MODULE 3

Business environment Advocacy

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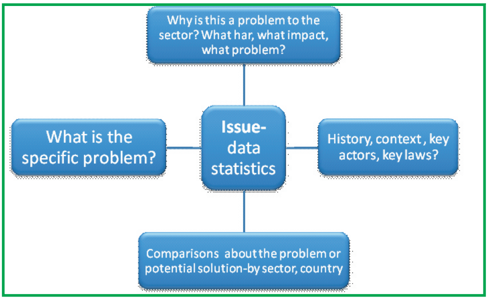
MODULE #3
UNDERSTANDING THE ISSUE
A SELF-HELP GUIDE

Welcome to the third part of this six-module self-help guide on Advocacy for Business Membership Organisations (BMOs). In Module 2 (Planning the Advocacy Process), we looked at how to go about prioritising and choosing an issue for advocacy. This module goes further by showing how you can understand more deeply, the advocacy issue that you have chosen. This will help your BMO define the problem that the issue presents, with a view to advocating more effectively for change in the business environment.

UNDERSTANDING THE ISSUE



Incomplete or inadequate understanding of the issue is a common reason for the failure of advocacy campaigns. The decision makers you are trying to reach have limited time and they are almost always faced with many competing demands for their time and attention. They will ignore your appeals for changes in policy or practice which are not grounded in detailed research, good analysis and solid evidence.

The next step in the advocacy process is to research and understand the issue. This is about how to use objective evidence to build a compelling advocacy case for policy change. This requires a BMO to do the following:

- **Be able to assess why the issue is a problem and the harm it is causing**
- **Be aware there may be many potential solutions**
- **Be able to assess the impact of specific courses of action on members and the economy**
- **Use international experience as a benchmark**
- **Get member feedback all along the way**

ACTIVITY 1: UNDERSTANDING THE ISSUE

This activity introduces you to some simple methods and tips on how to carry out research in order to develop a deeper understanding and insight into your BMO's issues. By using practical examples from participants, you can see how asking the right questions is critical for engaging in an advocacy campaign. The rest of the module outlines how to plan the research process as a stand-alone project.

Consider each of the following two cases.

1) Grain Sellers Association (GSA)

Issue: Nigerian grain traders face declining production, poor roads, and multiple taxes and levies when transporting grain.

What knowledge (facts and figures) is needed?

2) Performing and Mechanical Rights Association of Nigeria (PMRA) & Musical and Copyright Society of Nigeria (MCSN)

Issue: What is the contribution of Nigeria's entertainment industry to Nigeria's economy?

What knowledge (facts and figures) is needed?

What knowledge - facts and figures - can we collect to help present a compelling argument for change?

Below are some questions that each association could use to come up with the knowledge they require to make their advocacy case.

Grain Sellers Association

- How much grain is being produced in Nigeria, and what has the trend been for the past 20 years?
- How many kilometers of road are passable during wet and dry seasons?
- How many taxes and levies do traders have to pay when moving grain on Nigeria's roads? Who collects these taxes and levies? What proportion of total taxes is derived from transport-related taxes?
- What anecdotal evidence exists that the quality of roads and the extent of transport-related taxes are negatively impacting the sector's development?

PMRA and MCSN

- What is the size of Nigeria's music and film industry (by sales, number of people employed, etc.)?
- What is the value of Nigeria's exports of music and film?
- How many continental and international awards have Nigerian artists won in the last 10 years?

What types of information do we want?

A wide variety of information types can be used to shed light on the research issues:

- Numerical data, statistics.
- These are most useful in indicating the size and scope of an advocacy issue.
- Texts e.g. analytical documents, reports, specialist views.
- These are the second most commonly used tool of research. Their greatest value is in showing the connections between causes and effects.
- Images – photos, charts, maps - can be very powerful in illustrating a point, often more effectively than words in the same situation.
- Opinions – e.g. the views of different groups of people on a change in policy or actions about to be taken, such as planned demolitions, a new construction, and so on.
- Sound – e.g. pirated recordings of music, to make a point about the damaging effects of piracy to the industry.

