

# Advocacy Coalition Learning

## *Biases and Heuristics in Policy Implementation*

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### **Abstract**

Policy implementation is a complex process and the theoretical problem has been approached in different ways for a long time. Perspectives have converged around governance, negotiation and adaptation and the learning perspective is increasingly acknowledged. This paper explores how policy implementation may be understood from a learning perspective, affected by universal tendencies for humans to draw biased conclusions from specific events. The Advocacy Coalition Framework is used as a point of reference when applying concepts of learning and decision-making biases and heuristics. From a set of three separate events of a continuous implementation of the 1994 LSS Act (The Act Concerning Support and Service for Persons with Certain Functional Impairments), empirical illustrations are forwarded based on both primary and secondary data sources. The paper contributes to the field of policy implementation, first of all, with authentic empirical representations of policy implementation as a learning process. Second, the paper supports the ACF learning tenets about the importance of actors, forums, conflicts, and stimuli. Thirdly, it indicates that ignoring the inherent human tendencies of biased decision-making may leave explanations and understanding of policy implementation incomplete.

## **Introduction**

In 1994, the LSS Act (LSS, 1993; The Act Concerning Support and Service for Persons with Certain Functional Impairments) was introduced in Sweden. The Act had wide parliamentary support, with an intention to reform the care for individuals with different disabling impairments (Government Proposition, 1993; Riksdagen, 1988). The previous model of large-scale, institutional care was replaced by an order where persons with certain functional impairments got to select personal assistants to help in much smaller settings mainly at home. Since its inception it has been subject to feverish debates in media, controversial court rulings, and, not least, an overwhelming growth in volume and cost. The implementation has not been straightforward, and for this reason it stands out as suitable in exploring learning aspects of the rather multifaceted

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implementation process. Empirical implementation problems in relation to the LSS act abound. Late in 2015, faced with the strongest pressure from refugees ever, the Swedish Minister of Finance explicitly pointed out the LSS Act as a primary cost-saving item by which the overwhelming refugee situation could be financed. Those threatened by the announcement raged (GP, 2015).

Things inevitably change and alterations to any policy need to be made. Still, there is an implicit understanding of trust and promise in public policy – what you say is compared to your actions. Policy implementation is a complex endeavour, though, and the problems associated with it have likely rendered many a disappointed voter. The same problems have also gained much attention from academic quarters. The theoretical problem has been approached in different ways since the 1970s. Policy implementation has been framed as, broadly speaking, a top-down compliance problem (e.g. Pressman & Wildavsky, 1973), a bottom-up compliance problem (e.g. Lipsky, 2010 [1980]), and a policy-action, multi-actor relationship (e.g. Barrett & Fudge, 1981).

Today, the problem is framed as a governance problem (Hill & Hupe, 2014) and negotiation and adaptation among different coalitions have taken centre stage (P. A. Sabatier & Jenkins-Smith, 1993). Stressing the adaptive character of policy implementation, the learning perspective has been increasingly acknowledged, albeit mainly recognized at an overall conceptual level. There is a dwelling need and interest for improving the understanding of policy implementation. The rationale of this paper is an increasing attention paid to the concepts of adaptation and learning in the field of policy implementation (Heikkilä & Gerlak, 2013; Jenkins-Smith, Nohrstedt, Weible, & Sabatier, 2014; Schofield, 2004; Weible, Heikkilä, Deleon, & Sabatier, 2012).

Learning is in essence about actions and feedback from them (c.f. Argyris & Schön, 1978; Cyert & March, 1963). Feedback as an object of study is used as such in policy implementation studies (Mettler & Sorelle, 2014) but occurs in a wide variety of academic fields, e.g. economics, psychology, sociology, and anthropology (Richardson, 1991). Not least psychology research has greatly influenced the way decision-making is understood in terms of feedback and learning. In many controlled experiments, feedback has been analysed as subjects' responses to different problems. This research links action and feedback with human propensity for biased interpretations of experiences: the ambiguity of experience complicates adaptation, i.e. learning (March, 2010). This complication is consistent with biases and heuristics dealt with in psychology research (see Kahneman, 2011 for an overview; Tversky & Kahneman, 1974 for details). Three prominent complications for human decision-making are the “availability” bias, the “representativeness bias”, and the “anchoring effect” (Tversky & Kahneman, 1974). These biases represent a human inclination to base our decisions on recent, proximate, and familiar observations and adapt our behaviour accordingly. We are prone to letting clearly experienced

events guide our interpretation and inference rather than considering underlying realities. Biases are translated into heuristics, by which we simplify complicated causal relationships, thus making it easier to decide. “Experiments in causal attribution show people tend to assume each effect has a single cause and often cease their search for explanations when a sufficient cause is found; usually base rates and situational factors are ignored.” (Sternman, 1994:308). The biases and heuristics are located in human conceptions of reality, why it should be present also in the processes of policy implementation. In the Advocacy Coalition Framework (Jenkins-Smith et al., 2014), these strands of learning and adaptation are tied together, and the framework therefore will be used for guiding the exploration of policy implementation in this paper.

