

Why organisations need to engage with the government

Discussion Group

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Chair

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Introduction

The election that will be held before 11 May 2010 casts its shadow across every aspect of politics and is changing the rules of engagement with government. Nonetheless, it will continue to be possible to influence government decisions. This Criticaleye Discussion Group, chaired by George Hutchinson of Burson Marsteller, looked at the best ways of engaging with government – both before and after the election.

Key Take-aways

- Get yourself into the minds of the politicians you meet and prepare thoroughly for meetings. What can you do for them?
- Use flattery (Google helps to find out what they have said and done recently)
- Keep your ear to the ground, politically
- Don't forget local and regional government, and use your local MP
- Get close to Boris Johnson
- Invest more time with officials, educating them about your industry
- Treat this as a relationship-management exercise, rather than looking at it in a task-specific and reactive way
- Remember the importance of the Treasury
- Engage with the right people at the right time and in the right order
- Look at what other organisations are doing

What we mean by engaging with government

Engaging with government means networking with different kinds of people:

- Government politicians
- Civil servants
- Special advisors
- The opposition
- Others, including think tanks, academics, NGOs and the media.

The chair advocated regulating lobbying, saying that its legitimacy would be increased by clear guidelines about what is appropriate. Lobbying, after all, is necessary: businesses have the right to engage with government, and some companies need support in doing so.

How government works

“If you want to know how government works, there’s a very simple thing you can do: buy the full set of *Yes Minister* videos.”

The author of this recommendation warned that engagement takes time, to both maintain contacts and achieve results. He meets his local MPs regularly and thinks they are the best route to ministers. Another participant added: “You need a specific issue to talk about, something with personal impact. It’s no good asking to give a politician a general briefing.”

Another participant, thinking of politicians’ interventions for a bankrupt travel company in danger of stranding British holidaymakers abroad, said: “If it’s in the politicians’ interests to help, then things become much easier.”

The importance of knowing how politics works was also stressed, including how much credence to give promises. The developers of Canary Wharf went bankrupt in part because they believed politicians’ assurances that the Jubilee Line would be extended.

Ministers are not always the most powerful agents. Whether politicians, officials or advisors, intelligence is needed about which individuals have most influence, who is most capable, and with whom they prefer to work.

In building up contacts, employees can be useful. One participant supplies interim staff to government departments. Another recruited a full-time employee from the department his organisation works with. That employee has a network of contacts, and access to behind-the-scenes information.

Using in-house or external skills?

Agencies are often the best source of intelligence about the political realities of the moment, though in-house skills are, of course, also needed, especially regulatory experts. Engaging through a trade body is not usually effective (“they often have great difficulty even getting to the lowest common denominator”) unless it is dedicated to a single issue.

One participant caricatured the situation, saying: “If you don’t want change, persuade the minister to talk to the trade association.”

Government politicians

Although change can be slow, politics can move fast, especially when driven by headlines. One public sector organisation reported that a major initiative was planned and given the go-ahead in days because a minister wanted to announce something in a crisis. A similar sized project took years to negotiate when there was less political imperative

Politicians want achievements they can claim for themselves. If you can assume their mindset and spot an opportunity, rapid progress can be made. A good way of doing this, and building bonds, is to look at what they have said in Hansard and use Google to find out about their interests. You should also respect their own estimation of their power: “They don’t like you negotiating, but you can trade”.

Before a meeting:

- Know your goal, and make sure it is politically possible
- Ensure officials understand your points
- Frame your issue to support policy objectives
- Produce supporting evidence as good as the government's own

Officials

A participant said it had been worthwhile investing time in educating officials about how their industry works. However, officials change jobs every three years, so the effort must be sustained. They are likely to have little experience of your industry or business in general. The average Treasury official is 29. And though 43 per cent of Whitehall director-generals come from outside the Civil Service, many are seduced by politics, preferring to listen to ministers than business.

Even after an official changes job, if you keep in touch he or she will often be able to tell you who to talk to.

The Treasury – subject to the usual caveat

After dealing with one department for a long time, one participant was surprised to find that the Treasury had a large team mirroring the department's function, taking many important decisions.

Another remembered an eight-hour negotiation, which ended with a deal "subject to the usual caveat" that nothing is final until the Treasury agrees. Relations between the Treasury and other departments have become more dysfunctional since Labour came to power. Policy is made separately by Number Ten, the Treasury and the relevant department.

To reduce waste, this system will have to change. In Canada, cuts have been agreed between departments, without the Treasury. This has reduced overall spending. The same might be done here, or with cross-departmental bodies such as a National Security Council, able to pool departmental budgets to achieve strategic goals.

The media

Using the media can change perceptions of your organisation, making it easier to gain access to the government. One participant does a regular live phone-in on local radio – though he is careful not to say anything critical of the government.