How will you collect and analyse the data?

The following methods can be used for collecting data:

Method	Information Sources	Comment
Literature review	Published books, reports, studies, articles, newspapers, internet	Good for background information, context, trends, comparisons
Secondary data	Data collected and analysed by someone else	Useful for your own analysis, but may not have been collected to answer your questions
Key informant interviews	Specialists, experts, decision makers	Essential for authority and rigour "from the horse's mouth"
Focus group discussions	Industry players, customers	To gather a broader range of experience, opinion
Formal statistical survey	Primary data collection with a survey instrument	Provides new data and insights, but expensive.

BMO members are a particularly valuable source of data and information as part of an advocacy campaign. Given that not all will be familiar with research techniques, you should keep your questions and requests as simple as possible. Focus groups may be particularly useful for gathering information from BMO members. Some examples of the kind of useful data your BMO could obtain from its members are outlined below.

Information from Members on Fees and Levies:

- How many government inspectors and inspections do they have to deal with each year?
- How much time do they require with government officials monthly or annually?
- How many formal and informal payments do they make to government officials monthly or annually? What is the total amount of these payments?
- What is their monthly turnover?
- What is the total amount of taxes paid?
- What other costs are incurred in making each payment to government?

How clear is the process for paying fees/ taxes? What specifically about the process is unclear?

- How consistent are the explanations about the fees/charges?
- How much feedback is received about how tax money is used?
- Have they noticed any improvements in their dealings with government in the previous 12 months?
- Over the last 12 months have their sales and profits increased or decreased?
- Are they planning to expand their business in the coming 12 months?

PLANNING THE RESEARCH PROCESS[1]

Making a compelling case for changing public policy, or even for changing the way that a public policy is implemented, requires that there is excellent evidence to support the argument – and that implies the need for excellent research. This section presents an outline of how to plan the research process.

The objective in undertaking the research is to ensure that you have a full understanding of:

- the issue
- the impact
- the implications

This might include, for example, assessing:

- the regulatory costs (say for a license or levy)
- the compliance costs (that is, the administrative cost to the business of complying, including staff time, etc) imposed on a business
- how much money the government makes as a result
- whether there is a cost to government

Fully understanding each of these financial implications of a public policy is very important in making any persuasive argument for or against it.
Research is required for two steps in the approach:

- to identify the issue(s)
- to ensure a thorough understanding of the issue(s).
- Researching an advocacy issue has a number of benefits such as:
- Understanding why the issue is a problem to business;
- Understanding the scale and impact of the issue;
- Understanding the history and rationale for the public policy or regulation that you would like to change;
- Understanding the harm that the public policy is intended to avoid and the associated risk;
- Understanding how changing the public policy or regulation will help the issue in relation to business and also understanding how change might impact other stakeholders;
- Framing the issue in language which is clear and appealing to the target audiences;
- Being able to communicate the issue in a way that encourages coalitions to form.

The rest of the Self-Help Guide is based on 'Research for Advocacy', a workbook prepared by Mike Eldon, Ezekiel Nguyo, Kariuki Ariz, Twalib Ibrahim (DEPOT, Kenya), Peter Maina (Maer Associates, Kenya), Clive Davis (Business Advocacy Fund, Kenya), Dev Jani, Dr. Nchimbi, Dr. Donath Olimbi, Goodluck Charles, Lulu Mahai, Neema Mori, Swabiri Khaldi, Theresia Dominic (University of Dar Entrepreneurship Centre, Tanzania), Sarah Barlow (BEST-AC) and David Irwin (Irwin Grayson Associates, UK).

1. IDENTIFYING ISSUES

It is likely that your members will frequently raise issues of concern, possibly because they want your support to resolve them, or because the issues are of wider concern and the members want you to take them up on behalf of all the membership. To determine which issues are the most important, however, you need to be more systematic than simply waiting for members to raise issues.