The aim of the paper is to explore biases and heuristics in policy implementation. It is centred on the case of the Swedish Act Concerning Support and Service for Persons with Certain Functional Impairments (LSS, 1993) and is an attempt to search for ways in which policy implementation may be studied from a learning perspective, affected by universal tendencies for humans to draw biased conclusions from specific events. First, a theoretical positioning of the paper is made, linking policy implementation to learning and decision-making. Then, the methodology of the study is presented, followed by an empirical account of three different “events” in the implementation of the LSS act. The events are consecutively analysed one by one, followed by a concluding discussion. The paper contributes first and foremost with an empirical account of the gradual changes made to the LSS Act during implementation. Moreover, the study offers a discussion about potential research approaches for developing the understanding of policy implementation. It connects learning to the concepts of biases and heuristics, and suggests that these concepts be brought to the fore when studying the processes of policy implementation.

## **Policy implementation, learning, and decision-making**

Policy implementation has been called the subject of “misery research” (Rothstein, 1988) for its elusive and complex nature, often ending up in disappointment. Matland (1995) has elaborated on the complexity and ambiguity of policy implementation. Complexity and ambiguity is aggravated by a “multiorganizational” view on policy implementation (Hjern & Porter, 1981) and a limited attention capacity of human beings (March & Olsen, 1975). If what needs to be done is not within the ordinary set of activities for a particular organization involved in the implementation of a policy, the implementation may be affected negatively. So what should be concentrated upon when looking for how adaptation and learning affects implementation?

All learning takes place inside individual human heads; an organization learns in only two ways: (1) by the learning of its members, or (2) by ingesting new members who have knowledge the organization didn't previously have. But what is stored in any one head in an organization may not be unrelated to what is stored in other heads; and the relation between those two (and other) stores may have a great bearing on how the organization operates. (Simon, 1991:125).

The quote connects organisational learning and human understanding with the study of policy implementation. What is done invokes reactions of some sort and affects the common understanding of events within a defined organization and group. If the reaction is intended, all is well. If not, adaptation is required. Learning is in this respect a matter of adapting from observed causality. March (2010) sees adaptation as a general condition when human beings experience things. When your experiences do not match what you expected to experience, you have the opportunity to alter the way you think and act, you could learn.

The Advocacy Coalition Framework [emphasizes] the importance of bureaucratic discretion and the consequent differential effect of implementation as a result of this discretion. (Schofield, 2004:292).

From the Schofield statement above, it is relevant to continue exploring the links between policy implementation, organizational learning, and individual understanding and discrete decision-making. The main concepts in the respective fields are presented below. All three research areas are wide and contain several subfields. The presentation is aimed at giving a general overview of the fields and at providing a language and mode of thinking. First, the field of policy implementation is approached, landing where Schofield (2004) has pointed out intersection between the Advocacy Coalition Framework (Jenkins-Smith et al., 2014; P. Sabatier, A, 1986; P. A. Sabatier & Jenkins-Smith, 1993) and organizational learning (e.g. Argyris & Schön, 1978; Cyert & March, 1963; Easterby-Smith & Lyles, 2011). Second, it is shown how organizational learning is related to individual learning (Nonaka, 1994), where the concepts of biases and heuristics (Tversky & Kahneman, 1974) affect the analysis into individual understanding and learning. Then, concluding the section, the Advocacy Coalition Framework is lined out, in an ambition to tying together the three previous theoretical fields.

## **POLICY IMPLEMENTATION**

Matland (1995):154 defines policy as "the programmatic activities formulated in response to an authoritative decision. These activities are the policy designer's

plans for carrying out the wishes by a legitimating organisation, be it a legislature, a judicial agent, or an executive body.” Implementation could be considered all that happens “between the establishment of policy and its impact in the world of action” (O’Toole, J, Jr., 2000:273). The two terms explicate the difference between “policy and action” (Barrett & Fudge, 1981). This difference is at the core of policy implementation research: how are ideas turned into practice?

Several reviews of the field have been made. O’Toole, J, Jr (1986) reported a rampant conceptual plethora. Matland (1995) presented a field subdivided into a top-down and a bottom-up way of looking at policy implementation. In an attempt to reconcile the two streams of thought, he forwarded an “ambiguity-conflict” categorization of how policies are seen to be implemented. According to Schofield (2001), three generations of implementation research may be discerned. The first generation was preoccupied with a rational and linear (“top-down”) model of implementation, “distinct and separate from formation [of policy].” (2001:249). The second generation searched for key success factors, variables that explained implementation success. It paid more attention to the “street-level” explaining how the actual work of civil servants defined – bottom-up – the policy in question and, hence, its success. The third generation moved towards “dynamism in implementation processes”. (2001:250). A bibliographic review of the policy implementation field has been made by Saetren (2005). It shows how implementation research has prospered in general, although it has become largely wanting in the traditional public policy and public administration journals. Since then, Hill and Hupe (2014) have made another comprehensive overview of the particular field of public policy implementation. Needless to say, the field still exists, and Hill and Hupe (2014) argue for a current “governance” paradigm in policy implementation, pointing towards a focus on multiple actors and diverging objectives among them. This is the Schofield (2001) dynamism, which emerged with the early steps towards the reconciliation of top-down and bottom-up perspectives in the third generation implementation research. One early candidate in the third generation was the Advocacy Coalition Framework, ACF (P. Sabatier, A, 1986).

