

Lobbying by Employers' Organisations

Introduction

The core activity of an employers' organisation (EO) is advocacy, one of the most important elements of which is lobbying. Advocacy was most probably the reason for the foundation of your organisation. Businessmen recognised that their common interests are better represented by a unified organisation than by individual and separate efforts by business people. By combining forces business can be much more influential than an individual company. Lobbying is used to ensure that government and other stakeholders hear your voice. By lobbying an EO promotes the common interest of its members. Strong performance in the lobbying field can therefore directly lead to increased membership of the EO. Lobbying can enhance your 'brand name' and thus facilitate other activities to generate revenues, for instance paid services.

Ways of lobbying depend strongly on the cultural background in a country and the way political institutions are organised and operate. Effective lobbying must therefore always take into account the local context: what has proved to be a successful approach in one country can turn out to be disastrous in another country.

Many developing countries have a very low score in the World Bank's "Doing Business" report: getting a permit takes for ever, labour laws are very complex and rigid, taxes are sky-high, and cronyism and corruption are a regular occurrence. So EOs have to do a great deal in the lobbying field in these countries and can earn much appreciation from their members.

Strategy

Before you start lobbying you should first examine your organisation seriously to see whether it is suited to lobbying and has the right skills to operate successfully.

✓ the organisation itself:

- is lobbying one of our priorities?

Perhaps your organisation was mainly established to offer services to its members and you should ask yourself whether your organisation's staff have the right skills for lobbying.

- are we a homogenous organisation?

You should ensure that there is unity within your organisation. The success of your lobbying depends to a large extent on united and harmonious action by your organisation. Dissident voices in the press from your constituents are fatal: speak with one voice!!

The Centre for International Private Enterprise (CIPE) lists seven characteristics for successful business associations with respect to their advocacy practices:

- **articulate members' concern as a unified voice;**
- **meet regularly with decision-makers;**
- **establish regular contacts and close working relations with governmental officials;**
- **use these contacts to promote members' interests;**
- **engage in both proactive and reactive advocacy to your members' benefit;**
- **help prevent frequent changes in the legal framework which can hurt business;**
- **monitor the administration of policies.**

✓ do-it-yourself or join up with other organisations?

This is a matter of efficiency and effectiveness. You should ask yourself whether you are the right organisation to lobby for this specific issue and whether you are powerful enough. Is there a possibility that your members cannot be united on the issue at stake? What are the chances of success? If the answers to these questions are negative, you should ask yourself whether you should take the lead in lobbying or whether it would be better to join up with a partner which is better equipped and has better chances to carry off the whole operation successfully.

Tactics

If lobbying is one of the key roles of your EO you have to develop a business agenda for your lobby activities:

✓ *which are the most important dossiers?*

Set priorities, preferably not more than ten. These priorities are discussed with your members and agreed by the board. The World Bank's "Doing Business" report will certainly give you an indication of the main obstacles for business in your country and a survey amongst your members can add detail to the picture of the "Doing Business" report and give you a clear view what's important for them and their businesses¹.

Put your priorities in a business agenda which gives the strategy, the road map, for your EO for the next four to five years. The spokesperson should be capable of explaining the business agenda to an audience in a few words.

✓ *who are the allies and who are the opponents?*

Try to find out whether there are organisations which have the same interests as you and see whether it is possible to form a coalition with them. The broader your coalition is, the more impact you will have on policy-makers, but also the more difficult it will be to maintain a unified front.

Sometimes making concessions on some of your minor points can be a justified sacrifice to reach a broad coalition and increase the chances of success.

Do not disregard the opponents. Look at their main arguments and try to disprove them with solid and reliable data.

✓ *make use of the networks of your (board) members*

A personal approach is the most effective way to gain a hearing for your views. So if there are people amongst your board members or amongst your corporate members who have the ear of decision-makers, make use of this network.

✓ *calling in the media*

In an ideal situation an EO has good relations with officials of the relevant ministries such that the staff and/or the board is always well informed about new activities at the ministry which could be harmful to business. And if that kind of regulation threatens, the EO will take

Some salient points from an investigation into the effectiveness of lobbying amongst officials. The percentage shows the number of officials who agreed with the proposition:

✓ a broad coalition increases the chances of success: 78%

✓ lobbying by a well-known person is more effective than lobbying by an unknown person: 78%

✓ lobbying by a pressure group is more effective than lobbying by an external consultant: 60%

✓ press and public opinion increases the chances of success: 62%

✓ lobbying aimed at a senior official is not more effective than lobbying at a lower-ranking official: 71%;

¹ The Dutch employers' organisation VNO-NCW every year formulates a priority plan with the lobbying priorities for the years ahead. The plan also shows the lobbying results of the last year. The Irish employers' organisation IBEC published its "Vision 2012" which contains the policy objectives for the coming years.

early action to ward off the danger by starting discussions with the officials and, if necessary, the minister to convince them that the proposals should be abandoned or at least amended. In such a situation making a lot of noise in the press does not create the right climate for having your views accepted. Calling in the press can satisfy your members, because they often think that the rate of success of lobbying can be measured by the volume of coverage in the press. But generating unnecessary publicity can have a negative effect on your relations with the decision-makers and may be counterproductive. Calling in the media should therefore only be considered if publicity really supports your lobbying activities and creates the right climate for them, and is not harmful for your relations in the long term.

Implementation

If you have a well thought-out strategy and clear tactics, but your implementation is clumsy, failure will be your lot:

✓ *precise timing is crucial*

Influence is strongest in the embryonic phase of rule-making. Make sure you are informed when officials in departments are preparing legislation which may be harmful to your members. You should know on which dossiers ministry officials are working. Some EOs have developed a kind of monitoring system for this reason.

