

# CHAPTER ELEVEN: STEP SIX - SELECTING RECOMMENDED PLAN

**“Given a set of viable action alternatives,” the analyst assures us, “I’ll assist you in selecting the best choice or I’ll recommend the best solution.” From Milan Zeleny’s *Multiple Criteria Decision- Making*, p. 100.**

**Step 6: Selection of a recommended plan based upon the comparison of alternative plans. (P&G Section III.1.3.2(a)(6))**

## INTRODUCTION

***If something is going..we assume it will be the NED plan.***

Planners do the analyses and may make a recommendation, but the decision is not theirs to make. The selection process begins with the assumption that doing nothing is best. The no-action alternative is the default decision for every planning effort. The only reason to do anything is if it is better for society than doing nothing. If something is going to be done for water resource plans governed by the P&G, we assume it will be the NED plan. If anything but the NED is recommended or selected, there have to be good reasons for doing so. Planning that does not require NED analysis will default to other actions. That is the selection process. Some details follow.

## THE PURPOSE OF SELECTION

*Selecting a recommended plan is the decision-making stage of the planning process.* The planners are not necessarily the decision-makers, and their recommendations may or may not be followed.

The purpose of the selection step is to try to purposefully choose the best alternative future path for society. In practical terms, the P&G have established a rather straightforward method for doing that. *The first choice is do nothing. The second choice is to implement the NED plan. The third choice is to do something else.* There must be good reasons for the final selection.

## NO-ACTION

*NEPA regulations (40 CFR 1502.14(d)) require that no action always be considered a viable alternative in any final array of plans. The no-action plan is the default choice.* The planning process is, in a sense, built on the default assumption that the Federal agency should do nothing. The Federal agency should become involved in

a project of some type only if doing something is better for society than doing nothing. Hence, the planning process must convincingly establish that Federal involvement in some project is preferred over no action. Do not overlook the importance of the first decision to be made at this step, should something be done?

## THE NED PLAN

***The NED plan...must be presented.***

After the “no-action” alternative is rejected, the selection criteria are policy matters that vary by program and that change over time. *For water resource planning, the P&G provide that the NED plan is the default “action” plan.*

One of the plans formulated must be designated the NED plan. An NED plan is not formulated. Instead, plans that meet the planning objectives are formulated. From among these, one is designated the NED plan based on the comparison of the plans. The NED plan is the plan that maximizes the excess of NED benefits over NED costs, i.e., it maximizes net NED benefits. *From a Federal perspective, the NED plan is the preferred plan because it makes the greatest contribution to the one Federal objective.* This means that if you decide to do something, it’s assumed you will implement the NED plan.

*The NED plan is the only plan that must be presented in detail.* Although only one plan must be described, that does not mean only one plan is considered. It would never be appropriate to consider only one plan.

### **There is More than NED**

With the current emphasis on the NED plan some planners think their only goal is to find the plan that maximizes net NED benefits. Nothing could be further from the truth.

It bears repeating that plans are not formulated to maximize NED benefits. Plans are formulated to meet planning objectives. An array of plans is developed and the one of these that maximizes NED benefits is designated the NED plan. Corps planning is objective oriented, not NED oriented.

## THE LOCALLY PREFERRED PLAN

*Frequently, the non-Federal partner will find it in their interest to pursue a plan that sacrifices some NED net benefits for additional contributions to other planning objectives.* Clearly, if a plan is complete, effective, efficient, acceptable, and it meets local needs better than the NED plan, it deserves serious consideration for selection and implementation. An NED plan may contribute less to or to fewer planning objectives than another plan. The non-Federal partner may have a strong preference for another plan or may weigh the trade-offs among plans differently. When the non-Federal partner prefers a plan that is not the NED plan, that plan is designated the **locally preferred plan**.

**“Buy-downs”...are...normally granted deviations.**

*Current Corps Civil Works policy allows deviation from the NED plan when there are overriding and compelling reasons for doing so. The locally preferred plan may be more or less costly than the NED plan. “Buy-downs,” i.e., the preference for a plan less costly than the NED plan, are, according to Corps guidance, normally granted deviations. “Buy-ups” or larger, more costly plans are exempted from the NED preference if the*

*non-Federal partner bears all the costs in excess of the NED plan costs. A larger, more costly plan must have outputs similar in kind and equal to or greater in magnitude than the NED plan to be selected. In such a case, the NED plan is important because it determines the basis for plan cost-sharing.*

## **DEFAULT ACTIONS IN THE ABSENCE OF AN NED PLAN**

*Not every kind of planning the Corps does results in an NED plan. Ecosystem restoration does not result in an NED plan. The selection criteria favor a plan that is cost effective and that subjectively maximizes net benefits through an incremental cost analysis. Such a plan is essentially NED in spirit, but it is not a traditional NED plan.*

Military planning is not NED-oriented. Corps planners are not always involved in the military planning process from the beginning. In these cases, the default action plan is usually the plan of action preferred by the installation commander requesting the study. This may be a plan initially conceived in a master plan, or a plan that has evolved from a planning process by installation personnel or their contractor. Frequently, planners get involved primarily to assist this default plan through the NEPA evaluation process. This default plan may be preferred to any other action plan until the superiority of an alternative can be established.

