



Part 3

3.1

How to formulate enabling environment reforms

Section 3.1:

Formulating an advocacy effort



Purpose and structure of this section

This section provides an overview of the advocacy landscape; the different stages to an advocacy effort and guidance on the approaches to take.

Part i: Overview of advocacy and the role of EOs

Part ii: Initiating the advocacy process

Part iii: Stages to an advocacy process

Part iv: Identifying target audience

Part v: Identifying key messages

part vi: Deciding an approach

Annex: Step by step approach

6 PROJECT QUALITY: SUCCESS FACTORS

- GOOD MEASUREMENT
- ACT EARLY
- GOOD PLAN
- GOOD COMMUNICATION
- MANAGE STAKEHOLDERS
- REVIEW PROGRESS

Introduction

The type of advocacy that an EO can be involved in heavily depends on the political system of the country where it is conducted. *There is no one size fits all approach.*

In countries with open democracies, the role of the EO can be made easy by existing processes and institutions. The EO can take a proactive approach with government. It can conduct a quiet approach, using corridors and back channels to influence policy, or it may pursue a loud approach such as taking a public stand on an issue, perhaps being critically vocal in the media of a certain course of government action. The EO can decide which approach suits its situation.

In other countries with less open systems of government, such approaches may produce limited results or may even be counterproductive. In this context, this section outlines principles for the EO to consider in its approach in trying to influence the government. Each EO must adapt what its work to its own particular circumstances.

Part i: Overview of advocacy and the role of EOs

Being recognized as an effective advocate strengthens the EO's public profile both with policy-makers and with the business community. Strong performance in the field of advocacy leads directly to increased membership. It also provides the reputation and "brand recognition" necessary to promote other revenue

generating services the organization may offer. At its basis any advocacy objective of an EO must be fully grounded in its members' needs.

1.1 What is advocacy?

Advocacy is actions designed to influence laws, regulations, court decisions and the general attitude and approach of decision-makers in socio-economic policy. It includes any activity by the EO aimed towards influencing policies.

Policy-making has three basic components: *the problem, the players, and the policy*. A problem is something perceived to be 'wrong' in a society or its environment. A player is an influential participant in the process. A policy is a goal with a plan of action to solve the problem.¹ Advocacy from an EO's perspective is any form of persuasive activity that influences government policy-making.

The aim of advocacy from an EO's perspective involves:

- Building a case in favour of the EO's members' needs;
- presenting it - *with varying degrees of pressure* to policy-makers for their acceptance and support;
- controlling the advocacy process;
- evaluating the benefits obtained;
- communicating the results.

An effective policy advocacy strategy will *inter alia* contain the following elements:

1. Disseminate information about laws and regulations affecting business as a whole.
2. Influence the course or form of legislative or regulatory actions.
3. Identify emerging issues so business can decide whether to pre-empt legislation
4. Make proposals by action or work to reshape existing laws.
5. Provide guidance to members on how to act and address legislators.
6. Provide a legal vehicle for organized access to government officials.
7. Provide knowledge of people, procedures, and structures involved in policy-making

In summary, advocacy begins with a problem or with a perception that there is a better alternative to a current condition and seeks to solve that problem and/or implement the selected alternative. There are no strict rules for advocacy work. Its approaches must be culturally, socially, and politically specific.²

1.2 What policy advocacy is not!

From the perspective of an EO, policy advocacy is geared towards creating a hospitable business climate for *all* its members.

It is not designed to:³

- Obtain preferential treatment for one company, business sector, or individual.
- Solve problems concerning members' day-to-day business activities. (If, however, daily obstacles are

¹ Coplin, William D. and Michael K. O'Leary, 1998. *Public Policy Skills*, 3d ed. Washington DC: Policy Studies Associates

² International Trade Centre: *Business Advocacy: Setting Strategies that Influence Trade Policy*, 2002.

³ Center for International Private Enterprise: *How to advocate effectively: a guidebook for business associations* 2006.

indicative of a larger problem afflicting the business community at large, then public policy advocacy is warranted. In such cases, special attention needs to be given to attack the real cause as opposed to the symptom.)

- Provide members with daily problem-solving services related to conducting routine business transactions or settling disputes between members and the government. To resolve such matters, members should obtain the services of lawyers, collection agencies, consultants, and so forth.

Lobbying is not advocacy. Lobbying is a *form* of advocacy with the intention of influencing decisions made by legislators and officials in the government by individuals, other legislators, constituents, or advocacy groups. A lobbyist is a person who tries to influence legislation on behalf of a special interest group or a member of a lobby.

In contrast, the common language definition of lobbying usually includes any discussion of issues with policy-makers. This is actually what “advocacy” encompasses, i.e. any activity that a person or organization undertakes to influence policies.