✓ *collecting relevant information*

Both information about the content of governmental proposals and the effects on business as well as on the most relevant stakeholders (ministry, parliament, allies and opponents) should be collected.

- what are the effects on business?

Effective lobbying takes advantage of policy-makers and officials' need for information. Give short, reliable and targeted information – not general information: facts which can convince decision-makers (damage to companies, job losses), make comparisons with rules in neighbouring countries (if they put your arguments in a favourable light, of course). Leave the information behind in the form of a 'position paper'.

- what are possible alternatives or compromises?

Choose a constructive approach; politicians and officials are much more susceptible to a positive than a negative approach. What are the minimum changes required to make the proposal acceptable to your EO? But, does your mandate allow you to compromise? It is important to have your back covered.

✓ *speak with key decision-makers*

Rules are mostly prepared by a low-ranking official. Start with him/her if you want the rules changed. He is the expert, he advises his superiors and if you leave him out you will have a much more difficult task in your subsequent lobbying. But if you are not successful with this expert, do not hesitate to take it higher up. No one will blame you for that. However, the levels of the interlocutors should be geared to another. Hence, the president of the EO speaks with the minister, the CEO with the director general or director of the ministry and staff members with lower-ranking officials. Obviously, there can be circumstances where you have to deviate from this rule.

✓ *a face-to-face meeting is the most effective way*

As the graph alongside shows, a personal approach is the best way of lobbying. Investments in relations and networks are essential to secure early information from ministries and make

them susceptible for your lobbying activities. If you lobby with a delegation, for instance at a hearing, put together a small delegation (with the president or board members) and give a short and to-the-point presentation.

✓ *publicity*²

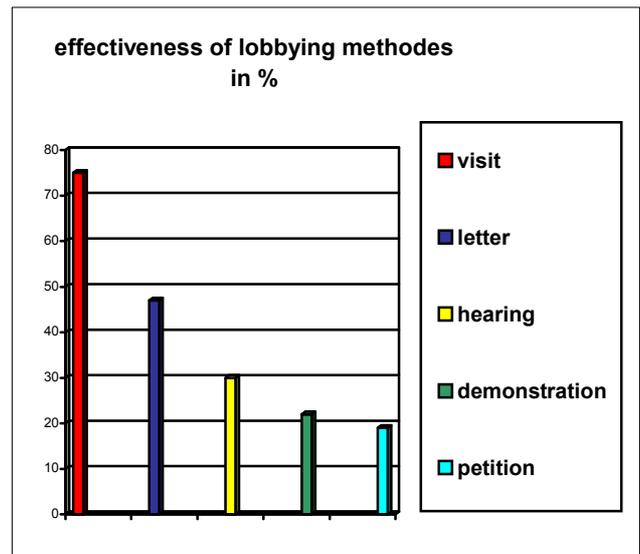
If you have decided that publicity can be beneficial for your lobbying, it is crucial to provide the media with the necessary information about your views. Prepare a short press release, preferably not more than one page, with the key elements of your message. At the end of the release, give some short information (a few lines) about your organisation and the name of the spokesperson with telephone number and e-mail address.

Take a proactive approach: do not wait until the media publish your release or messages, but call journalists and tell them that you have interesting news.

For the ones who want to have more information, prepare a more detailed public document with your views, including the effects on business and possible alternatives.

Instead of a press release you can also opt for a press briefing or a press conference.

However, these events call for much more preparation than a press release – as well as some experience – and the outcome is sometimes difficult to predict.



Evaluation and follow-up

✓ *evaluation*

Each lobbying operation should be evaluated, both to learn from mistakes and to use the strong points in future. When lobbying fails to reach its goals that does not necessarily mean that the lobbying was bad.

✓ *communication with your members*

Communicate the results of your lobby with your members. It is important not only to communicate after the lobbying, but also to inform your members regularly about the state of affairs. Give yourself credit for positive results, but do not exaggerate. If you failed to achieve your goals, explain why. Sum up all the actions taken and the reactions of government and politicians. Members will accept a failure of your lobbying activities much more easily if they are convinced that you have done everything possible.

✓ *reviewing the business agenda*

Update your business agenda annually; it should be your lobbying bible. Take into account changing preferences of your members and changes in policy directions.

² See also the DECP publication "Effective media publicity", Hans Klooster, 2007. www.decp.nl

Lobbying in a few catchwords

Do's

- ✓be realistic
- ✓give true information, act more as an adviser than as an opponent
- ✓do your homework, on both content and form
- ✓propose feasible solutions
- ✓if possible, propose alternatives
- ✓try to give your problem a broader basis
- ✓try to find allies
- ✓make use of all your members' networks
- ✓only make publicity if it enhances your lobbying
- ✓evaluate and learn from your mistakes
- ✓communicate regularly with your members

Don'ts

- ✓intervening too late in the procedure is fatal – the battle will already have been lost
- ✓differences of opinion in your delegation or grass roots
- ✓lobbying too long with lower-ranking officials
- ✓a biased or superficial approach (*one of the most common mistakes in lobbying*)
- ✓using gifts or money to make your views more acceptable
- ✓calling in the press if it is not necessary
- ✓nagging, droning, buttering up, flattering, getting angry, pointing fingers, speaking in an aggressive voice
- ✓avoid loss of face

Further reading:

1. "The Effective Employers' Organisation. Guide Three Advocacy". Geneva, ILO, 2005.
2. "Lobbying by Employers' Organisations. Tools for success in Europe." Jean-Marie Standaert, ILO Budapest, 2006

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