The ACF (Jenkins-Smith et al., 2014) describes a set of interrelated areas that explain how a policy is formulated and implemented. Four factors determine the outcome of a policy implementation process – external events, internal events, policy-oriented learning, and negotiated agreements between incumbent advocacy coalitions. An *advocacy coalition* is a group of “actors from various public and private organizations who share a set of beliefs and who seek to realize their common goals over time” (P. Sabatier, A, 1986:39). Several coalitions may exist simultaneously and implementation is a function of the agreements negotiated between them. Agreements, thus, may be seen as mutual adaptation, i.e. learning.

Policy-oriented learning in the ACF is a function of *forums* (institutional arrangements facilitating actors to meet); *level of conflict* between coalitions (where intermediate levels are most conducive to learning); *attributes of the stimuli* (type of information and experiences from it); and *attributes of actors* (belief systems, resources, strategies, network contacts). From this viewpoint, policy implementation meets learning where different actors agree or disagree on how the policy should be formulated and implemented. Conflict resolution implies a change of “actions or rules for action” (March, 2010) on behalf of one part or the other, i.e. a certain degree of learning takes place. A resolution, however, hinges upon the way experience is interpreted by different actors. This seems not to be merely a matter of belief systems but also of basic human biases.

Alterations to a policy are initiated by actor coalitions. A coalition acts in relation to other coalitions. The policy beliefs, resources and strategies of coalitions may be subject to negotiation before governmental decisions are made and institutional rules, resource allocations and appointments are changed, rendering certain policy outputs and subsequent policy impacts. Outputs and impacts feed back to the coalitions. This point, where feedback is experienced and interpreted, creates the basis for new decisions, the locus of learning.

### **LEARNING OF ORGANIZATIONS AND INDIVIDUALS**

Fiol and Lyles (1985) offer a general definition of the concept of organizational learning as “the process of improving actions through better knowledge and understanding.” (1985:803). In relation to policy implementation, “[learning] can be thought of as the cognitive adjustments in the form of change or reinforcement in what we value, see, and understand in the world and how we behave.” (Weible et al., 2012:8). This definition fits well into the more practical definition suggested by March (2010): “learning takes place when the observation of associations produces changes in actions or rules for action. Learning serves intelligence when those changes improve the actions or the rules.”

Organizational learning covers a vast area of research, comprising several different strands of development. Easterby-Smith and Lyles (2011) divide the area along two dimensions – theoretical/practical, and process/content oriented research. The distinct part “organizational learning” is located in the “theoretical” category and should be particularly distinguished from the concept of learning organization (e.g. Senge, 1990), which is about process-oriented practices of learning. Classic contributions to the field of organizational learning are Cyert and March (1963) and Argyris and Schön (1978). Cyert and March showed how rules, procedures and routines guide decision-making in organizations: they viewed organizational learning as adaptive processes by which the organization is in line with its environment. Organizations learn through short-term feedback in relation to expectations. Expectations are embedded in

the rules, procedures and routines of the organization, in the ACF found in the belief systems of actors and coalitions: in the long-term, experiences gradually shape these. This is quite similar to the subsequent idea of Argyris and Schön (1978), which also is preoccupied with action and feedback, although framed in the terms “single-loop” and “double-loop” learning. This kind of experiential or action-based learning reinforces established knowledge in “single loops” of feedback from their actions. From time to time, the established knowledge is challenged in a second, or “double”, feedback loop, questioning the rationale of current action. Relatedly, Fiol and Lyles (1985) distinguish between *cognition development* and *behaviour development*. These form two general types of learning, lower-level and higher-level learning, where lower resembles “single-loop” learning and higher looks more like double-loop in character. March (2010) adheres to this dichotomy:

The first mode—which might be called ‘lowintellect’ learning—is one in which actions associated with success are replicated with little or no effort at causal understanding. The second mode—which might be called ‘highintellect’ learning—is one in which explicit efforts are made to understand the causal structure of the events of experience and to derive action implications from that understanding. (March, 2010:26).