1.3 Characteristics of EO advocacy work

Advocacy is a core and permanent activity of all EOs – to influence policy with the aim of ensuring it is favorable to the business community.

At its basis any advocacy objective of an EO must be fully grounded in its members’ needs.

The EO’s efforts must be 100 per cent independent – there must be no breach of its independence or a sectoral capture of its efforts. The EO has to be and be seen to be impartial, independent, and free of governmental or other influences.

It also has to have a mandate and an expertise in the areas it is advocating change on. Issues emerge all the time, members’ needs change along with their priorities, so the EO has to be both proactive and reactive in terms of its approach. Advocacy is also a multistage activity that requires actions at multiple levels by the EO.

The approach to regulatory and policy change needs to be predicated on real constraints. The EO needs through analysis and consultation with its members to identify those constraints: it needs to define them. Prioritize them and then make policy proposals that are capable of adoption by government.

By demonstrating a holistic approach to policy priority setting, the EO can present itself as a champion of the wider business community and can promote itself favourably to potential members.

Example

The Australian Chamber of Commerce and Industry (ACCI) successfully lobbied the Australian Fair Pay Commission (AFPC) to maintain minimum wages at their current levels as the best means to protect jobs in the immediate aftermath of the financial crisis of 2008. ACCI argued for no increase in the many thousands of regulated minimum wages until economic conditions and rising unemployment stabilized. ACCI’s main evidence to the AFPC demonstrated that the incomes of many minimum wage employees and families had been directly increased through a recent significant wage increase enacted nine months previously, tax cuts and welfare changes, significant interest rate reductions, and the proceeds from the Australian Federal Government’s stimulus packages. In short, ACCI’s presented sound, empirical monetary arguments in making its case. The AFPC accepted ACCI’s arguments that an increase in minimum wages would exacerbate unemployment and create an unacceptable level of labour market and economic risk, particularly for the SME sector. The AFPC also recognized that recent government tax cuts and fiscal stimulus measures had maintained the social safety net obviating the need for a minimum wage increase – arguments also present in the ACCI submissions.

Example

The Self-Employed Women's Association (SEWA) is the largest trade union of informal workers in India, with more than 70% rural membership fairly distributed across various religious and caste groups. It provides a good example of empowered leadership of poor women in the informal economy. With over 1.35 million women members, SEWA helps poor women improve incomes, work conditions and social security, through its initiatives on microfinance and insurance (via the SEWA Bank), training and communication, its work on labour issues – paralegal assistance, lobbying, health insurance, maternity benefits and pensions. Key challenges include difficulties in graduating out of poverty on a long-term basis, and entry into trades dominated by men. One of SEWA's major advocacy issues has been the legalization of street vendors and protection of their rights to conduct business, including lobbying for a Central Law on Street Vendors. To support their advocacy position, they conducted surveys of vendor issues, town planning and other laws pertaining to vendors, and examined good practices. SEWA's work has led to important policy changes: the national policy for protecting street vendors and legislation on social security for informal workers in 2008. SEWA has been part of global standard setting and policy, being one of the main promoters of the process which led to ILO Convention 177 (1996) on the rights of home-based workers.

Source: Policy Brief: Decent Work and Women's Economic Empowerment: Good Policy and Practice, UN Women and ILO 2012. (http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---ifp_seed/documents/genericdocument/wcms_184878.pdf). For more information on SEWA go to: <http://www.sewa.org/>

For employer organizations to be true to their purposes and relevance, they must be member-driven. When an employer organization is truly member-driven the benefits can be significant. Firstly, the standing and goodwill of the organization is enhanced, making it more likely that external stakeholders such as governments will listen, and take action as advocated by the organization. Secondly, the advocacy and representation work of the organization is made easier because members are more motivated to be involved and express third-party support for the work of the employer organization. This too can increase the chance of successful outcomes being achieved. Thirdly, there are membership benefits: existing members are more likely to maintain membership if their views influence strategies or outcomes. Non-member employers in the industry or region are more likely to join if they believe their involvement would be valued and they would be able to make a difference.⁴

1.4 Long-term versus short-term

An EO is faced with a wide array of changing issues: some of these require immediate attention, some can be longer-term issues, while others can be politically impossible.

The EO must have a short-term focus and a longer-term focus to policy advocacy. *Both are important.*

EOs need to focus on limited issues that can be achieved within a reasonable time frame without ignoring other pressing issues and longer-term more difficult policy options.

The EO cannot expect to achieve all its goals nor cover all issues effectively. It needs to make choices. But there are central policy planks which the EO probably does not expect immediate change on, but on which it nevertheless needs to have a position on. Overhauling the taxation system for instance will impact on many stakeholders and sectional interests. It is not something the EO can expect to change overnight. But it can be a longer-term policy goal which the EO should articulate a position on.