Some basic research into all these areas will provide you with enough information to prioritize the issues. This is essential as it is unlikely that you will have the financial resources as well as people to pursue more than a few issues at a time. You could however identify issues that will need to be progressed when further resources are available, and start gathering data when you have the chance.

2. UNDERSTANDING THE ISSUE

Once you have identified the specific issue, you need to do further research to build a deeper understanding. This is likely to include:

- Researching the history and rationale for the public policy and understanding the cause of the issue(s);
- Considering the implications for business, but also for other stakeholders;
- Considering the possible solutions to the issue(s) and the likely implications of each for business and for the other stakeholders.

This provides the evidence that you need to support your position, but you also need to:

- Research the decision making processes for the specific issue;
- Research the current opinions and attitudes of policy makers. Having an understanding of both these will help you plan your advocacy strategy.

3. STRUCTURE YOUR RESEARCH

3.1 DEFINE THE PROBLEM CLEARLY

It is important to think through the issue and define the problem clearly. The initial issue may in reality not be the major problem. Quite often, it is not the policy imperative that is the problem, but the way that legislation has been framed in order to address that imperative.

What is the problem?

An African Government's consumer protection council decided that it wished to protect consumers against unscrupulous retailers. It was worried that some retailers were having sales to encourage shoppers to buy, but were not really reducing the prices, or were not reducing the prices by as much as claimed. Most people would not quibble with the desire to protect shoppers.

The council decided that the way to do this, however, was to require retailers to apply for a license, and pay a fee, some two months in advance of the sale. The consequence is that retailers are less likely to have sales because there is now additional bureaucracy, because they have to think so much further ahead and their competitors are forewarned, and because they have to pay a fee. In addition, the whole process is wide open to abuse by officials. It is likely, too, that retailers will still offer discounts to shoppers to encourage sales, but these will now not be advertised, and shoppers will not have the protection intended.

An alternative would have been to pass legislation which obliged retailers to act fairly and then simply to prosecute any retailers found breaching the law. In this way, the Government could have addressed the issue but without imposing any additional burden on (law abiding) retailers.

Before reforms in business licensing processes, the licensing procedures in Tanzania were cumbersome and costly. Companies were required to have multiple licenses. The government was using business licensing as one of the sources of revenue. This practice resulted in increased cost of entry for starting and running a business. It is important to remember that the purpose of business licensing is to authorize business, though many countries take the view that most businesses do not require any form of licensing at all and that licensing is only required for sensitive or security related businesses. Eliminating unnecessary licensing requirements, and simplifying others, makes it easier for people to start and makes it more likely that they will start in the formal sector.

3.2 WHO ELSE IS INTERESTED?

There is a good chance that others are already interested in the issue. If legislation or regulation already exists, then it is possible that the Government itself may have basic information.

- What does the regulation require?
- What justification was used by the Government to support the case for the regulation?
- Did the Government draw on external research?

Consider who else might be interested in the topic:

- other trade associations
- research institutions
- NGOs
- trades unions
- consumer groups the media

Ask them for copies of any research that they may have undertaken or commissioned.

Is the issue one that may be of interest to development partners, such as:

Check the web. Not everything on the internet is reliable of course, but it can give pointers. In particular, it can give leads to the positions adopted by other countries when faced with the same issue.

As you gather the information, begin to pull out and summarize the most pertinent aspects into a working paper. This will help you to see what you know, and what you still don't know; and it will provide the basis of a paper that you can use to consult more widely. If you are reporting evidence from other sources, make sure that you cite those sources. If people challenge what you say, you can then go back more easily to the original material to check, or perhaps to ask them more questions. Citations will often, also, make the document seem more authoritative.

Research which relies on work originated by others is known as secondary research.