*In many other types of planning the default action plan, absent some form of benefit-cost analysis, is the most cost-effective plan that reasonably meets the planning objectives and constraints. This is not the same as saying the cheapest plan is the default action. All viable plans must obtain a minimum level of achievement when measured against the planning objectives and constraints. Of those plans that warrant consideration for selection, the least costly is the default choice. Again, this does not mean it is chosen. It simply means that it sets the standard for choice. If a more costly plan is chosen, incurring the extra cost will presumably be justified on the basis of other value trade-offs.*

## WHO SELECTS THE PLAN?

The **principles of the partnership** are the decision-makers who will make the selection of a recommended plan. Their actual identity will vary from study to study. The Corps' decision-making process is hierarchical, as one would expect in a military organization. The decision process can, however, be bottom up or top down.

In a bottom up process, the study team makes the first judgment about which plan is best in consideration of all the analytical results and with substantial support of the stakeholders. The team then embarks on a journey of presentation and persuasion in which they advise their supervisors, the non-Federal partner, and the District and Division Engineers of the study findings and recommendations. The process proceeds through Corps Headquarters to the Secretary of the Army and the Office of Management and Budget where formal, final approval is provided or denied by the Federal partner. Alternatively, the decision may be top down, made by the senior managers of the Federal and non-Federal partnership agencies. The locally preferred plan, for example, may be selected by the non-Federal sponsor over the team's recommendation of the NED plan.

*The decision-makers who select a plan from among the final set of alternatives are not the planning team.* The planning team does the planning, makes its recommendation and sets its results before the decision-makers. The comparison of plans in step five represents the team's de facto recommendation. The decision-makers review the team's work and make a selection from among the final set of plans, either confirming the team's judgment or providing their own, which may lead to a different recommendation.

***...decision-makers may or may not agree with the study team's findings.***

If the planning team has had access to the key decision-makers and has communicated with them throughout the planning process, the evaluation and comparison of plans will reflect the decision-makers' views. In other cases, the decision-makers priorities may not be explicitly known. Their positions tend to be much more susceptible to political winds that can change serendipitously. When this is the case, decision-makers may or may not agree with the study team's findings. The decision-makers may select any plan from among the final array for implementation or they may offer their own alternative.

If decision-makers concur with the judgments of the study team's evaluation and comparison, the reasons for the selection will be evident. If they disagree and recommend another plan, they should provide their rationale for doing so. *A rational planning process should lead to rational results.* From the vantage point of the decision-makers, the study team may have been unaware of

certain external considerations, for example, changing political climates and changing priorities. Decision-makers may differ in the significance they attach to the various planning objectives. These rational reasons for deviating from the study team's findings should be documented in the description of the plan selection.

Planners, don't take it personally if your favorite plan is not selected. Your job is to give good advice. Decision-makers select the plans.

***...don't take it personally if your favorite plan is not selected.***

## THE CHOICE SET

*In the final iteration of the planning process, decision-makers are presented with a final array of plans that have been compared. These are the plans that have survived all previous iterations of the planning process. They have all been assessed and appraised and found to be complete, effective, efficient, and acceptable. Any of them is a viable candidate for implementation.*

The final array may consist of different alternatives or it may now be down to several versions of a single alternative. There is nothing wrong with a final array that consists of more or less of a single alternative as long as this array emerged from thorough and rigorous formulation, evaluation, and comparison processes that weeded through a wide range of alternative measures.

## SELECTION CRITERIA

The P&G's selection criteria is very clear. If you're going to do something, choose the NED plan unless you've got a really good reason not to! To choose a plan other than the NED plan, the decision-makers must offer a convincing rationale that the NED gains sacrificed or the additional NED costs incurred by deviating from the NED plan are more than offset by the other plan's contributions to other planning objectives.

It is widely recognized that not all important project outputs are commensurable in dollar terms. Beneficial effects of ecosystem restoration projects need not, in fact cannot in most cases, be expressed as NED benefits. In the absence of NED benefit estimates, cost-effectiveness, i.e., attaining the given outputs at the lowest possible cost, remains an important NED-related criterion. In the case of some environmental projects, cost-effectiveness extends all the way to an incremental cost analysis. Although an analysis of NED costs and any important NED benefits is still required, the NED plan is not identified in an

ecosystem restoration study. The selection criteria for these planning activities are based on contributions to planning objectives other than NED.

There is no way to escape the reality of the central importance of the NED objective. It is mandated for the Corps' water resources program. However, NED effects are not the only effects and planners and decision-makers both must bear in mind the leeway they do have to deviate from selecting the NED plan.