Other issues are fundamental and serve as core principles of the EO. Respect for property rights, open markets, stable macroeconomic framework, investor protection, and so on.⁵

⁴ Peter Anderson Chief Executive Australian Chambers of Commerce and Industry - in 2009 "What the Private Sector expects from its representative organisations" IOE labour and social policy review 2009 (for full article see: http://www.acci.asn.au/text_files/submissions/2009/Peter%20Anderson%20IOE%20Article%20June%202009.pdf)

⁵ ILO: *Role of the EO in Growth and Sustainable Enterprise Promotion*, ACTEMP, 2010.

In its approach the EO should avoid populist approaches and additionally not take too many political stances unless absolutely necessary.

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

1. Articulate members' concerns as a unified voice.
2. Meet regularly with decision-makers.
3. Establish regular channels of communication and close working relationships with government officials.
4. Use these channels to promote members' interests.
5. Engage in both proactive and reactive advocacy.
6. Help prevent frequent changes to the business-related legal and regulatory framework.
7. Monitor the administration of policies.

Costa Rica: A broad-based dialogue on a new SME law

In 1999, the Chamber of Industry of Costa Rica, along with the presidency of the Congress and the public universities, organized a series of fora on industrial development. A range of experts, congressmen from all political parties and a diversity of business leaders, participated in this process. The outcome of these fora was an agreement to create in Congress a special committee responsible for developing a coherent policy and regulatory platform for the competitiveness and internationalization of small and medium industries. These enterprises account for 94 per cent of all enterprises in the country's industrial sector.

The special committee, created in late 1999, included a broad representation: five Congressmen from the different political parties represented in Congress, one academic, one representative each from the executive branch of Government, the state export promotion agency and the Chamber of Industry. For two years the committee studied the situation of small and medium scale industrial enterprises. They reviewed international experience in SME development and received proposals from public and private institutions, as well as from local and international experts.

A new enterprise law

In 2001, the committee's report, including its main conclusions and recommendations, was unanimously approved. One of the key recommendations was the creation of a comprehensive law to establish the basis for a national strategy towards the strengthening of SMEs. Legislation of this nature was drafted by a task force of the committee and presented to Congress in early 2002. Congress unanimously approved the new legislation on the 24th of April 2002 (Ley No. 8262 de Fortalecimiento de la Pequeña y Mediana Empresa).

Content of the law

The law deals with two different but complementary aspects: SME policies and new tools for SME development. In the policy realm, some of the changes introduced were the following:

- ✓ Empowerment of the Ministry of Economy in policy formulation within the government;
- ✓ creation of an SME policy council with public-private participation;
- ✓ creation of a specialized SME department in the Ministry of Economy;
- ✓ adoption of general principles to guide SME policies on training, technical assistance, financing, technology, and sustainable development; and
- ✓ adoption of regulatory changes to strengthen the support of SMEs from key state agencies in fields such as vocational training and export promotion.

In terms of new tools the law established:

- ✓ A guarantee fund for micro, small and medium enterprises to enhance their access to credit from the public banking system;
- ✓ a special fund to support innovation and technological development; and
- ✓ a programme to strengthen the role of the SME sector as a supplier to the public sector.

Lessons from the experience

The Costa Rican experience provides two key insights into the role of EOs in advocacy work. First, while advocacy (notably lobbying) can sometimes be a conflictual affair, this case suggests that wide recognition of the importance of SME development can allow partners to work cooperatively. Secondly, laws and programmes are often developed in an evolving and piece-meal manner. The Costa Rican case suggests, however, that there can also be opportunities, periodically, to undertake broader and more wholesale change.

See Cámara de Industrias de Costa Rica: www.cicr.com

Part ii: Initiating the advocacy process

The EO needs to have at the outset a clear strategic overview of the process it is undertaking and this agreed strategy must guide the EO's advocacy efforts.

Overall the EO's strategic approach to advocacy should focus on a limited number of well-defined policy issues. The EO's goal must be achievable in the current policy and economic climate

In this it needs to clearly articulate its case for reform or change and outline the benchmarks it hopes to reach along the way, and its underlying assumptions. In short, the EO knows exactly how to get where it wants to go based on where it currently is.

The EO must be ready to act quickly and change direction if events change and it must have a contingency plan.

The effectiveness and success of any advocacy process depends inter alia on how well the following steps are implemented:

- Identifying and stating the issue.
- Collecting the relevant information.
- Mobilising interest.
- Raising and managing the necessary resources.
- Networking.
- Forming alliances.
- Forming and sustaining coalitions.
- Involving media.
- Identifying Ministry contacts.

