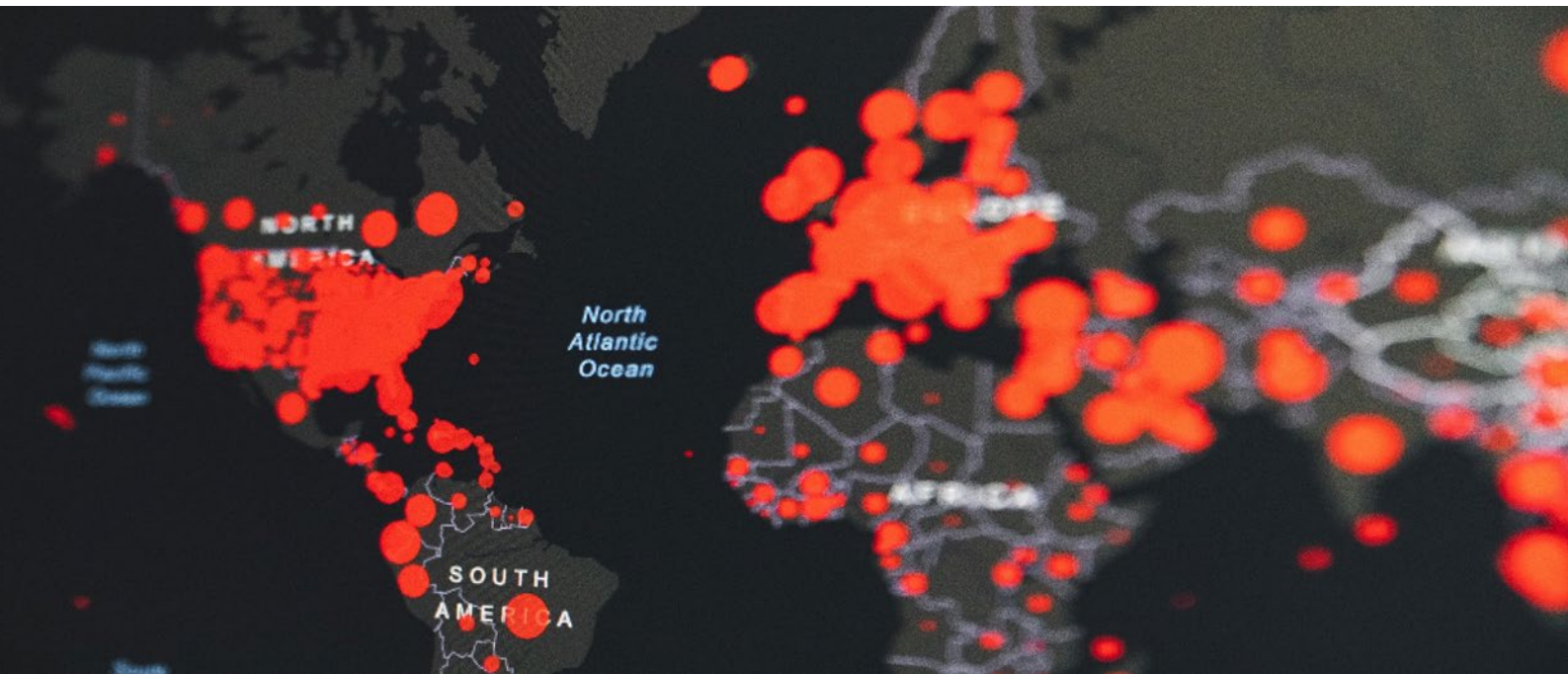




DUTCH EMPLOYERS COOPERATION PROGRAMME



EIGHT LESSONS FROM THE PANDEMIC

AN EMPLOYERS' ORGANISATIONS' PERSPECTIVE

SINCE THE START OF THE WORLDWIDE COVID-19 CRISIS DECP HAS CLOSELY FOLLOWED THE PROCEEDINGS IN THE 23 COUNTRIES IN ASIA, AFRICA AND LATIN-AMERICA WHERE IT OPERATES, FOCUSING ON THE INVOLVEMENT OF BUSINESS MEMBER ORGANISATIONS IN THOSE COUNTRIES IN TACKLING THE CRISIS.

