The Shaffer Star: Decision-Making

When using a systems approach to reflect on community economic development it is useful to have a paradigm to organize one’s thinking. Ron Shaffer offered a six point paradigm which we call the “Shaffer Star”: decision-making, resources, markets, society, rules, and space. Shaffer maintained that nearly every issue a community may face falls into one of these components or elements of the community.

The decision-making capacity is the community's ability to distinguish between problems and symptoms. A symptom is a visible sign that there is an underlying problem, but treating the symptom does not correct the problem. For example, in many communities, local leaders may claim there is a “problem” with the lack of affordable housing. This is really the symptom to what could be at least two possible problems. First, the problem could be that the cost of land and houses is far too high for the types of jobs and wages available locally. Or second, the problem could be that the rules and regulations regarding the building of a house are far too restrictive, thus raising the cost of housing. Each and every community faces symptoms and problems like these. It is important for people involved in community decision-making to really focus on the problem rather than just addressing just a symptom; in this example people cannot buy a home.

Decision-making translates into how the community goes about setting and implementing policies that affect development. Underlying these policies or programs are community values. When it comes to economics, how are values translated into decision-making? Does the community integrate sound and objective analysis with community perspectives and desires? Does the community involve a broad spectrum of interests or just a select few? What types of strategies can a community implement to attain economic growth? Why are some communities better equipped for making economic decisions when conditions change?

Implicit in decision-making is the community needs to establish its values and set priorities. Each community, at any given time, is faced with a range of issues and effective decision-making requires the community to not only identify issues, but also rank them in terms of priority. How these issues are identified and ranked hinges on the values that the community possesses. These values are driven by the larger society. If you feel the market has the only say then the housing example might not even appear on your radar screen until firms cannot hire local labor. Each community faces a plethora of problems, and community priorities go a long way in determining which one will be addressed first, second, or not at all.
There is a certain level of overlap here with the society node in certain characteristics of effective leadership. Effective decision-making requires leaders to draw on all the resources at the disposal of the community including a diversity of views. Effective decision-making is also marked by the willingness to admit that they lack adequate information and knowledge about a topic and are prepared to ask for help and learn from others.

When we build decision-making capacity we are essentially increasing the ability of people and organizations to do what is required of them to grow and prosper within the setting of the community. In other words, in the context of community economic development, we are encouraging local people to manage their own affairs and to increase their level of self-reliance. Improvement in the quality of community economic development decision-making either through the efforts of governments or community groups requires full recognition of certain fundamental elements. There must be a group of local people who are committed to spending the time, energy and the other resources it will take to make positive local change a reality. The presence of assertive, forward-thinking people in both the private and public sector may be the single most critical variable in community economic vitality.

Widespread citizen participation and support is critical to most decisions affecting a large segment of the community. Local residents control an array of resources that affect community life. These are controlled either as individual residents, businesses, or through collective institutions including local governments and citizen groups. Effective community economic development and decision-making requires a grassroots or bottom-up approach as opposed to top-down command and control approach.

We have found that local solutions to local problems are almost a prerequisite to sustainable policies. Communities that rely exclusively on outside assistance for problem identification and solutions often do not implement long-run sustainable policies. It is almost human nature that people grasp and support self-generated ideas firmer than those externally generated. The “trick” for the community economic development practitioner or Extension Educator is to help steer discussion in such a way that the community comes to its own conclusions about the underlying problems and policy solutions. For example, experience has taught us that communities who rely on outside consultants to provide “the answer” seldom are able to implement policies that address the underlying problems in any meaningful sustainable way.

In the end, effective decision-making requires a blending of process and content. Content centers on making sure that the right information is available to community leaders and concerned citizens. Process centers on helping the community understand the information that is available, ensuring that broad community representation is involved in the discussion, and willingness to act on a decision.