Once an issue has been identified by the EO and it moves towards the advocacy process it is entering a dynamic phase. This involves developing solutions, building support, and bringing issues, solutions, and political will together to ensure that the desired change does take place. Finally, it involves monitoring and evaluating the entire process.

It may well be necessary to revisit and revise several of these steps throughout the implementation of

the EO's advocacy campaign. Successful advocacy does not proceed in a straight line and rarely unfolds exactly according to plan. The EO should be prepared for unforeseen events and consequences.

2.1 Using Tools

Each issue demands different approaches and strategies, partners, tactics, methods, resources, materials, and so on. In embarking upon an advocacy campaign, it is important to have the capacity to consider all available options and to make strategic choices amongst them. Skilled and informed use of these tools results in greater advocacy impact. The most important of these tools include the following.

Information: Gathering, managing, and disseminating information lays the basis for determining the direction of an advocacy campaign.

Research: Conducting research and policy analysis uses the information from various sources and develops it into policy options which become the key content of an advocacy campaign.

Media: Various media are used to communicate the campaign's messages to the different stakeholders.

Lobbying: Convincing policy-makers who have the power to make the desired change.

Networks, alliances, and coalitions: Sharing of information and resources, and commonality of purpose are key to the success of advocacy work.

The choice of tools will vary, even in the context of a single process. It will depend on:

- The issue at hand;
- the strategic objectives;
- the message to be communicated;
- the stakeholders targeted;
- the relevant structures and processes involved;
- the time frame available;
- the resources available;
- the capacities of the advocacy organization(s) and their allies;
- the overall social, political, and economic context.

Advocacy is a complex task. Its objectives will not be achieved through the use of only one tool or method, but rather will require a carefully designed mixture of approaches. EOs should be flexible throughout their advocacy campaign so that if one tool does not have the expected results, another can be tried.

Part iii: Stages to an advocacy process

There are three general stages of an advocacy campaign:⁶

Stage 1. *Unfreezing:* creating disequilibrium in the current situation and motivating change.

Stage 2. *Moving:* developing new proposals based on new information.

Stage 3. *Refreezing:* integrating the changes made and establishing the new situations developed through the advocacy effort.

⁶ Methodology adapted from Kurt Lewin, 1951.

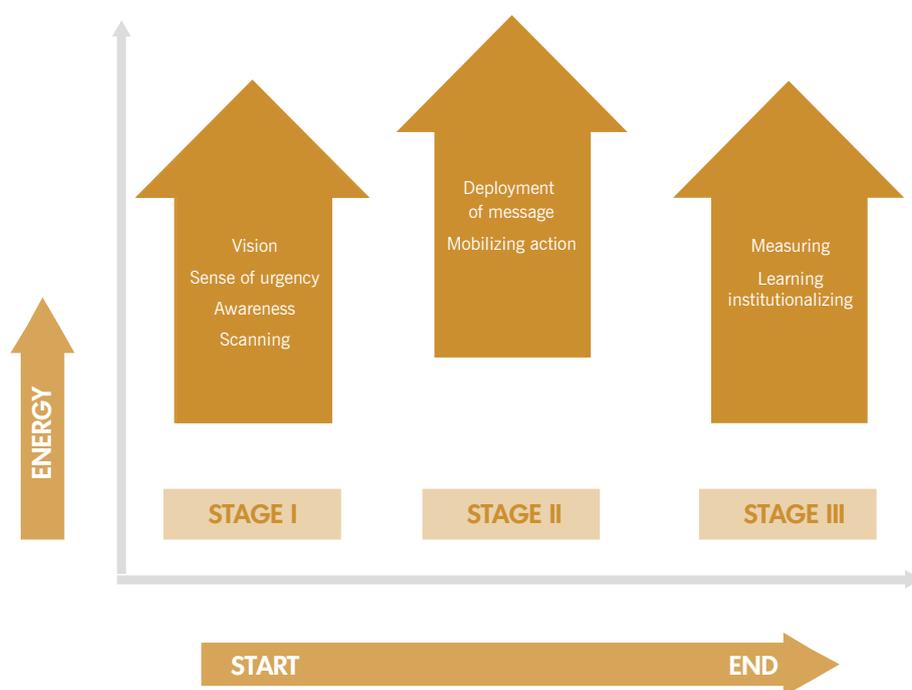


Figure 1⁷

3.1 First stage

The objective of this stage for the EO is to develop a feeling of need or stimulus for change. Generally, a strong sense of dissatisfaction with the status quo must be acknowledged before change can happen. The situation becomes ripe for change, as questions are voiced for the first time, problems are exposed, opportunities disclosed, and potential solutions aired. Critical feedback and transparency are important as there needs to be increasing openness as boundaries are being pushed and horizons expanded.