WHAT CAN BUSINESS MEMBER ORGANISATIONS LEARN FROM WHAT HAPPENED AND WHICH ACTIONS SHOULD THEY UNDERTAKE NOW AND IN THE FORESEEABLE FUTURE? THAT IS THE KEY QUESTION FOLLOWING THE PANDEMIC AND THEREFOR THE KEY QUESTION IN THIS BRIEF REPORT.

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Summary: Eight lessons in brief

Since the start of the worldwide Covid-19 crisis, DECP has closely followed the proceedings in the 23 countries in Asia, Africa and Latin-America where it operates, focussing on the involvement of business member organisations in those countries in tackling the crisis.

What can business member organisations learn from what happened and which actions should they undertake now and in the foreseeable future? That is the key question following the pandemic and therefor the key question in this brief report.

Analysing the events has led to an overview of the role business member organisations (BMOs, also known as employers' or entrepreneurial organisations) played and play, resulting in eight lessons for those organisations to emerge stronger from this crisis and be better prepared for future crises.

1. Lobby for strengthening the formal setup of a tripartite structure (consultation between business member organisations, trade unions and the government) and broaden its scope to economic topics – to have more influence on the *when* and *what* of tripartite consultations.
2. Create or strengthen an (internal) infrastructure (involving members) on relevant fields of knowledge, e.g. on how to act in case of a (national) emergency – to have knowledge and competences available to advise members and government what actions should be taken.
3. Invest in relations with political leaders, members of parliament and civil servants at all levels – to have easier access for advocacy.
4. Put massive efforts into engaging business leaders – to increase knowledge and bargaining power.
5. Invest in regular meetings with labour union leaders and try to formalise this – to have more countervailing power to arbitrary or damaging government policies.
6. Create one voice of business, team up with other representative business organisations to gain knowledge and bargaining power.
7. Invest in the BMOs capacity, competences and skills and expertise in the area of negotiating and social dialogue – to be more effective in discussions.
8. Invest in (improvement of) a digital infrastructure – to easier involve all target groups (member companies/business leaders, politicians, unions reps, general public, etc.).

Introduction

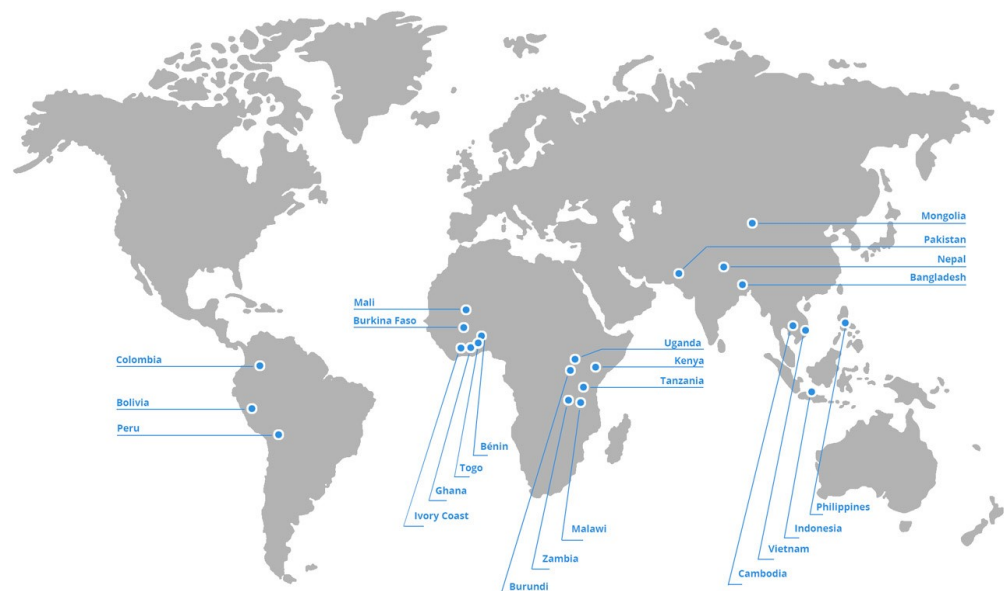
DECP, a Netherlands' programme to assist Business Member Organisations (BMOs) in over 20 emerging countries (www.decp.nl), has closely followed the developments in BMOs during the Covid-19 pandemic.