3.3 WHAT DO YOU KNOW?

One of the most powerful contributors to persuasive advocacy is to be perceived as authoritative in your knowledge of the subject.

Be very clear from the start about:

- what aspects of the issue your BMO wishes to clarify
- what questions your BMO wishes to answer
- what opinions your BMO would like to form
- which viewpoints your BMO wishes to support with your market research.

Once you have pulled together as much as you can from your secondary research, and summarized it in a working paper, you should be able to identify the gaps in your knowledge. These might arise simply because no-one has yet asked the specific questions or because the information that you have is out of date.

You need to decide what additional information is required and how you are going to collect that information. You may find that you need to carry out some primary research – getting answers directly from your members and from other stakeholders.

There are a number of techniques for doing this:

- Survey questionnaires can be a simple and quick way of seeking information. However, considerable care is needed in writing the questions to ensure that they are objective and that they do not build in bias. Ensuring that the points in a questionnaire adequately address all the angles to an issue also requires considerable skill. Questionnaires can be time consuming to administer unless respondents are simply asked to fill in a form, though getting them back can be a problem.
- Telephone surveys can elicit similar information and are probably more effective but require more effort. There are still the problems of objectivity and eliminating bias, and sometimes the respondents' seriousness in their answers.
- Semi-structured interviews can be really effective – start with a standard set of questions so that all respondents answer a set of core questions, but probe the responses to dig further.
- Focus groups can also be very effective, though they do require a skilled facilitator and some basic understanding of the topic if they are going to generate good information.
- Consultation is essential once you have begun to develop some ideas – both to test out the evidence that you have gathered ensuring that your members agree with the findings and to seek feedback on the specific proposal(s).

You may have in mind some issues which are longer term issues. If you do, consider whether there is a need, or whether it would help, to look for trends, perhaps through undertaking a similar survey every year for three or four years.

Surveys

In a survey, there are broadly five stages:

- The issue has to be defined along with the possible answers. Some information may already exist, but otherwise a survey may be necessary. This can be either analytic (to explore the viewpoints on an issue) or descriptive (to form an opinion about an issue).
- The survey instrument needs to be designed. What sampling strategy will be used? How will information be obtained?
- The implementation requires consideration of data collection. What approaches will be used? What size sample is required? Will questions be asked in different ways, or in different orders, to eliminate bias? Will the questionnaire be administered by an interviewer or self completed?
- The data needs to be collated, analyzed and interpreted.
- Lastly, the data – and the analysis – needs to be disseminated and used to support the case being advocated.

Focus groups

Focus groups are group discussions which are 'focused' on a single or narrow range of topics. They are widely used by professional market researchers as a mechanism for gathering customer views and market intelligence. They are often a more useful marketing tool than surveys and questionnaires, as they are more flexible than set questions and encourage group interaction. The information gathered will be largely qualitative (opinions, insights and personal responses). They provide an opportunity to gather and probe insights of participants.

Focus groups can be used by business membership organizations to research the views of members (or businesses more widely) and other stakeholders in relation to identifying and understanding issues, the implications for business of issues and potential solutions to ameliorate the issues.

A typical focus group session will last for 90 to 120 minutes, including a summing up session at the end. The ideal group will have 6-10 participants. If you have too few, you will not get the interaction that adds value over individual interviews. If you have too many, people will not be able to participate fully. Groups can either be held on a one-off basis or as part of continuing data collection. Groups are held on a regular basis to record changing viewpoints and to re-evaluate a product or service after changes have been made. Focus groups are particularly useful as they are relatively inexpensive.

Focus groups are a useful means of data collection for the following reasons:

- A large amount of information can be collected in a relatively short time. Information can come from a variety of perspectives and sources, covering a wide range of target audiences;
- They can be used for trouble shooting, or as a control – to iron out any initial problems or unforeseen issues before an operation is carried out on a more extensive scale;
- Focus groups can be used to complement other forms of research, e.g. surveys and questionnaires, in order to ensure that the research is thoroughly carried out;
- They are a more personal means of data collection, providing personal contact;
- Qualitative data can rarely be used to provide rigorous evidence, but they do give very current views and perspectives, and can suggest areas for further research using other means.

