recognize that crisis decision-making is shaped by highly contingent and complex processes, but that they also require an appropriate research methodology to move beyond statements of their uncertainty and complexity (Holzner & Marx, 1979). Therefore it calls for a framework for us to better understand perception in the crisis decision-making.

Figure 1
Framework of perception in the crisis decision-making
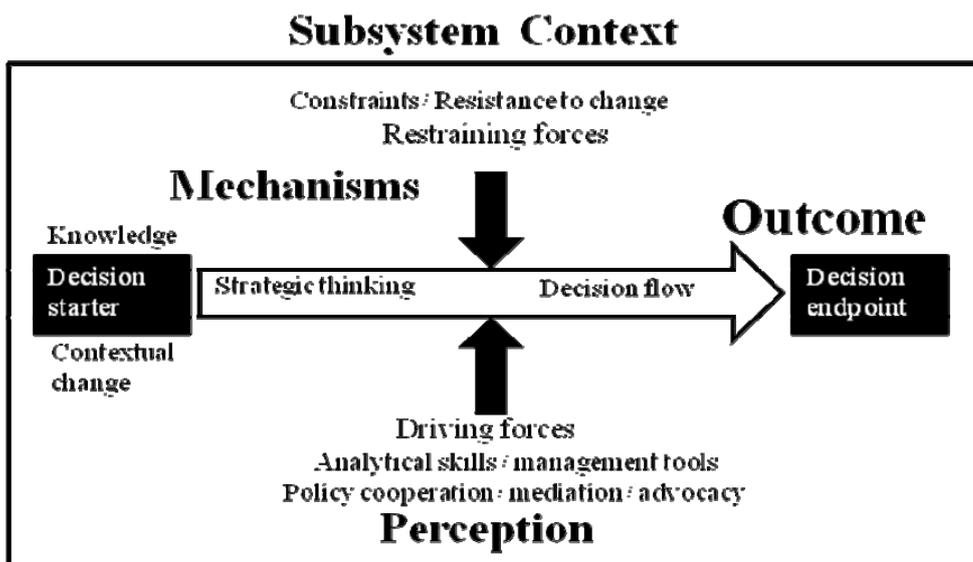
To elaborate how perception of crisis decision-making is formed in the conceptual framework, I modify Lewin's *Force Field Analysis* framework and adopt Pawson's CMO model of realist causal explanation, decompose those factors, and thus categorize them into mechanisms of driving forces and restraining forces, embraced by policy subsystem context, along with the decision flow towards an outcome of strategic decision (Figure 1) (Lewin, 1943; Pawson, 2006). The conceptual framework paints the process of decision making which originates within the formal policy process and is illustrative of competing forces in the decision flow. The framework assumes that decision makers are situated in the key position with legitimate power to make critical judgment. It also assumes that a quality decision making is the goal and final outcome that every decision maker is supposed to pursue.

Aligning Strategic Thinking in the Decision Flow

To make a quality decision making, the decision flow needs to be in line with strategic thinking. The rationale of strategic thinking hinges on the fact that decision makers cannot accurately predict the consequences of preferred policies without being aware of how they are implemented, nor can they ignore the political feasibility of adoption of policy alternatives as one of multiple policy goals. The strategic thinking underpinning the perception of decision makers should be seen as the domain or range of issues amidst agenda setting over which governments can exercise authority as a variable.

At the beginning of perception formation at the DS point, comes the most two important determinants that, across the decision literature, form the motif of the strategic thinking along the decision flow. The first one is the knowledge of decision makers towards the crisis (Woll, 2007). The more relevant and timely knowledge the decision makers are equipped with, the more likelihood they have to formulate strategic choices towards changed circumstances in the decision flow. The more information they have, the more accurate indicators they can establish for future manipulation. This is a strategic move for decision makers because once they build the assessment into its decision making, assessment being the manipulative variable, forming the high possibility of measurability, they can know how much they have or have not achieved at the end.

The other is the change of institutional context following the crisis compared to earlier decisions (Forester, 1984). The change in context forces the decision makers to address the reactive changes, or make the planned changes. The contextual change also gives decision makers a legitimized authority to increase the scope of responsibility and the span of control in the decision flow (Lai et al., 2009). Those who favor the adoption of particular contextual change often strive to establish a sense of urgency in order to enhance the possibility that significant action will be taken. Both determinants imperatively illustrate how decision makers are capable to perceive of, and well situated during, the critical event.

The Driving Forces in the Decision Flow

In the conceptual framework, the driving forces are to facilitate and support decision makers to shape perception of crisis decision-making. They may, as more and more driving forces join in the decision flow, turn perceived threats into opportunities. Three driving forces are stated as follows. The first two focus on the consultative and participative gesture that decision makers

can impose on forming their perception against crisis. The last, but not least, emphasizes the capacity of a decision maker to translate his knowledge and to cope with contextual change.