Its advisors - all of them highly experienced in the field of BMOs, lobby and advocacy and social dialogue - through a variety of sources, have collected information from the countries where they work as well as from other countries.

Based on this information, their observations and their experience the DECP team composed an analysis and suggestions for action and improvement in this document.

DECP is pleased to share its observations about BMOs' reactions to the pandemic, their involvement in national policies, the influence they had and the specific topics they addressed with members, governments, trade unions and other stakeholders.

By sharing observations and by making recommendations, DECP hopes to contribute to the continuous improvement of BMOs, not only in general but in crisis situations in particular.



DECP IS ACTIVE IN OVER 20 COUNTRIES

What we observe

How did business member organisations react to the Covid-19 pandemic, how did they cooperate with government? Those are the starting questions of this brief report.

Governments in the lead

Across the world governments have to a certain extent followed common approaches to the Covid-19 pandemic. Only a very small number of countries decided not to put lockdowns or other major restrictions into effect.

Although at different levels of intensity and scale, in most countries:

- social distancing has been introduced
- health care systems have been adjusted (increase of intensive care capacity)
- employers and employees have been urged to work from home
- means of transportation have been abolished and travelling has been restricted
- companies have been closed down
- 'essential' services have continued to operate

These policies (phase 1, short term response) have resulted in the steepest fall in the world economy in living history. It is fair to say that measures to deal with Covid-19 have initially been taken mainly based on healthcare arguments, with no or very limited attention for the social and economic effects of these healthcare measures.

Most governments have followed their healthcare measures up by trying to reduce the negative economic by-effects through monetary support for businesses and independent workers (phase 2, limit economic effects). Reopening the economies and countries (phase 3) is just underway at the moment this report is written.

Several BMOs ask themselves whether the reactions of their governments have been proportional to the effects on society and economy: was the medicine worse than the disease? 'The health crisis has set the stage for an unprecedented economic crisis which risks being more deadly than COVID 19,' one representative of a West-African BMO states.

'Initially the government closed down all economic activities, but the ban was soon lifted again from fear for a rebellion. Dying from Covid-19 or from hunger is the same thing, has been the motto,' reports an African BMO.

Involvement of BMOs in national policies

Similar reports, especially from Africa, have been received: measures to fight the spread of the virus have been withdrawn or not been implemented at all for fear of the government for the public opinion. A very interesting case makes Malawi. In that African country a court of justice prevented a lockdown on the basis of such a

measure being a violation of human rights: Malawians have to be able to earn a living, with a lockdown a famine might break out.

Public opinion, courts of justice. Where were the BMOs when it came to decision making about measures to slow down the spread of the Covid-19 virus? What was their influence?

In most 'DECP-countries' (23 in total, spread among Asia, Latin America and Africa) BMOs have been involved in the design and execution of Covid-19 policies, but most have only been involved as from phase 2, reduction of the impact of measures on the economy. This was when the most restrictive health care policies were already in place. Most will be involved in phase 3. Thus the BMOs role has been reduced to assisting in stopping the bleeding after the wound was inflicted.

As one BMO observes: 'Government showed slackness in taking employers into confidence before taking major decisions concerning measures to combat COVID crisis.'

Having said that, BMOs have been involved in designing the policies that were introduced to keep the economy going and to anticipate reopening of society. Having a say in those policies was actually one of the cornerstones of the strategy of most BMOs during the pandemic.



CGECI, the employers' organisation of Ivory Coast, informs its members through magazines and webinars

Strategy

So what was the strategy of the BMOs? Surprisingly (or rather unsurprisingly?) BMOs reacted along the same strategical lines in most countries.

1. The key objectives of most if not all BMOs were (1) to reduce negative effects on the economy and to keep as many as possible businesses alive and (2) to focus on direct support for their members.

2. In order to achieve this (1) and get support for its positions, BMOs have found a formula in connecting the objective to keep business alive with a social objective, keeping employment as large as possible and avoiding layoffs as much as possible. The common argument: a good economy means strong companies, which in turn means retention of jobs.
3. For this reason all BMOs have addressed the government, most have addressed the labour unions and some have directly addressed the general public.
4. To create added value for their members, all BMOs have made a massive effort in communication with the membership and informing them throughout.
5. The means used for communication are the usual ones: newsletters, websites, webinars, press releases and press conferences.