The definition stresses learning, the improvement ambition and the creation of knowledge and understanding. However, the definition is silent on the links between individuals and organization. Nonaka (1994) suggests one way to unite them. He defines knowledge as “justified true belief”, created in social interaction between individuals. His argument is that knowledge creation should be approached from both an ontological and an epistemological viewpoint. The ontological stand taken is that the knowledge is negotiated and agreed upon in “communities of interaction”. When approaching the nature of knowledge creation, his epistemological dimension of knowledge, he makes a distinction between tacit and explicit knowledge. Explicit knowledge can be verbally articulated, tacit knowledge cannot. According to Nonaka, different types of knowledge are transformed within, and shared between, individuals in “communities of interaction”. What is justified true belief in the community becomes knowledge. In order to establish a common understanding knowledge needs to be shared in “communities”. Hence, the attention that the ACF gives to negotiation, forums, stimuli, conflict levels, and actor attributes resonates well with basic tenets in organizational learning and knowledge creation. Following the ACF, coalitions learn through individuals, by way of feedback from actions taken, in forums or “communities of interaction” (Nonaka, 1994) which are populated with actors of different opinions and understanding (belief systems) of the policy.

Opinions being different may be traced back to what Levinthal and March (1993) call “myopia of learning”, where local ideas are confirmed and serve as a basis for future action. This is also stressed by the human biases of *availability*, *representativeness*, and *anchoring* (Tversky & Kahneman, 1974), making people prone to considering easily retrieved points of reference representative and thus maintaining a “low-intellect” (March, 2010) approach to learning. “Availability” refers to the tendency of humans to rely comfortably on the information at hand, however flawed it may be. “Representativeness” extends the availability bias, saying that single random observations become representative of the issue in question. “Anchoring” refers to how people evaluate observations in relation to available points of reference rather than to base rates and average values. These complications from human bias are developed in Levinthal and March (1993), who argue that learning is restricted by “myopia” in space and time, which traps organizations either in repetitious failure or in behaviour that has been historically successful.

In the ACF, experienced, and potentially biased, feedback is observed in terms of attributes of stimuli and in the level of conflict between coalitions.

The difficulties for actors to agree are exacerbated by the fact that there is not only the immediate feedback from an action to consider, but also second- and third-order consequences to argue over. Sterman (1994) refers to this as “dynamic complexity”:

The decisions of any one agent form but one of many feedback loops that operate in any given system. These loops may reflect both anticipated and unanticipated side effects of the decision maker’s actions (Sterman, 1994:297).

Thus, learning hinges upon feedback, which is complex and subject to individuals’ biases, which lead to heuristics, i.e. simplified explanations to the course of events. Such heuristics spread in coalitions and form common knowledge, “justified true beliefs”. This knowledge drives advocacy coalitions to call for changes in a policy and/or its implementation. From this conceptual framework, the implementation of the LSS act will be explored, in line with the methodological design presented in the next section.

## **Conceptual framework, data collection, and analysis**

The paper is a qualitative exploration of the implementation of the Swedish LSS Act (LSS, 1993). It focuses the empirical and theoretical relationships between policy implementation, organizational learning and individual decision-making. The analysis is interpretative and contributes to the long-lasting discussion of what affects policy implementation.



The analytical frame of reference is based on the Advocacy Coalition Framework (P. Sabatier, A, 1986; P. A. Sabatier & Jenkins-Smith, 1993; Weible, Sabatier & McQueen, 2009). The use of frameworks as point of departure when exploring social systems, intentionally designed and operated (Elster, 1983 in Ghoshal, 2005) is suggested by Ostrom, Cox and Schlager (2014). They differentiate between “frameworks”, “theories” and “models”. The framework frames research problems:

A framework, unlike theories or models, does not specify relationships among variables in order to predict and explain phenomena of interest. A framework plays a different role in developing knowledge. It provides the most general list of variables that should be used to analyze different types of phenomena of interest and represents an effort to identify the universal elements that any theory relevant to the same kind of phenomena would need to include. (Ostrom et al., 2014:270).

Thus, the overall list of variables present in the ACF allows different theories to add to the explanation of the phenomenon being studied. Theories consist of distinct concepts and relationships between them and may as such hold several different models of how these relate to each other. Models, in turn, are the specific relationships between two or more variables and the expected effect they may have on each other.

In this paper, basic models of experiential learning are tentatively added to the ACF framework for the sake of analysis. The object of analysis is “events”. Events are defined by Weible (2014):5 as “anticipated and unanticipated incidents ranging from elections to scientific discoveries to chronic and acute societal dilemmas and crises that may result from a public policy or provide an opportunity for achieving political objectives related to public policy.” The empirical setting is the Swedish political system, predominated by electorate, parliament, agencies, private assistance companies, municipalities, interest groups, media, and functionally impaired people – the main actors/coalitions identified. Events for this study have been identified by actor, action, and consequences. This means that events presented are not external to the policy system, i.e. no general societal changes are considered events. Events are actual actions taken by an actor coalition, inducing change. The choice of events has also been guided by access to information, both official government publications, primary interview data, and secondary data from various public channels such as the Internet, TV, and newspapers.