By creating awareness of 'what is' (the status quo) and 'what could be' (the desired future), discussions are facilitated. New facts, data, and alternative interpretations are brought into policy discourse.

The beginning of the advocacy campaign is critical, because it defines the parameters and ownership of the process, both of which tend to persist through the entire process.

At this stage the EO will:

- Introduce the basic concepts of its proposal.
- The EO may also introduce information from other states as this is increasingly important in influencing domestic agendas. Resistance to new ideas is weakened by an effective use of international experiences. It can empower the EO to challenge (compete with) prevailing ideas and incentives.
- The EO develops concrete proposals for change, based on an analysis of the existing issue and a more systematic assessment of options and experiences in other countries.

3.2 Second Stage

The unfrozen system loses its previous inertia and certainty and seeks ways to rectify deficiencies. In

⁷ Example adapted from Yiu and Saner, 1997.

order to change, there must be some model of a better way to function or to develop. Mere awareness of the need for a new situation does not guarantee change unless the goals and direction are clear and agreed to by stakeholders. The path chosen must be seen to be achievable and more positive than doing nothing.

At this stage the EO will:

- Broaden and market its ideas. Its proposals are introduced into a broader arena involving other stakeholders, the public through the media, or political interests.
- This phase is usually intended to improve the context for political adoption of the proposal by overcoming the monopoly on information by the existing system and by marketing a positive vision of the reform and its benefits.
- The proposal is critically brought to the political level for consideration and adoption. The product of the political adoption in most countries is, first, adoption of the reform mandate or principles, and, later, adoption of new instruments, such as a law. This phase requires a period of interaction with a broader group of political actors, and often provides opportunities for those against the reform to intervene through lengthy and complex political and legislative procedures.

3.3 Final Stage

Changes are integrated into the policy-making criteria and standard procedures and, at a deeper level, become part of the norms and culture of the setting. Steps need to be taken and resources allocated to make the changes sustainable and to retain the vitality of the system for continuous growth and development.

However, if the public administration is not prepared for growth, the intended transformation will be unsustainable and short-lived. In particular the implementation phase of an agreed reform is a risky phase since attention usually weakens.

Part iv: Identify target audiences

It is absolutely crucial to identify the key decision-makers that can improve existing policies, create new ones, and ensure that policies are implemented. The target audience is the group of stakeholders, who can help bring about the policy change the EO hopes to achieve.

There are two kinds of target audiences: primary and secondary audiences. Primary audiences are those individuals with the direct authority to make policy changes (i.e. the Minister of Agriculture, members of parliament, etc.). Informing or persuading the primary audience about a policy issue is the centrepiece of any advocacy strategy.

Secondary audiences are those people who can influence the decisions of your primary audience. Secondary audiences are important because they can provide a way to reach the primary audience that may not be available to the EO directly. Secondary audiences may include the general public, academia, or other government ministries, political parties or members of parliament.⁸

A primary target audience is the person, or group of people, within a decision making institution, with authority to make or change policy. Audiences are always people, not institutions. Examples of primary audiences include:

- The President or Prime Minister

⁸ The Policy Project, 2006. <http://www.policyproject.com/pubs/advocacy/English/Policy%20Proj%20Sec%20III-3.pdf>

- Departmental Secretary General
- The head of an institute or organisation

Selecting a primary audience requires that you understand something about the institution or organization. The EO need to know who exercises power and which people are linked to them. Usually, there are many potential secondary audiences. Generally The EO should try to focus on those secondary audiences with the greatest ability to influence your primary audience.

Knowing your audience is critical for planning an advocacy initiative. The EO can't advocate if it has not identified target audiences.

Learning about your target audiences is one of the most important parts of developing an effective advocacy strategy. The more that is known about target audiences, the more likely goals will be achieved. This process begins with a policy analysis, and should continue throughout the initiative.

What you need to know about your target audience

- How much information do they already have about your issue?
- Do they already have an opinion?
- Have they already voted or taken a public position on your issue?
- What new information are you offering?
- What *objections* might they have to your position?
- Do you need to clear up any misperceptions, or counter opposing arguments? ER
- What could they lose as a result of your proposal?
- Can you link your issue to something you know they do support?

Part v: Identify key messages

The next step in elaborating your advocacy strategy is identifying key advocacy messages. A message tells your target audiences what he or she is being asked to do, why it is worth doing, and the positive impact of such action. Usually, you will only have a limited amount of time to get your message across, so it is best to be sure about what you want to say beforehand. Improvising messages may not only waste time, but also may fail to convince your target audience.