Engaging with the government

Although governments were reluctant to involve or were simply not thinking about involving BMOs in drawing up the first anti-Covid-19 measures, business member organisations in emerging countries have been (and are) serious counterparts for governments in keeping the economy (and the society) alive.

BMOs from many emerging countries report how they have been successful with their proposals:

- Financial support for businesses
- Tax relief
- Longer terms of payment
- Permission to send workers on unpaid leave
- First access to government information

Etc.

Despite these successes the impression remains that also in this phase the influence of BMOs was less than optimal. How come?

Talking to the governments during times of crisis also provided BMOs with some food for thought about their own strengths and weaknesses.

‘Evidence based lobbying and advocacy must always take centre stage’, reports one BMO.

‘Both our secretariat and our membership have to ask themselves whether their capacity is sufficient to act adequately in circumstances like these’, states another BMO.

But there are other factors that may play a role in the suboptimal advocacy power of many BMOs. Some of the factors they mention themselves are:

‘It is crucial to cooperate with other business organisations, also sectoral ones, and to speak with one voice.’

‘Involvement of business leaders, collaboration of business organizations and partnerships with stakeholders are crucial for lobby and advocacy and for enhancing the relevance of our BMO.’

The most important observation may actually be that in most countries the tripartite system is not strong enough to automatically provide the structures along which institutions and governments look for solutions in times of unexpected crises. In other words: BMOs (and labour unions) are not the ‘natural’ partner for governments even if they have the capacity and knowledge to help solve the situation.



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 29-30 JUNE 2020 | 10am to 12pm PHT
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SPEAKERS

						
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MODERATOR

ECOP, the employers' organisation of the Philippines, cooperates with national and international bodies to involve as many people and institutions as possible looking for solutions

Engaging with unions

It seems that most BMOs at some stage of the crisis have been talking to labour unions bilaterally. The objective of these talks: find common interests to mitigate the effects of Covid-19 policies. That common interest was found in the combination of striving for a strong economy and maximum retention of employment.

In quite a few countries this resulted in shared proposals on concrete issues: calls for financial support for businesses to continue payment of salaries (several countries), adjustment of working hours, work schedule and dealing with the situation demanding for layoff and payoff, and so on.

Engaging with the public

In order to create support for their ideas and proposals, some BMOs have turned directly to the general public. Without exception this took the form of 'feel good campaigns': a campaign to collect medicines (SNI, Peru), a shared campaign with labour unions to put 'Covid-19-stickers' in hospitals and other public buildings.

One BMO observes that: 'Politicians and members of the general public have been accusing employers of violating workers' rights especially with regards to quarantining employees. Our BMO as the voice of industry has to voice out for employers in a manner that takes into account the concerns and sensitiveness of the general public'.



Industria PERUANA



La defensa gremial no estuvo en cuarentena

En la peor crisis de la industria, la SNI estuvo con sus asociados.

Agenda de gestión

Presidente de la SNI adelanta agenda gremial para nuevo año de presidencia y frente a la coyuntura actual.

Un año difícil

Crisis sanitaria configura un escenario complejo para la industria, pero puede ser un pilar de la recuperación económica.

Ayudas por mejorar

Programas de financiamiento empresarial del Gobierno debería ser mejorado para que sea más eficaz.

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The COVID-19 pandemic has dramatically changed priorities of employers' organisations

Creating added value for members

Following their 'natural' way of behaving BMOs have put a massive effort in communication with the membership and informing them throughout in order to create added value for their members. All have applied a multiple media strategy, using all available and useful means of communication: websites, newsletters, social media channels, video, advertisements, free publicity, etc.

'Keeping members well and timely informed enhances loyalty and maintains relevance of our organisation', one BMO remarked.

The contents provided to the members consist of two categories:

1. *General information from others.* Information for business about what is happening?, what are the new rules?, what to do as an employer? for the most part originates from governments and institutions like the ILO and the WHO. BMOs have invested a lot of time and effort into making this information digestible for their membership.
2. *Own knowledge.* Besides passing on the governments' message, most BMOs have tried to create or mobilise knowledge that is useful in tackling the crisis. Many have invested - often together with members and knowledge institutes – in business continuity plans, guidelines for the implementation of health measures and collecting good business examples.