Data has been collected from publicly available documentation, spanning from academic studies to public inquiries and area-specific articles in the press. Moreover, two key informants have been interviewed for first-hand description

of events. One is a senior owner of a private company providing personal assistance. This person also did work as a municipal provider from the outset of the reform, and before that also worked as a social care worker in one of Sweden's larger cities prior to the LSS reform. This long and varied experience makes this informant particularly apt for describing the evolution of the reform from an inside perspective. The second person is an interest group representative, responsible for the area of personal assistance in one of the main employer organisations for private providers of services, mainly within public welfare services. This person has long experience of the development of the LSS act and has regular formal contacts with both government and agency representatives.

The three different events are used as a basis for exploration. Data is qualitative and organized by first presenting events and their subsequent consequences. The description and consecutive analysis is framed by the four key concepts in the ACF's analysis of learning: actors, forums, conflicts, and stimuli. This step-wise description is then analysed for signs of biases and heuristics in the policy implementation process. The analysis, thus, is exploring plausible indications of biases and heuristics in the events. It has no presumption of determining neither causalities nor correlations. From the analysis, the agenda of an advocacy coalition is discussed and problematized in terms of biased decision-making. The discussion ends with suggesting core empirical questions and related research challenges.

## **An empirical exploration – the LSS disability act in Sweden**

In 1994, the Swedish Act Concerning Support and Service for Persons with Certain Functional Impairments (LSS) replaced a long period of institutionally oriented care for disabled persons. The reform was directed towards cognitively and physically impaired children and adults. LSS is a law of rights, meaning that anyone meeting the conditions is entitled to help, without financial considerations. Its most characteristic trait is how each person is to be included in everyday life by way of a personal assistant. An important condition for the personal assistant solution to work is the discretion that the disabled person has in the choosing of assistants. The right to choose personal assistants stretches from the actual recruitment, via weaker labour contracts (two-week notice for termination at all times), to the possibility of running a company or hiring personnel by themselves. Initially, there were no restrictions on private firms in establishing commercial provision of personal assistance, which created a market for personal assistants and, with that, selection opportunities.

Already in the government proposition in 1993, readers might have had premonitions of future implementation problems:

”The total additional cost for the reform is appreciated to be 1 600 million kronor. In line with the so called financing principle it is suggested that adjustments towards municipalities and counties are made, corresponding to the economic consequences of the reform suggestions.” (Government Proposition, 1993:4).

The quote sets out two things: first, there is an estimate of the costs of the reform. Second, there is put forward a government obligation to compensate municipalities and counties for cost increases. Personal assistance is applied for either at the municipality you live in, or at the SIA. Municipalities are responsible for assessing and meeting needs up to 20 hours a week, above that it becomes an SIA responsibility. Thus, there are actually two public principals of the LSS Act, where the municipalities should not carry any additional costs due to the changes in the care for the target group of the reform.

The LSS act has been subject to much attention over the past 20 years. The cost of the legislation has increased from less than 2 billion SEK for 4 000 persons the first year to almost 30 billion SEK for 20 000 persons (out of which 4 000 persons are subject to municipal funding) in 2015. The individual person granted financial means for personal assistance is remunerated with a number of hours per six months, times an hourly standard rate. The remuneration is in most cases administered by the provider of assistance, be it a municipality, a private firm, or a cooperative. The provision of personal assistance was initially dominated by municipal providers, but has been gradually replaced by private firms, in 2015 with a market share of about 45 %. There has been a growing suspicion that remunerations overcompensate providers, in particular the private profit-seeking firms. In 2012, an inquiry concerning the remuneration model for personal assistance was conducted by the Swedish Social Insurance Inspectorate (SSII). The director general of the SSII stated the following in the final report:

[The] hourly standard rate renders high tensions due to large differences in cost levels between municipalities and cooperatives on the one hand and private firms on the other. [Partly] these differences also depend on lower overhead costs, but the standard rate construction has the effect that rationalizations by the providers do not gain the public sector, as the standard rate is set in relation to the providers with the highest costs. (ISF, 2012).

This inquiry was followed by another public inquiry in 2013, aimed at “maintaining, long-term, the quality objectives of personal assistance according to the Act Concerning Support and Service for Persons with Certain Functional Impairments (1993:387), abbreviated LSS, and to come to grips with the revealed problems of the current model of hourly remuneration.” (SOU, 2014).

The resulting recommendations were primarily concerning a redesign of the remuneration model, separating it into a basic part and a supplement part, to be applied for separately.

The LSS act is an ample case for policy implementation studies, but for the sake of exploration, three individual events are selected and presented in condensed form. Each event originates from a coalition in a policy subsystem, and has a clear action-orientation. First, an action meant to restrict the spending of remuneration is presented, followed by an action that concerned a stricter assessment of the needs of persons with impairments. The last event presents how a certification requirement was introduced. All events affected the implementation of the reform and the subsequent analysis focuses what may have induced the actors to take action.