5.1 Essential elements of an advocacy message

- What you want to achieve.
- Why you want to achieve it (and why others should want to achieve it as well).
- How you propose to achieve it.
- What specific action you want the audience to take.

At the planning and strategy development stage, it is important to identify what the EO wants to convey to your audience. The EO will have time to tailor messages to the intended audience, choose a format, and craft a language that is appealing to your audience. A message is most effective when it is based on

an understanding of what members of the target audience already know, and what additional information they will need in order to change their opinions.

Messages are a critical element of any advocacy strategy. Even with convincing facts and political trends, most advocacy efforts will likely fail without clear, simple messages that appeal to target audiences.

But, developing messages is also a continuous part of an advocacy initiative. Messages inevitably need to be revised as more is learnt about the policy issue, as arguments get refined and what appeals to target audiences. In addition, advocacy may require multiple messages when there is more than one target audience.

- Develop clear and compelling messages. A message explains what you are proposing, why it is worth doing, and the positive impacts of your policy proposal. A few rules can help choose the content of the message wisely.
- Deliver messages effectively. When the EO delivers a message, it wants its target audience to agree with it and then take action on the proposal. For this to happen, the EO must ensure they will understand the message and believe it. The EO will also need to think about how to ensure they receive your message.
- Reinforce messages. Usually, delivering a message once is not enough. Always have a strategy to reinforce the message, either yourself, or through others. When re-sending your message, the EO can also use the opportunity to respond to any concerns expressed by the target audience.

5.2 What goes into a message?

Advocacy messages should capture the essence of what you are trying to say to a target audience. It should also give the target audience a clear choice of actions and suggest the consequences of those actions. Your message should be clear, whether verbal or in writing; it should also suggest what will happen if your target audience takes no action – or chooses a different policy option. The goal is for your message to explain why your idea is best.

As you develop the **content** of your advocacy messages, there are two rules to keep in mind.

1. **Know your audience.** Good messages sometimes require research. Try to learn how you can best influence each of your target audiences. Each message should take into account the interests, ideas, and knowledge of the people receiving the message.
2. **Keep it simple.** Messages should be short, just a few sentences or less. Limit it to one, and focus on your best supporting arguments, rather than a long list of reasons to support your proposal.

5.3 Use information strategically

Delay is the enemy of reform. The primary power of opponents of a proposal is to delay change, not block it outright; on the other hand, the EO has to prove the credibility of their ideas by showing that they work. Long delays strengthen the status quo, and exhaust allies. Delays also permit opponents to organize better.

Deploying information strategically is a key component in tackling this tactic. As information is more widely disseminated, those who wish to preserve the status quo are usually placed on the defensive, forced into strategic arguments about public interests, arguing through hidden channels and connections with political authorities, or confronting reform with passive resistance in hopes that the EO's proposal would be defeated by inertia.⁹

⁹ Jeremy Rosner: "Communicating difficult reforms: Eight lessons from Slovakia" in S. Odugbemi & T. Jacobson (eds.):

- Information on the solutions chosen, demonstrating their credibility and likely effectiveness, is particularly vital in environments where scepticism about the ability of the government to change itself is widespread.
- The media can be used in this respect as a tool for influencing other groups in the process. Where there is a deliberate effort to provide a stream of information to media sources, the media can become more supportive of a proposal.
- Information by itself is not enough. Information must be structured and communicated in a way that reaches the right actors and generates the right response.
- If the EO has done a good job in spelling out and clearly identifying the benefits of its proposal, in its advocacy campaign, it may start to get media support with opponents and the vested interests blocking it preferring to avoid stating publicly that they are against the proposal, as it leaves them open to blocking a public interest in favour of a vested one.

*Advocacy Tool 6 “Communication Strategies” will provide detailed guidance.

Part vi: Deciding an approach

6.1 Deciding an approach

It is almost always a poor idea to design advocacy campaigns around negative themes and to fail to offer solutions. For example, lowering the minimum wage may be a priority issue but the policy objective for the EO should be something like: “ensure that any increases in the minimum wage are restricted to a level below the prevailing rate of inflation” rather than simply: “reduce the minimum wage”.¹⁰

On occasion, EOs will need to take a vocal and visible approach to an issue and proactively push (and be seen to push) an issue publicly (for example coming out strongly in the media against a proposed course of regulation). In this, the business community can clearly see its ‘national organization’ acting on its behalf. However, *this is often the exception*. Much of an EO’s advocacy efforts are done behind the scenes where more subtle efforts are underway to affect policy change.

Representative business organizations have to see themselves in a commercial context: their customer is the “Business Community”; their ‘Point of Sale’ is government, but their customers do not see the EO at the ‘Point of Sale’. For this reason, business organizations need to work hard to demonstrate their value and show their impact.¹¹

Taking a visible and vocal public approach is therefore intermittently important for the EO vis à vis its wider profile with its members.