A striking new feature in communication by BMOs is the use of and dependency upon digital technology. Most of them already used electronic newsletters and social media, but social distancing has pushed the transformation of daily operations, e.g. in the form of teleworking. Organisation of webinars overnight has become standard procedure.

'The BMO was forced to digitize and digitalize many aspects of its operations.'

'Digital tools have become unmissable.'

'The need to embrace modern technologies in managing membership services is critical for the survival of our employers' organisation.'

What is remarkable: in most countries, ICT facilities are good enough to allow –at least to some extent- many of the possibilities promised by new technologies: distance working, webinars, teleconferences.

Most BMOs seem to be sufficiently equipped (due to the fact that basic computer equipment suffices nowadays) to benefit from this trend, although quite a few BMOs are worried about the investments needed to keep up to date and others are not yet there.

'Teleworking and other adaptations to the crisis situation on a large scale is impossible for the lack of an adequate infrastructure - internet, IT-tools, electricity, etc.'

Arrivals 到达							
Scheduled 预定	Estimated 预计	Origin 起飞地	Flight 航班号	Terminal 航站楼	Remarks 备注		
10:45		SEOUL(GMP) 首尔(GMP)	OZ1085 ANA NH6968	T3	Cancelled 航		
10:50		MUNICH 慕尼黑	LH714	T3	Cancelled 航		
10:55	10:25	LONDON(LHR) 伦敦(LHR)	BA5 JL7080	T3	Arriving 到达		
11:05		SEOUL(GMP) 首尔(GMP)	KE707 JL5234	T3	Cancelled 航		
11:45		TAIPEI(TSA) 台北(TSA)	BR192	T3	Cancelled 航		
11:55		VLADIVOSTOK 符拉迪沃斯托克	S76289	T3			
12:10		PARIS(CDG) 巴黎(CDG)	AF272 KL2324	T3	Cancelled 航		
12:15		FRANKFURT 法兰克福	LH716	T3	Cancelled 航		
12:20		SHANGHAI 上海	NH972	T2	Cancelled 航		
12:30		BEIJING 北京	CA181	T3	Cancelled 航		
12:30		SHANGHAI 上海	FM815 MU9815	T3	Cancelled 航		
12:50		BEIJING 北京	NH964	T3	Cancelled 航		
13:00		BEIJING 北京	CA120 MU8737 CZ4858	T3	Cancelled 航		
13:05		SHANGHAI 上海	FM80	T3	Cancelled 航		
13:10		TAIPEI 台北	BR220 JL5042	T3	Cancelled 航		
13:20		TAIPEI 台北	CI9220	T3	Cancelled 航		
13:30		SHANGHAI 上海	FM537 JL5642	T3	Cancelled 航		
13:35		NEW YORK 纽约	CA131 ANA NH7545	T3	Cancelled 航		
13:40		MUNICH 慕尼黑	LH422	T3	Cancelled 航		
13:45		TAIPEI 台北	BR121	T3	Cancelled 航		

Economic activities slowed down to a minimum in all parts of the world

What we conclude and suggest

The key questions for this report:

What can business member organisations learn from what happened and which actions should they undertake now and in the foreseeable future?

Build relationships, establish structures

It is clear that in the case of Covid-19, healthcare measures rightfully got top priority, Covid-19 being an unknown virus resulting in an unknown disease for which there was and is no cure. Having said that, in many countries in Latin-America and Africa there was ample reaction time since the pandemic hit much later in those countries than in Asia and Europe. Hence there may have been time to look at measures from a wider angle – economic and social as well as from health care. An important lesson to be drawn here is that **BMOs should try to set up or strengthen (tripartite) structures that create an automatic reflex within governments to consult them in normal times, but also in crises.**

In order to achieve this, BMOs should **invest** even more than they already do in **relations with political leaders, members of parliament, civil servants and labour unions at all levels.**

This point is closely related to that of improving social dialogue – see page 14.