In other studies NED is not often a relevant concern. Absent an NED-driven planning study, the changes in the selection process are minor. Presumably, it will always make sense to maintain a no-action alternative, regardless of the planning effort. Likewise, if action is to be taken, then cost effectiveness will always be an important criterion. Ultimately, however, the selection criteria will be determined on a case-by-case basis.

## DOCUMENTING THE SELECTION

A repeating theme in the last few chapters is the importance of documenting the decision process. Problems, opportunities, existing conditions and forecasts can be described with facts and data. They are easier to document than a rather circuitous decision process. Nonetheless, it is absolutely essential that the decision process be carefully and adequately described. Explain what was done and why. Tell your story as simply as possible and no more simply than that.

## WHY PLANS FAIL

Many plans have been produced and never implemented. Plans sometimes fail simply because the obstacles to implementation could not be overcome. *There are four main reasons why plans fail.* These reasons generally are associated with poor planning.

*The first reason is not complicated: the **plan is flawed** and should not be implemented.* Not all plans are good plans. The planning objectives may have been incorrect. Planners may have misunderstood the problems or needs of the community. The plan may have been incomplete, not having anticipated that some things necessary for implementation were not possible. It may have overlooked laws and be illegal to implement.

There could be errors in the cost or benefit estimation. The plan could just be a bad idea. Flawed plans emerge from a flawed planning process. This is an avoidable error. The Corps' six-step planning process provides a formal framework that, if followed carefully, should avoid flawed plans.

*The second reason plans fail is that during the time between plan selection and implementation, **circumstances change**.* Financial and economic circumstances may be different. National priorities change, as can be seen in the history of water resource development. Problems and opportunities change and so might the objectives of locals.

Key supporters leave. Stakeholders change position, or special interests gain power. Public attitudes can change. Events like a dam failure may give opponents a rallying point. Alternative uses for resources may arise. Any of these can be enough to turn support into opposition. The Corps' iterative process can be very responsive to changing circumstances and its reevaluation reports are specifically to consider such changes in conditions.

**Public attitudes can change.**

*A third reason plans fail is that they are **never funded**.* We live in a world of increasingly scarce resources of all types and at all levels of government. A perfectly good plan with strong support may not be implemented because one of the partners is unable to provide their share of the financing. This may be due not so much to changed priorities as to higher priorities. There may be better plans to be funded, though this one is good. There may be other human wants and needs that require attention and funding first. There is rarely enough money to do everything. The project cost-sharing agreement and accompanying financial analysis limit the potential of this kind of failure.

*The fourth reason plans can fail is that the **implementation is blocked**.* If implementation requires the approval of the partners and that approval is not forthcoming, the plan will fail. Plans that do not receive the support of the Secretary of the Army or the Office of Management and Budget will not be implemented. Plans that do not receive approval by local authorities will not be implemented.

A plan may be incompatible with the other commitments of one of the partners. Water supply contracts may render plans infeasible. There may be a good acid mine drainage plan that emerged from a study but the local district may fail to find support for such an initiative within the agency or the Administration. There may be lack of support due to other commitments. A change in the Corps' priority outputs may render a good plan dormant.

There may be a lack of support due to lack of interest. A local government may have no interest in supporting a nonstructural flood damage reduction plan. There may be disagreements among institutions as to their proper roles, i.e., who runs what. There could be agreement but it might lack the power needed to mobilize the resources needed for implementation. These approval points can be foreseen but they cannot be controlled. They remain unavoidable risks. An open and informed planning process can go further to avoid this kind of failure than any other step.

## **SUMMARY AND LOOK FORWARD**

Lesson One. Planners and decision-makers are not the same people. They may agree or disagree on which plan is best. Planners are advisors and not necessarily decision-makers.

Lesson Two. Any plan in the final array of plans should be good enough to implement. If it's not, it should have been eliminated by the screening process.

Lesson Three. Taking no action is the first default decision. If action is desirable, then decision-makers are to select the NED plan unless they have a good reason for doing otherwise. Local preferences may be a good reason for doing otherwise.

Lesson Four. Different selection criteria will lead to different decisions.

Now that we've reviewed the theory, history, and current status of the planning process, we need a little reality check. The next chapter considers some of the practical considerations that can arise and keep planners from realizing the idealized planning process described so far.

## **SUGGESTIONS FOR FURTHER READING**

There is a dearth of material on this step of the planning process. The best references include those writings that deal with water resource planning. These were cited at the end of Chapter Two. Don't get your hopes up, however; there is not much there.

An alternative to the water resource planning literature is the decision literature. There is an abundance of literature on the subject of decisions, but little of it is likely to be applicable to water resources planning in a practical sense. That is, if you want to understand how and why decision-makers do what they do, go to the management and decision theory literature. If you really want to know how decisions are made, keep your eyes and ears open.