*Shaping Perception with Policy Cooperation***:** Policy adoption and execution of collective decisions are invariably related to policy cooperation (Weimer & Vining, 2004). Prior to the decision stage, during the policy adoption phase, competing values and interests of various actors come into play. This is even more apparent when crisis strikes. Once an emergent event takes place, the equilibrium of 'who gets what and when' is changed. The rules of the game are different from those in the politics as usual. In light of interest reallocation, decision makers are more aware of changes in their constituencies, and are more astute in adapting to new equilibrium of political game.

While it is impossible to meet every stakeholder's needs, decision makers keep the mentality to firstly involve those potential affected parties to have their participation in the decision-making process or co-optation in the decision committee. To strategically mobilize and leverage the values to make a quality decision, perception of the decision maker needs to be shaped with policy cooperation by moving the adopted policy from a generic content to a peculiar impact of decision makers' desire. Ultimately, then, policy cooperation links strategic thinking and policy makers in the participatory process of decision making and policy implementation.

Shaping Perception with Policy Mediation: A good decision maker plays a role of policy mediator by bringing together diverse representatives to listen to one another's concerns against the crisis, to learn about changing situational contingencies, and to negotiate consensus agreements on courses of action that they can then implement (Susskind, McKearnan, & Thomas-Larmer, 1999). A quality decision, through policy mediator's efforts, is built upon relational ties with the commitments of stakeholders, and secured in shared perspectives on contentious issues. This is also what Forester advocates as '*mediated consensus building*' to address the importance of development and implementation of public policy (Forester, 1984).

In the process of policy mediation, perception of crisis decision-making can be shaped to engage, and support the participation of diverse individual stakeholder. This helps to move through and develop a process that proceeds in a series of stages in which comprise of conflict assessment and, through convening stakeholders, constituting a deliberative process, fact-finding and learning, and negotiating agreements that commits them to future action. It is true that the more participatory and more collaborative approaches to public policy making are, the more government can enhance its legitimacy and the more long-term costs of collective action can be reduced (Moran, Rein, & Goodin, 2006).

Shaping Perception with Analytical Skills: Decision makers, similar as policy analysts, are greatly influenced by the nature of their relationships with, and the roles played by, their constituencies in the political process (Weimer & Vining, 2004). In most advanced bureaucratic politics, moreover, the decision almost is made with assistance of policy analysts and technocrats. Therefore, shaping perception of a quality decision making against crisis needs to be facilitated by analytical skills, such as information processing, putting perceived social problems in context, better prediction and confidently evaluate consequences of alternatives, political/organizational behavior, and understanding of ethical framework. In other words, a strategic decision maker plays a role of policy analysts, an effective producer and consumer of policy analysis. Though

difficult and controversial in conducting research, cost-benefit analysis (CBA) can serve as a management tool, where applicable, to help guide, the decision-making process (Fischer, Miller, & Sidney, 2007).

The Restraining Forces in the Decision Flow

The restraining forces are pushing factors that jeopardize the chances of making a quality decision in the crisis. These negative forces shape perception of decision makers towards non-decision.

Shaping Perception as a Resultant of Constraints: Decision makers in the decision flow invariably face the problem of scarcity of resources. They need to compete with others, if not through cooperation or mediation, to maximize their benefits and common interest among their constituencies before the deadline of their political commitment, or the end of their legal terms. As a result of constraints with regards to material, financial, manpower, or time, the perception of decision makers is shaped as such. Howlett and Ramesh (2009) use two variables to demonstrate decision making styles. The first variable is the cohesion of the policy subsystem within which decision-makers can enjoy legitimacy. The second is the severity of the constraints that decision-makers face in making their choices. These two variables inform decision makers of certain circumstances surrounding a particular issue and how their perception shapes and embraces the opportunities for reform. However, as the perception of a problem long persists, an act of termination may occur, and feedback directly into a re-conceptualization of problems and policy alternatives and a new round of policy-making (Howlett & Ramesh, 2009).

Shaping Perception to Meet Resistance to Change: There are many reasons and considerations that decision makers and the whole organization, when in face of crisis, are reluctant to implement the policy or take further action. As a result, non-decision or maintaining the status quo becomes the decision outcome. Those who involve the decision making may have fear of the unknown, misunderstanding of the policy, or just base on their own self-interest. In this case, even chances of conversation, bargaining, and mutual gains negotiation are present, it may not be easy to institutionalize consensus-building techniques in the public policy-making because of resistance from public officials who fear their authority being substituted by government legitimate practice or professional neutrals (Moran, Rein, & Goodin, 2006). This sabotages the course of action that generates agreements, meeting the interests of all the stakeholders involved.

