

Tool

The Power and Interests Analysis (PIA)

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| Area of Application | Analysis of institutional arrangements in terms of power and interests |
| Objective | The power and interests analysis (PIA) is an instrument designed to facilitate the analysis of “institutional arrangements” in terms of power and interests, i.e. to assess the conditions for the realisation of certain objectives in terms of power and interests. |

1 Context

Analyses of service relationships conducted within organisational networks have revealed that disequitable or poorly transparent power relations and constellations of interests have a major impact on service delivery and acceptance. Not only do the power relations and, in particular, the individual interests of the organisations involved affect service interactions between individual participating organisations, but a “positive” coalition of interests, and possibly even a “strategic consensus” between major players, is often an important precondition for successful interaction. In this context we take a “positive” coalition of interests to mean a situation where the power relationships and interests of the organisations involved are distinctly conducive to the achievement of objectives.

By addressing issues of power and interests, the PIA touches on issues that often cannot be addressed and discussed openly. However, problems relating to constellations of power and interests may have a very significant impact on the prospects for project success – especially in such capital-intensive projects as irrigation. It is therefore important for development cooperation organisations to be able to assess the risks of their involvement in terms of power and interests, at least from their own point of view. The PIA is designed primarily for “in-house” use of this kind (e.g. during the initial phases of a technical cooperation project appraisal).

Only in exceptional cases is the PIA likely to be suitable for use as an instrument for *joint* identification, discussion and examination of the consequences of disequitable power distribution among several organisations. This might be the case where the “climate of trust” between the organisations concerned is conducive to open discussion, or where no “vital” interests or spheres of influence are threatened.

Finally, it should be noted that the PIA can only serve as a “support” for a *qualitative* appraisal of power and interest issues. *Quantitative* assessment of the “parameters of power and interests” is neither necessary nor desirable. What we attempt to do here is to analyse the institutional arrangements on the basis of assessments and appraisals made by professionals familiar with the specific situation, and to visualise this analysis in the form of a graphic.

The power and interests analysis can be performed by individuals or small groups, or in a workshop setting. It presupposes that the person or persons involved are familiar with and understand the interests of the actors in question.

2 Description of the tool

This section explains briefly how a “power and interests analysis” is carried out. The individual steps of the PIA are:

Step 1 Identification and visualisation of the network of relationships

As in the Service Interaction Analysis (Tool 03), the main actors involved in the measure in question (e.g. a technical cooperation project) are identified and either simply listed or, if this helps to shed light on the complex network of relationships, represented in a diagram. Important relationships that are readily apparent without resort to any formal methodology may also be discussed, and included in the diagram if appropriate. At the same time, this procedure familiarises the discussion participants with the situation.

Step 2 Identification and analysis of the interests of the organisations involved

This step analyses the interests of the participating organisations with a specific objective in mind.

To achieve this it is first necessary to agree on the objective which the analysis should refer to: this could be the goal of a (technical cooperation) project, or an individual measure (e.g. within a project).

Next, the actors whose interests are to be analysed regarding the defined objective are selected from the list drawn up in Step 1. These should be those actors who, relative to others, have the greatest influence on decisions whose outcome may either favourably or unfavourably affect the achievement of the objective in question.

The interests of these actors should then be discussed and evaluated regarding the defined objective, with the aim of establishing as precisely as possible what the actual interests are. It is essential that both “overt” and “covert” interests are considered.

Following this, the interests of the organisations examined are summarised by rating them on a seven-point scale (from “very favourable” to “very unfavourable”). This rating of interests expressly relates to the previously defined objective¹.

Step 3 Assessing the potential influence of the organisations involved

In this phase of the discussion, participants are asked to reach a common assessment of the potential influence or power of the organisations involved. The key point is the influence of the organisations in question on decision-making processes whose outcome significantly

¹ It should be made clear to the participants that this assessment must not be seen as a rating of the “quality” or “legitimacy” of the interests. Indeed, it should be stressed that some of the organisations within the respective ‘service network’ may legitimately pursue interests that are not necessarily favourable for the achievement of the objective being scrutinised.

affects the likelihood that the objective of the measure in question will be achieved. The assessment should take into account not only the organisations' influence on the decision-making per se, but also their influence on the implementation of the decision reached. This assessment is made on a three-point scale from “weak” to “strong”. The result of this assessment of “potential power” is expressed on the “power and interests matrix” graphic (cf. Step 4) by the size of the dot representing each organisation.

Step 4 Assessing the viability of the institutional arrangements (power and interests matrix)

The results of Step 2 and Step 3 are now entered onto the power and interests matrix (PIM). The viability of the institutional arrangements is then assessed and appraised as follows: the more organisations with strong potential (as indicated by the size of the dot) are found on the half of the matrix representing interests favourable to the project objective, the more viable the institutional arrangement will – in all probability – be with regard to the defined objective.

Step 5 Discussion of consequences

Finally, the consequences of the PIA should be discussed. Clearly, it is as a rule very difficult to influence the interests of individual actors, especially when the actors in question are highly influential themselves. This is particularly true in capital-intensive measures such as irrigation. Even a frank discussion of the individual interests of the organisations involved is generally no easy matter. On the other hand, (project) constellations are conceivable can be envisaged in which the likelihood of achieving the objective can be improved by specific measures. These may for example include: measures to reduce or increase the influence of individual organisations, measures to strengthen the “favourable” interests of individual organisations (e.g. by balancing or harmonising interests), or modifications to the project constellation and objectives designed to cater better for existing interests. In individual cases, however, the PIA may even raise the issue of whether it is in fact advisable to continue pursuing the measure under discussion.

3 Use of the tool

The PIA is designed to analyse institutional arrangements on the basis of assessments and appraisals made by professionals familiar with the specific situation, and to visualise this analysis in a graphic form. It can be performed by individuals or small groups, or in a workshop setting. It presupposes that the person or persons involved are familiar with and understand the interests of the actors in question.

(See concepts: A illustrated version of two MIA case studies can be found in Huppert, W. and Urban, K. (1998): Analysing Service Provision instruments for development cooperation illustrated by examples from irrigation, Schriftenreihe der GTZ No. 265, GTZ, Eschborn, Germany, 103 pp)