FKE 8th Webinar

TOPIC:

Unpacking the Memorandum of Understanding (MoU) Between the Tripartite Social Partners and Update on Dispute Resolution During the Pandemic Period

Host



Jacqueline Mugo, E.B.S
CEO/Executive Director, FKE

Panelists



Grace Kanyiri
Head, Industrial Relations,
Legal & Membership Services - FKE



Moses Ombokh
Senior Industrial Relations Officer – FKE

Please send your questions to mombokh@fke-kenya.org by 8AM (EAT) 27th May, 2020

REGISTER HERE >> <https://bit.ly/3g6s5Su>

27th May 2020 | 10:00AM - 11:00AM (EAT)

Employers' Organisations and trade unions do their utmost to find solutions together

Reduce economic damage

It would seem that one of the core tasks of BMOs in times of crisis is to minimise and prevent damage to the economy in general, businesses and therefor also to employment. It is in this task that especially in times of crisis BMOs and labour unions have a shared interest.

An interesting example of (an effort of) preventing economic damage is the already mentioned situation in Malawi, where no large scale lockdown has been implemented due to a court ruling: a lockdown would severally damage the economy

and prevent people from earning a living to such an extent that the economic and social damage would be more serious than damage from the virus.

If BMOs would have had a bigger say in the design of measures in several emerging countries, the outcome might have been less strict lockdowns with presumably less damage to the business environment.



The coronavirus and the restrictive measures have drastically changed people's lives

Governments need businesses competencies

Governments have been struggling given the extremely difficult and unknown circumstances during the pandemic. It has become clear in many countries that BMOs have or can organise knowledge and competences that can be very useful during crises but that governments are lacking. One example is forecasting the effects of desired governmental measures: shutting down airports completely means that certain medicines may not be available. Another example: making internet access temporarily free for all citizens, as one government requested, would have resulted in a meltdown of the whole ICT-system.

It is in its availability of technical, economic and social knowledge that the business community has a strong argument for being involved in all stages of setting up crisis scenario's and measures. **Therefore it is wise for a BMO to invest in an infrastructure that makes knowledge available.** This can be done through the forming or strengthening of thematic members' committees in which experts from companies are represented. E.g. a members' committee on internet issues.

Involve your business leaders

Why are BMOs not involved from the first moment of tackling a crisis? There are at least three factors that (may) play a role: the 'weight' of the delegation; the design of the social dialogue or tripartite model; competition within the business community.

Many BMOs are represented by HR-officers. Although they represent leading businesses they usually are not perceived as business leaders themselves. A lesson to be drawn is that **it may be wise to try and get CEOs of leading companies involved – during a crisis, but also on a structural basis.**

Improve social dialogue

Many countries already have a formal social dialogue in which government representatives meet with representatives of labour unions and the business community. But in many emerging countries this tripartite model is ineffective because the agenda is narrow (only focussing on labour issues), the representatives are not perceived as business leaders (see previous point) and there is no 'rhythm' in getting together. Hence there is no 'automatic' reflex within the government to consult social partners.

A lesson to be drawn here is to **make closer alliances with labour unions** as they have - to a large extent - the same interest as the employers: to be heard and to reduce economic damage (which for the unions translates into reducing negative employment effects). Invest in regular meetings with labour union leaders and try to formalise this – to have more countervailing power to tackle arbitrary or damaging government policies. It may also help to create an environment in which a formal tripartite setup gains strength (see above).

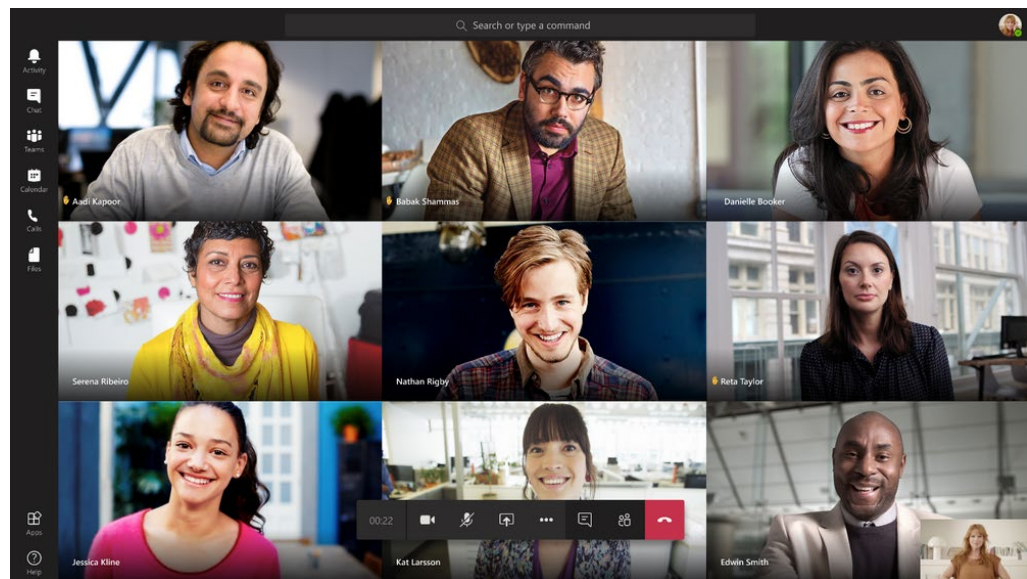
Focus in your contacts with trade unions on gaining trust. Put energy primarily in issues on which you agree. This will create solid ground for creative solutions on issues where you don't agree. In order to do this, invest in negotiating skills and dialogue competences.