### **EVENT 1. GOVERNMENT REDUCING FREEDOM FOR PRIVATE PROVIDERS TO USE REMUNERATION**

In 2008, 15 years after it was enacted, the LSS act was adjusted in order to stop private providers of personal assistance spending money on things other than personal assistance (SOU, 2007). It appears as though it was an appropriate action:

There was nothing standing in the way, there was plenty of money and it was lavishly spent. Nobody could understand what it really should cost. (Senior owner, 2015).

Up until then, firms could also save surpluses for future spending like travels or a wide variety of expenses, all tax-deductible costs. Two things were changed. First, accumulation of surpluses was no longer allowed; surpluses were to be paid back every six months. Second, approved expenses were listed and the firm was clearly made responsible to the tax agency to comply with the new rules (SOU, 2007). Reports of fraud played a role, which could be observed in the inquiry (SOU, 2007:49f):

We can state that the reports and discussions about misused remuneration continue, also that it is still hard to assess the scale of it. Therefore [it] is important to take the warning signals seriously so that the government could, as quickly as possible, make arrangements with the assistance remuneration in order to promote an appropriate use of the assistance remuneration.

The media coverage has been intense and may be illustrated by the number one daily paper in Sweden, *Dagens Nyheter*, who reported in 2010 that “there is cheating going on with the remuneration to personal assistance. And it will continue until we get a minister who has the courage to deal with the problems instead of passing them on.” (DN, 2010). However, the scale of fraud is

still disputed and scientific inquiry has failed to establish a reliable estimate: in 2012, a heavily criticized government inquiry estimated the annual fraud to 2–3 billion SEK, based on expert assessments made without any solid empirical evidence. Internal civil servants in the SIA say that the numbers are “likely to be wrong” (SVT, 2015).

Two actors stand out; the government, taking action, and private firms providing personal assistance, the main target of the action. However, in the background there was still the impaired individual, either being deprived of assistance due to fraud by the providers, or losing accumulated surpluses saved for e.g. recreational trips. The forum for the actors was parliament, but media also played an important role before the legislation was changed. The attributes of the stimuli referred to were continuous reports of fraud, and the level of conflict was escalating from the part of the government, whereas private companies continued to engage in fraud, in an undetermined scale.

The media attention in combination with the inability to determine the scale of fraud indicate that both the availability bias and the representativeness bias may be influencing the action taken by government. The media description is readily at hand and in the absence of facts, the heuristic of an embezzling industry of private providers of personal assistance is created.

## **EVENT 2. THE SIA CHANGES ITS INTERPRETATION OF THE LSS ACT**

In 2009, the Supreme Administrative Court (SAC) ruled in favour of the SIA in a case from 2007 (SAC, 2009). In that case, a municipality had changed their way of assessing needs in accordance with the LSS legislation, which was then appealed to court. The change originated from new SIA internal guidelines, stating how assessments should be done within the agency (SIA, 2007). Personal assistance was given for basic needs of eating, personal hygiene, and getting dressed. Originally, if the disabled person needed help in any part of those activities, the full activity was approved assistance. The new way to assess the need for assistance focused on the intimate and “integrity-sensitive” parts of the activities and approved assistance only for those distinct parts, even if they were integrated in a longer process (SIA, 2007). The case in the verdict concerned a person who could bring his food to his mouth by himself and therefore did not get assistance for getting to the table or preparing the food, something he was not capable of on his own (Assistansköll, 2009).

In the SAC verdict, there are three actors present: an appealing individual, a defendant municipality, and the SIA being a reference case. It is explicitly referred to in the internal SIA guidelines (SIA, 2007), which guide the assessment of a person’s need of personal assistance. Herein, the premises are carefully argued for, premises which the defendant municipality used as a reference point in their needs assessments. The guidelines contain an interesting caveat, though, which reveals an underlying conflict between the government agency

level and the municipality level: “the need of help for basic needs should not, in other words, be of such a kind that it is not an action that just as well could be taken by the municipality home care.” (SIA, 2007).

Since 2007, this practice has been the prescribed standard operating procedure in the SIA and has been spreading to municipalities ever since. Practically, and financially, this means that more people do not reach the 20 weekly hours of basic needs. That is the limit above which the SIA bears the responsibility of personal assistance, and for applications below 20 weekly hours, municipalities assess, decide and pay for the personal assistance. Accordingly, SIA is increasingly relieved of the responsibility of personal assistance. At the same time, this is affecting the level and character of support and service that the impaired person gets. If municipalities find the need to be outside the realm of the LSS Act, there are other, often cheaper, arrangements to make for persons with impairments :

There ought to be a Berlin wall between our different legislations, [municipalities] always choose the cheapest option if given an alternative. (Senior owner, 2015).

There have been numerous accounts from disapproving politicians, stating that the court ruling and the consecutive change of practice in the SIA deviate from the intentions of the legislation. Complaints have also come from the municipality employer organization SALAR (SAC, 2009). This, however, indicates the complexity of the issue: SALAR is, on behalf of its member municipalities, opposing to the practice changed by the SIA since it moves responsibility from state to municipality. Once there, the same strict guidelines are used, suspiciously in order to substitute expensive personal assistance with cheaper home care.