The British media, especially the national press, tends to be negative. The local press can be easier, and can make local MPs more sympathetic. Despite the difficulties, not using the media weakens your political relationships. The key is to choose how to engage with the media and to duck questions that draw you into difficult areas.

The media and public opinion can become so hostile to an issue that making an argument is impossible. The example is Computing for Health, a byword for inefficiency despite general agreement with its intended effects. Where this happens, it is best to leave the issue to cool off.

The opposition

Engagement with the Conservatives is becoming harder. As the election approaches, they become more risk-averse, hoping to avoid mistakes and desperate not to spoil their chances by seeming too close to business. It was felt that after the election the party would be keen to listen to ideas for achieving efficiencies.

Cameron's inner circle is quite closed, though the older 'heavyweight' politicians returning to build the foundations of a new government tend to be more open. The inner circle hides its policies partly because they often do not yet exist (as with the future of the FSA), and partly to avoid unfavourable reactions to those that do exist.

The election will bring around 200 new MPs into parliament. Most will be young, many former advisors or party workers, and they will need educating in the workings of both business and government.

Leaders of radical Conservative local authorities and members of Boris Johnson's team will move quickly up the ministerial ladder. These people will be the source of radical change in national government, provided there is a sufficiently large majority – estimates range from 20 to 80. A stronger majority could encourage the Conservatives to bring the FSA's and Ofcom's functions back into central government, making those areas more short-term and political.

Several participants thought the Conservatives might be far more radical in power than they have so far indicated – the justification being that they had no idea how bad the situation was. But the opposition parties have already been given access (three or four months ago) to the books and briefings from officials.

Participants discussed whether the Conservatives, having softened their image, now need more of an ideological backbone. One participant said Tony Blair had permanently made politics less ideological, more pragmatic and more progressive. The Conservatives have little by which to define themselves, except:

- Smaller government
- Transparency
- Business helping to deliver public services at lower cost
- More genuine power for local authorities

David Cameron is genuinely more progressive now, largely because his disabled son, Ivan, was treated by the NHS. Another participant had seen how genuine Cameron was on a visit to an NHS paediatric ward. Cameron's party has followed him to in order to secure power, but old divisions may re-emerge. Cameron is hostile to Europe but Kenneth Clark is on the front bench.

Another participant reported an official saying that no parliamentary time could be allocated for two years, implying that the timetable for the next parliament is already cast in stone.

But don't expect too much from the Conservatives in advance of the election. Winning that is their sole priority and they will make no commitment that has even the slightest risk of damaging their chances.

Transparency

The push for transparency is likely to be significant, but could have unexpected results. It follows Obama's lead: data such as the White House

visitor log is published on the internet. Transparency is likely to be championed by Steve Hilton, a key Conservative advisor due to return from the US where his wife is a senior Google executive.

Participants believed that in some cases more transparency may lead to less openness, with officials preferring informal meetings if departmental diaries are published on the internet. However, at least one participant was in favour of greater transparency as a general principle, believing that it automatically makes for good governance.

One participant talked of how regulators can be deluged with data and deemed thereby to know the facts. This makes it difficult for the regulator to take action when misdeeds come to light, because it means making an admission of ignorance.

Another participant recalled an organisation providing a large number of boxes of information in response to a FOIA¹ request about a particular topic because it knew that the newspaper most interested did not have the resources to go through them for the information they contained.

All agreed that genuine, effective transparency was good, but that merely requiring disclosure of data often did not produce real transparency.

Can government be made to think long-term?

One participant pointed out that the climate change targets for 2050, for example, are not just policy but law. He said that companies often ask the government to think in a long-term way (on the allocation of spectrum for mobile phones, for example) but then undermine it by behaving in a short-term way themselves (eg, with marketing practices that encourage customer churn). Another participant pointed out that the laws enshrining long-term targets are often amended, making life very difficult for companies basing their strategy on these laws.

However, it was argued that the scale of public debt would radically change the public sector, by breaking down silos and focusing on outcomes. For this to happen some means of assurance are required in the medium-term while the transition is made from short-term targets to long-term outcomes.

Dos and Don'ts

- **Do** work to keep in regular contact – formal and informal – with politicians
- **Don't** propose general briefings: have a specific issue to discuss
- **Do** be subtle

¹ Freedom of Information Act

- **Do** think about how you can help politicians: what is it in their interests to do?
- **Don't** try to achieve something that isn't possible politically, such as changing something in which there are a great number of vested interests
- **Do** invest time in educating officials about your industry
- **Don't** expect quick results
- **Do** remember that engagement is all about people: find out about individuals' influence, preferences and capacities
- **Do** use the media to improve the way your organisation is perceived
- **Don't** forget the power of the Treasury
- **Do** recruit civil servants and second your employees
- **Do** find and support politicians who are passionate about the area in which you operate