Create one employers' front

Another feature of the employers' front in emerging countries to tackle the Covid-19 crisis is its problem to speak with one voice on behalf of the business community. Better relations with other representative business organisations may be beneficial for all employers and their organisations. **Try to create one voice of business:** team up with 'competitors' – to gain bargaining power.

Invest in people

To gain strength as a BMO or a business community in dealing with governments, labour unions and (unforeseen) challenges takes a lot of brain power. Especially in the field of negotiating and social dialogue excellent skills and competences are required. It is important to have highly competent and qualified staff whose knowledge is up to date. **Therefore business communities should invest in the BMOs capacity and competences in order to be more effective in discussions.**



Meeting through available software like TEAMS, ZOOM and Skype became worldwide the new standard

Use digital

BMOs in emerging countries have rightfully put enormous efforts in keeping their members up to date, inform them about new developments, explain rules and regulation. In doing so – like many people and organisations – they have discovered the possibilities and advantages that relatively new digital means of communication can have. E.g. to involve people with tight time schedules.

What is more: many people have got used to the idea that certain meetings can be held using the internet rather than getting together physically. To fully exploit the possibilities of digital means of communication it is wise to **invest in digital infrastructure – computers, software, internet access** and to consider offering member services and member consultations online.

Appendix: Sources

For this report multiple sources were used. Amongst others:

- DECP databases, mission reports
- Interviews with DECP-experts
- ILO and other public websites (e.g. www.ilo.org/global/topics/coronavirus/country-responses)
- Questionnaire and project proposals from BMOs
- Websites of BMOs
- Newspapers, magazines, various websites

Apart from this report DECP has put tips, tricks and insights online for BMOs to use in times of crisis - <https://www.decp.nl/corona-update>.

The relevant material for website and analysis was collected from the beginning of the Covid-19 crisis in March 2020 until 15 June 2020, by which time the pandemic seemed to be fading out. In addition, a brief questionnaire was distributed to get the views of BMOs on certain aspects of the crisis management in their respective countries and their involvement in tackling the crisis.



Communicate, tell, exchange and share. This photo has become the icon of the DECP Corona-update website

Appendix: About DECP

Dutch Employers' Cooperation Programme (DECP) is a public-private partnership founded by the Dutch Ministry of Foreign Affairs and Dutch employers' organisations. Its aim is to create sustainable economic development in emerging countries by strengthening the position of local business member organisations (BMOs). In order to do so, DECP offers advice, shares experiences, and transfers knowledge through workshops and trainings to BMOs in emerging countries.

What can DECP do for your organisation?

DECP has 15 years of expertise in improving the operations of employers' and/or business member organisations. By identifying critical success factors, DECP is able to advise employers' organisations in emerging countries. Exchange of experiences and sharing of best practices are central through workshops and trainings. DECP consultants work in a demand-oriented way. The specific demands of the partner and the country-specific circumstances are decisive for making crucial choices.

DECP also follows this approach with regard to managing the consequences of the COVID-19 crisis for employers' organisations and their members. Successful and powerful actions and insights have been collected and made available via website www.decp.nl/corona-update.

Partners are challenged to develop effective short and long term actions. These proposals are reviewed and commented by a team of experts. Approved actions are financially supported by DECP. DECP experts provide remote support during the execution of these actions.



Hans de Boer, president of the Dutch umbrella employers' organisation VNO-NCW: 'If the corona crisis shows something, it is boundless, mutual dependence'

Colophon

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