Governance Reform Under Real-World Conditions: Citizens, Stakeholder, and Voice (pp. 395-396). Washington, D.C., The International Bank for Reconstruction and Development / The World Bank, 2008.

¹⁰ Guide Three Advocacy Effective Employers’ Organization Series ACTEMP 2005

¹¹ Peter Anderson, Chief Executive of the, Australian Chamber of Commerce and Industry (ACCI) (quoted in IOE Annual Report 2007)

6.2 Loud or quiet approach

The approach the EO takes to advocacy will be predicated on national political circumstances and current relationships with government.

In most cases the EO's main advocacy work will be done quietly influencing policy-makers in corridors. This is the classic *quiet approach*. The EO has established relationships and will be providing policy-makers with evidence-based material to advance its issue.

They will not take a highly critical public approach – although the quiet approach does not preclude an active media campaign – it will just temper the style from confrontational to more constructive. It will above all seek to maintain its relationships.

The second approach is less common but may be necessary depending on the national circumstances, the so-called *loud approach*. Relationships for example between government and the EO may have totally broken down, and the only way the EO feels it can advance its policy agenda is through a confrontational approach such as press advertisements, open letters, legal tactics, and so on.

The characteristics of the loud approach are a public and occasionally aggressive stance by placing strong pressure for change coupled with an often a vigorous and hostile media campaign.

The 'loud approach' as a permanent style of advocacy is rare, as it signals that relationships and trust have collapsed. Government will only support the EO's policy aim if absolutely required by political pressure. **It is not advised as a sustainable permanent strategy.**

There are many cases of a mixture of styles. A more forthright approach is needed on certain issues. So the EO is more vigorous than usual – but is careful to maintain relationships.

Political realities will dictate the style of advocacy an EO takes. In countries with a tradition of strong central government, an overtly hostile approach to advocacy can be seriously detrimental to the EO's overall objective.

When should an EO take a loud approach?

- When the quiet approach has demonstrably been shown not to work. In making this judgment the EO would need to be able to present to its Board concrete examples of how its evidence based proposals have not gained traction with government.
- A more aggressive approach is required on an issue of fundamental importance to the business community.
- The strength of the case. If the EO feels it has a strong case to make and which is also capable of gaining wider support.
- The political climate is favorable.
- When there is no real choice. Relationships are non-existent with government, so the EO feels it has no other choice but to be vocally confrontational.
- As a way to brand the EO in the minds of the business community and wider public.

ANNEX

Step by Step approach to an EO Advocacy process

Step 1: Identify the problem the EO wants to change

What is the problem?	Outline in detail what exactly the EO has a problem with (e.g. how legislation is specifically impacting on firms' operations)
What brings it to attention?	Is the issue new? Has something changed which has highlighted the issue?
Why does the problem occur?	Explain in operational terms. For example if the issue is skills mismatches can you point to deficiencies in the education systems and curricula?
What conditions led to it?	Were there other contributing factors? What were other stakeholders seeking to maintain/change?

Step 2: Identify the stakeholders

Whose behaviour is affected or whose concerns are relevant?	Which types of firms? Large or small or both? Which sectors? Firms in certain geographical locations?
Who are the target beneficiaries of the EO's solution to the problem?	Obviously its members – but outline wider beneficiaries such as consumers (e.g., lower prices), workers (e.g., securer jobs by growing firms), other enterprises (e.g., increased trade), government (through tax revenue)
What stakes do each (affected groups, target beneficiaries, implementers of policy) have in the problem?	Outline who potentially wins and who loses from the issue as it is and as it would be under the EO's proposal
How does each stakeholder define the problem?	Examine how fundamental the issue is to each of the identified stakeholders. How committed will they be to changing/persevering the status quo?
What ideals or values (equity, liberty, efficiency, security, loyalty) or ideologies (vision of how the world is or how it should be) are expressed in each definition? And what conflicts of value or ideology are evident among stakeholders?	This exercise will help in identifying possible bridges on the issue (e.g. job preservation and creation) – and major obstacles to collaboration.

Step 3: Specify alternative solutions and relevant criteria for evaluating them

What are the goals/objectives of the EO's policy to rectify the issue?	Are these realistic in a given timeframe?
What tools should the EO use to advance its proposal?	For example: research report on the current impact of the status quo/ projected impact of policy change; survey of businesses impacted; information campaign in media
What policy instruments might achieve the goals/objectives?	For example: change in legislation/application of current legislation
Describe at least one (alternative) policy to meet the need.	The EO for example may be seeking to stop a piece of legislation – this can be its first goal. Failing that it will advocate a code of practice to regulate voluntarily on the issue. Failing that it will seek to temper the legislative proposals by government.