The actors involved in this event are on one hand persons with impairments in need of personal assistance, but on the other hand this appears also to be a tug of war between the two principals in the LSS Act, the municipalities and the state agency, SIA. The forum where they all meet is in court, where a new interpretation and execution of the legislation is approved and sanctioned. The conflict is about the interpretation of the LSS Act, whereas the stimuli mainly appear to be cost increases for the reform.

This event contains a reaction to cost increases and an increasing burden brought upon municipalities. It shows how the “law of rights” characteristic of LSS is compromised. Cost increases become the centre of how the reform is viewed, which may be related to the anchoring bias. The very low initial cost of the reform works as a reference point, making the current level seem extreme. Higher points of references could be expected to moderate the actions taken by government, as would any deliberation around the opportunity cost of personal assistance. However, this is conspicuously absent in both public investigations and media coverage.

### **EVENT 3. GOVERNMENT REQUIRES AUTHORIZATION FOR PROVIDERS OF PERSONAL ASSISTANCE**

Since 2011, every provider of personal assistance is obliged to report operations to the NBHW, the National Board of Health and Welfare (Government Proposal, 2010). Private companies have to be approved by the agency. The main condition is an installed quality assurance system, but in the proposal it is also stated that "furthermore considerations of how to dampen the costs for personal assistance are presented" (ibid.:17). About a third of the existing private providers did not get approved as the law came into effect and a large share of the impaired persons with personal assistance had to shift to a different provider. The industry consolidated and a few large companies grew even larger.

The quality system required by providers is centred on documentation, most importantly a particular "implementation plan". In that plan, the personal assistance approved by the SIA is to be translated into concrete activities, described in terms apt for measurement and follow-up. The NBHW was initially responsible for auditing the LSS act. However, in 2013, the Health and Social Care Inspectorate (IVO) was formed as a new separate auditing agency, responsible also for the LSS act auditing. Thus, the SIA assessment of the needs of persons with impairments is turned into practical action, action to be overseen and followed up by the IVO agency.

[The authorization requirement] has also meant, although to a surprisingly small extent, that authorizations have been pulled back. IVO is a quite new agency which still is in a learning phase and also, allegedly, suffers from too few resources to initiate inspections. [We] meet with IVO in what we call dialogue forums, but we're having difficulties reaching them, getting them to understand the specific conditions for personal assistance. (Interest group representative, 2015).

This event is clearly involving the government and private for-profit companies. Also government agencies are involved in the event, although more in terms of resulting consequences of the event. The forum is the parliament, where the conflict between the SIA and private providers is resolved by alterations in the LSS Act. The conflict and the stimuli forwarded by the government revolve around quality concerns, but again cost increases seem to drive events.

In this event it is indicated how available information about unscrupulous private providers of personal assistance engage in fraud. One way to reduce the impact of these actors has been to demand a quality assurance system. The weak control of the system suggests that the main ambition with the action was to eliminate as many unscrupulous firms as possible. The easily retrievable picture of the embezzling firm encompasses two probable biases, availability and

representativeness. The anchoring bias complements the two, again creating a heuristic rather than a truly informed decision-making premise.

## EXPLORATIVE ANALYSIS OF EVENTS

Events are summarized in table 1 below. The table illustrates that there are links between the various events, not immediately apparent when studying the events in isolation. The links may be regarded instances of potential or actual policy-system learning.

Table 1. Events in the LSS implementation process

Original policy intention (LSS 1993:387, 5§): "Operations following this act shall promote equality in life conditions and full participation in social life for those mentioned in 1§. The goal shall be to give the individual opportunity to live like others."

Event	Policy action	Consequences	Heuristics and biases
1.	<p><b>Government reducing freedom for private providers to use remuneration</b></p> <p><i>Actors:</i> government, private providers.</p> <p><i>Forum:</i> parliament.</p> <p><i>Conflict:</i> misuse of remuneration.</p> <p><i>Stimuli:</i> reported frauds.</p>	Cost reductions, deterring fraud.	Highly available media reports of frauds, representing all private providers in the industry.
2.	<p><b>The SIA changes its interpretation of the LSS act.</b></p> <p><i>Actors:</i> the SIA, municipalities, courts, functionally impaired people.</p> <p><i>Forum:</i> court system.</p> <p><i>Conflict:</i> interpretation of legislation.</p> <p><i>Stimuli:</i> cost increase for the reform.</p>	Stricter interpretation of legislation, reduced approval of personal assistance hours.	Increasing the costs of personal assistance compared to initial very low cost.
3.	<p><b>Government demands authorization for providers of personal assistance</b></p> <p><i>Actors:</i> government, agencies, private providers.</p> <p><i>Forum:</i> parliament.</p> <p><i>Conflict:</i> quality of the personal assistance.</p> <p><i>Stimuli:</i> lack of professionalism, cost increases.</p>	Reduction of the number of private providers by more than 30 %. Consolidation of the industry, where large firms grew larger still.	Unscrupulous firms eliminated, decreasing the volume of embezzlement and fraud, slowing an unduly cost increase.