The Decision Flow within the Policy Subsystem Context

Under the circumstances of contextual diversity, equating public policy with the actions of governments defines a subject whose boundaries are often hard to specify and whose scope varies not only from one society to another but also over time within the same society. By carefully observing how subsystem behaves around the decision makers further clarifies tendencies towards atypical decision making involving a significant break from the past in terms of the overall policy goals, the understanding of public problems, and their solutions, and the policy instruments used to put decision into effect (Mortensen, 2007; Liefferink, 2006; Kenis, 1991; Menahem, 1998, 2001). This underscores the importance of subsystem in which decision

makers are situated. Different policy subsystem context shapes different perception of the decision maker in face of crisis.

An Application of the Model to Singapore's Voluntary Contributions to the Post-Tsunami Reconstruction Efforts in Aceh, Indonesia

Background: The Asian tsunami disaster in December 2004 was an important moment for the Singapore Red Cross (SRC). The unprecedented scale of the disaster and outpouring of donations from Singaporeans with the challenges therein obliged the SRC to redefine its core mission of humanitarian assistance and adopt a significantly different model of project management and service delivery from what it had previously been accustomed to.

To manage the Tidal Waves Asia Fund (TWAF) on behalf of Singaporean donors, the SRC's Tsunami Reconstruction Facilitation Committee (TRFC) implemented a comprehensive and structured the project process master plan to guide TWAF projects (Figure 2).

Figure 2
TRFC Organization Structure
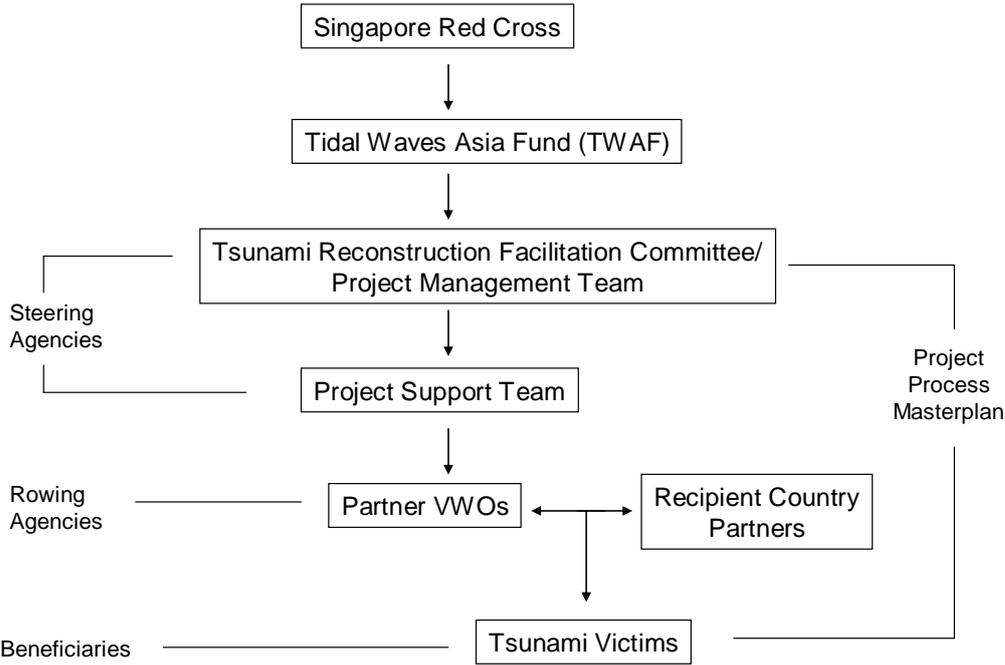
The Crisis for Singapore Red Cross: As its mission, the SRC is "dedicated to protecting human life and dignity, relieving human suffering and responding to emergencies."[2] As we understand it, the SRC, prior to the 2004 tsunami disaster, focused its efforts on the immediate aftermath of disasters, by directly providing medical and humanitarian assistance. The 2004 Tsunami disaster presented the SRC with a new challenge of an entirely different order than it had been hitherto accustomed to. The magnitude of the earthquake and tsunami was such that in some areas, like Aceh in Indonesia, local infrastructure and capacity was almost entirely destroyed. As Secretary-General Christopher Chua noted, that meant that there were no local institutions or agencies to "hand-off" to for recovery and rehabilitation after the disaster situation had been stabilized.[3] The outpouring of support from Singaporeans was also unprecedented. The SRC had set an initial target of S$5 million when it launched a fund for the tsunami victims, which was exceeded in a matter of days. By the time it closed the fund, donations amounted to S$88 million.[4]

Driving forces

Shaping Perception with Policy Cooperation: Under the operational framework of the TRFC, the policy-making and regulatory roles are uncoupled from the service delivery and implementation roles. Critically, the TRFC "contracts out" service delivery and implementation to partner VWOs and only retains approvals for projects, provision of funding and performance measurement.