Step 4: Recommend an alternative and explain your reasoning (if you are making a recommendation)

What is the basis for the EO's recommendation?	For example,; regulation could stifle small enterprise growth and is unnecessary. A code of conduct can address the issue and the EO can point to all the main firms who are enthusiastic about a code.
What type of analysis supports the proposal?	EO carried out cases studies/surveys of members/looked at best practice from other jurisdictions.
On what conditions (political, organizational) does successful implementation of your choice depend?	Government buy-in – other stakeholder acceptance.

The example below outlines how the EO can work through above methodology.

Step 1: Identify the problem

The garment sector in the fictional country of Erlandi is of extreme importance to the national economy, employing 280,000 workers and generating \$3 billion in annual revenue – nearly half of which is generated from Erlandi's principal export Market *EtatLand*. This sector has also driven wider growth in the economy.

Much of this success is due to the government following sound macroeconomic policies while the country is reasonably politically stable, it is open to investment, and the government vigorously seeks to attract growing numbers of investors.

Erlandi is currently negotiating a new Bilateral Free Trade Agreement (FTA) with its largest export Market for Garments: *EtatLand*.

Due to domestic pressures in *EtatLand* its negotiators are insisting on inserting a number of 'labour provisions' in the FTA. These provisions would entail a number of changes to the Labour legislation and Industrial Relations framework in *Erlandi*.

Erlandi has a poor industrial relations climate with sporadic and frequent strike action. There are multiple unions and this has made dispute resolution more challenging.

The EO has been making some progress on improving the IR climate and relations with some of the unions are making slow but steady headway.

The EO feels that if the issues in the FTA came into the political discourse they could set back this steady progress, complicate the situation further, and potentially make a bad situation worse.

There are four stages of govt-to-govt consultation before an expected final FTA in 18 months. This is now the preliminary stage.

Step 2: Identify the stakeholders

- Attitude of Government - Erlandi's National Government in its analysis is in favour of the FTA, probably at any price, such is the importance to the economy of the garment sector. Elements of the government such as the Trade Ministry are aware of the potentially polarizing impact the labour provisions could have. If all the provisions as envisaged in the FTA came into force it would definitely impact on Erlandi's competitive position and could drive investors to other markets
- Erlandi's trade unions are in favour of 'Labour provisions' and are using the debate to increase their own profile and individual agendas.
- The Government in *Etatland* is sympathetic to unions (as they are a major political contributor) and is following their agenda to a large extent.
- Unions in *Etatland* – they are the catalyst for the action, due to the perceived threat to unionised jobs in *Etatland*. In a number of sectors unions feel that through labour provisions in FTAs they can protect jobs in *Etatland* and have used this approach successfully in another FTA negotiation with another trading partner of *Etatland*.

Step 3: Specify alternative solutions and relevant criteria for evaluating them

The EO commissions a report on the likely impact of the labour provisions – this requires some international technical help. This is decided as the best tool to articulate its concerns. It requires an investment by the EO but such is the fundamental importance to the economy that it is considered essential. It works closely with allies in the Trade Ministry in this endeavour and the Chambers of Commerce. A national business coalition is initiated by the EO bringing all business groups into an alliance.

- The reports' main conclusions are that a potentially major negative impact on competitiveness and jobs will occur if the provisions go ahead.
- It outlines the potentially negative financial impact on the economy
- Its main recommendation is technical help to help to repair the country's damaged IR framework.

The EO considers an aggressive and loud media campaign against the provisions to highlight their protectionist nature.

Step 4: Recommend an alternative and explain the reasoning

The EO's counter proposal is for increased technical help to improve the IR framework, and improve relations and conditions in the workplace where there is a need.

The counter proposal aims to do the following:

- It recognizes the powerful position of its opponents. The EO will not be credible by simply opposing the provisions in the draft FTA flatly, if such is the political pressure.
- By suggesting technical assistance from international authorities (the ILO and others) it will help the current situation and potentially address a policy goal of the EO.
- Timing: the EO did not wait until later in the negotiations to promote a counter proposal. It looked at trends in other countries that have negotiated similar agreements and decided to get its case into the domain as quickly as possible. By doing so, the 'facts' on the ground and the need for technical assistance to help resolve them as an alternative to a legislative approach would have a better chance of securing buy-in from Etaland's negotiators.
- Secures some buy in from other stakeholders. The EO's recommendation has chances of getting acceptance or endorsement from government and possibly even trade unions.

The EO additionally works with sympathetic arms of government (Trade Ministry and the investment authority) in promoting a view in the international media of the protectionist nature of the provisions.