In the previous section, the three events in the implementation process of the LSS act were analysed by relating a certain policy action to subsequent



consequences. The consequences are illustrations and not the only consequences possible. It has, however, shown how an action by one actor influences how another actor reacts and how this creates the “dynamic complexity” suggested by Sterman (1994). The feedback loops are sometimes distant and indirect and not necessarily only involving the actor that took action in the first place. These causal complexities may actually aggravate the need for heuristics – simplified explanatory models – when actors need to take action.

There are biases present in the events. Media and initial cost references may have contributed to conclusions being drawn too quickly from vague and fragmented evidence. Gradually, this has formed a view of the LSS Act as a costly reform where private companies deceitfully enrich themselves from the tax payers’ money. Learning has occurred but on a biased interpretation of experiences. Theoretically, there seems to be a potential in moving from this informed suspicion to a better understanding of the mechanisms of learning in policy implementation. The workings of biases and heuristics in human experiencing suggest that in the ACF approach to policy implementation, actor attributes and stimuli attributes are strong candidates for further development and study.

There are signs of bias (Tversky & Kahneman, 1974) in the decision-making in all three studied events. Heuristics may be suspect in affecting the actions taken by parliament, government and the SIA agency. The first sign of bias is related to media. “Reports” are referred to explicitly in the public inquiry, acknowledging the importance of what is easily retrieved as grounds for action. It could be that media reports of fraud and embezzlement permeate much of the public actors’ concerns with the continuous implementation of the LSS Act. It would not be hard to think that the media attention both informs decision-makers directly, but also indirectly by influencing public opinion and thus generating expectations from the electorate. Second, the representativeness of the frauds is possible to question. Futile attempts to assess the overall losses from frauds have been made, but the exposure and outrage in combination may create a biased understanding of the actual situation. Third, anchoring is in play. The initial cost estimate of the LSS Act was 1.6 billion SEK. This has most likely worked as an anchor. Nowhere is it discussed how much the previous system cost, and the opportunity cost of the reform is not apparently included in public inquiries or in the media reports.

Still, the fact remains that the annual cost increase exceeds 13 %. It seems necessary to respond to such a development. However, already in the three events presented, an obvious reluctance to change the legislated rights of persons with impairments emerges. Rather, the government, agencies, and municipalities approach the cost issue by incremental changes to the various parts of the system of personal assistance. Thus, instead of reforming the LSS Act, the negotiated implementation of the original reform continues, and the struggle may well be infested by biases.

## Conclusions and discussion

The study offers an authentic empirical representation of policy implementation as a learning process. The analysis supports the ACF learning tenets about the importance of actors, forums, conflicts, and stimuli. It also indicates that inherent human tendencies of biased decision-making deserve to be considered in the development of explanations and understanding of policy implementation.

After 22 years, the LSS Act is still being implemented. The top-down, rational implementation idea does not appear to be applicable to this case. The bottom-up – street-level – perspective also seems to miss the high parliamentary and governmental involvement in the continuous LSS implementation. The Advocacy Coalition Framework resolves the two by studying actors, forums, conflicts, and stimuli in the process of implementation. The events analysed above suggest that there is yet another analytical layer to be considered. The experiences from actions and their consequences must be interpreted and assessed. Economic theory has traditionally taken a rationalistic and normative view on decision-making, but the descriptive validity of such a theory is questioned (Tversky & Kahneman, 1986). The study of implementation may benefit from observing the actions taken from a closer perspective, taking into account biases in how experiences form the basis for decision-making. Not only actions need to be studied, but also reactions and the biases these may be succumbed to.

Hupe et al. (2014) discuss the choice of what “dependent variable” to study when concerned with implementation. The instinctive choice would be the stated policy objective. Referring to Winter (2006), Hupe et al. (ibid.) forward the idea of actor performance as a contender. What is done by incumbent policy actors? Choosing this as the dependent variable to be explained still leaves the reasons for the action to be explained. A particular policy actor’s behaviour could never be the ultimate object of analysis in policy implementation studies. It could be a specific sub-study of implementation, but policy actors’ behaviour rather is an intermediate dependent variable, a function of something deeper. This suggests a multi-level analysis, where behaviour is examined in relation to the policy actor itself, and biases and heuristics being a candidate for a dependent variable to be observed and explained.

The study, thus, offers not only an empirical account and theoretical support of the Advocacy Coalition Framework in analysing policy implementation. It also discusses potential research approaches for developing the understanding of policy implementation, as it connects learning to the concepts of biases and heuristics. The study suggests that these concepts be brought to the fore when studying the processes of policy implementation.

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