Shaping Perception with Policy Mediation: SRC/TWAF's priorities are that (i) projects are well targeted to the needs of local communities and (ii) funds for the projects are appropriately accounted for. To ensure that those priorities are met, the TFRC enters into partnerships with its counterparts; VWOs and NGOs. This approach recognizes that the SRC itself does not have a high level of expertise in reconstruction and rehabilitation in general and expertise in implementing specific housing, education, health, etc. projects in the target countries. Another reason might be its relatively small size and its small permanent staff given its emphasis on volunteers.

Shaping Perception with Analytical Skills: According to the master plan, the TRFC comprises a Portfolio Management Team, essentially authorized to approve projects and decide on funding, a Project Support Team, to support the decision-making of the PMT as well as supervising the implementation of the projects. While the master plan also provides for "domain sub-committees", this has not been utilized thus far. The operational framework is also divided into "project lifecycle phases", namely: (i) project initiation, (ii) project evaluation, (iii) project planning, (iv) project tracking and reporting and (iv) project closeout.

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[2] According to its official website, "the principal objectives of the Singapore Red Cross (SRC) are to provide assistance in relief operations in times of disaster, provide auxiliary health and welfare services to the sick, the handicapped, the aged and the poor without any distinction on grounds of race, nationality, religion or political opinions, and to furnish voluntary aid to the sick and wounded in times of war and to non-belligerents, prisoners of war and civilian sufferers from the effects of war." See *http://www.redcross.org.sg/over_rcross.htm*

[3] Interview and initial briefing by the Vice President of Singapore Red Cross, Professor Phua Kai Hong, and the Secretary-General, Mr. Christopher Chua on 8 Sep 2007 at Singapore Red Cross.

[4] The Secretary-General Mr. Christopher Chua opined that apart from the deep well of sympathy for the tsunami victims in Singapore, another factor which contributed to the vast sum was the "brand recognition" based on the reputation and track record of the Singapore Red Cross.

Shaping Perception to Cope with Constraints: The project master plan requires the Singapore contractors to find local partners and identify areas of cooperation between contractors and local communities.[5] The TFRC stipulates that prospective VWOs take on local partners to ensure that project outcomes more accurately reflect the needs of target communities. From the sample project case files, local engineering supervisors are taken on board as project managers on the ground. This is to ensure that the projects not only address the needs of local communities but also implemented effectively on the ground. With local partners as interlocutors, administrative red tape reportedly is reduced as well.

Shaping Perception Cope with Resistance to Change: Under the master plan, "the TFRC's mission is to establish the structure, create the processes and implement the practices necessary for effective management of the Singapore Red Cross Tidal Waves Asia Fund." Given our discussions with SRC officials, "effective management" of the fund implied two objectives: (i) to ensure cost-effective program outputs and (ii) to ensure that funds are properly accounted with no suggestion of misappropriation.[6]

Decision outcome

The TFRC's project process master plan is an innovative and progressive response to the challenges posed by the scale of the tsunami disaster and the huge outpouring of donations from Singaporeans. Obliged to move from traditional disaster relief toward reconstruction projects, the comprehensive and structured process helped the SRC in ensuring useful outputs and high accountability from the use of TWAF funds. The strategic management embedded in the perception of crisis decision-making has made a remarkable performance of relief work on the ground. According to an official relief report by BRR, the contractor of Singapore Red Cross was ranked the most efficient in delivering relief assistance.

Conclusion

It is necessary and essential to critically receive why and how perception of decision makers is important in the discourse of policy making. Without decomposing what decision makers perceive of their circumstances, it is almost always difficult to analyze the reasons behind the adoption and pursuit of major changes in public policy, and we can only explain part of the dynamics and mechanics of the time when decisions are made.

This paper comes up with a conceptual framework to help explain how perception is shaped. Realizing perception of decision making is strategically composed of knowledge of decision makers and change of institutional context within which they can exercise the legitimacy to make decisions, decision makers may have more confidence in leveraging the trade-off among various policy styles in policy network.

To understand how quality crisis decision-making is processed, the empirical case suggests to enhance driving forces and to contain restraining forces to shape perception of, but not limited to, decision makers. Identifying the characteristic decision making strategic thinking in the

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[5] Reviewing the Project Process Masterplan of the tsunami relief work by Singapore Red Cross, page. 28

[6] In this regard, Singapore Red Cross officials we spoke to noted around this period (Jul 05), the National Kidney Foundation scandal broke and the Singapore Red Cross was concerned that it should be and seen to be above board in its management of the fund.

decision flow encompassed by subsystem, analysis of the driving and restraining forces allows the establishment of a baseline against which change can be measured. Analyzing the decision making in terms of these competing forces aids in the conceptualization of these fundamental dynamics and facilitates their analysis.

Acknowledgement

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