Panels

Panels – people who have agreed to be surveyed or interviewed on a regular basis – can provide tracking data. People are basically asked the same questions at specified intervals to discover how attitudes or views are changing. TV companies often use panels of viewers to assess their programming; they are often used by researchers looking at business issues. The panel has to be fairly large and when people drop out, they need to be replaced by people with similar profiles. This can be a good technique for trade associations to use.

3.4 WHAT IS THE IMPACT ON BUSINESS?

The aim of the various survey and research techniques is to seek answers to a number of questions, which have already been touched on earlier.

It is worthwhile making some effort to separate a policy's regulatory cost from its compliance or administrative cost. Many regulations have a financial cost associated with them – the most obvious is taxation, but licenses and levies may be intended specifically to impose a cost, either to raise money for the government or to encourage a specific behaviour by the business.

Some regulations merely require businesses to operate in a specific way without imposing a policy cost.

In addition, there may be a compliance or administrative burden imposed on the business – for example, because businesses have to set up systems and processes to demonstrate that they are complying, or because they have to do something for the government such as deducting income tax before staff receive their wages, or because they have to put in some effort to gather data and report to the government. Some regulations have no administrative cost, though the business may have to make an effort to keep up to date with the law. Your research needs to identify the level of the regulatory cost as well as the administrative cost. You need to be able to quantify the number of businesses already affected, or which might be affected, by a specific proposal. Remember that it may not only be your members that are affected. You should not over-exaggerate, but clearly the more businesses that are affected, then the more serious the problem.

The depth of the impact, however, is likely to be more important:

- What is the cost to the businesses?
- What other impacts will occur?
- Will businesses reduce the level of their investment for example?
- Will they employ fewer people? Or at least not create as many jobs as they might otherwise have created?
- Will they export less? Or import more?

One of the objectives of the research, particularly amongst businesses which are, or will be affected, is to look for the unintended consequences.

A possibly unintended consequence of passenger seat belt policy

In 2004, the Kenya government instructed the police to enforce the law on vehicle seat belts. This was aimed at improving road safety after a period of deterioration and increasing road deaths. In reaction, private motorists immediately started to utilize their car belts which had always been there but were mostly ignored previously. Public transport vehicles worked to retrofit belts before the grace period expired. This was fairly easy in buses and vans, both technically in terms of where to fix the belt and financially in terms of the number of passengers they could continue to carry. However, it was not as straight forward for either aspect for converted pickups in which passengers sit in two long rows facing each other. This has probably largely contributed to the rapid disappearance of the matatus which were the most common in the deeper rural areas because they were considered cheaper to buy and run and often a better investment because of their load carrying flexibility.

3.5 USING STATISTICS

- Statistics make an enormous difference and you should aim to prepare comprehensive statistics to support your case. The right statistics can make your case far more persuasive.
- However, statistics need to be used with care. You need to explain the figures to ensure that the reader does not misinterpret what you are claiming.
- Take particular care if you are using percentages and averages (which could be the mean, the median and the mode, any of which might help your argument).
- If you draw conclusions, you must ensure that they are supported by the evidence.
- You will want to be selective, but do not be so selective that people opposed to your position can use the omitted figures against you.
- It is better to provide complete information which is likely to make the research appear more credible and trustworthy. Then emphasize the facts that support your conclusions.
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3.6 DEVELOP RESPONSES

As you conclude your research, you may start to think about responses and recommendations. Your response may be a straightforward and outright opposition to what is being proposed. But it is more likely that it will need to be more sophisticated.

The research and development of responses may require further research – either to prove the case for them being a realistic option or to discard them.
The research, and the formal response, will ideally cover the most realistic options and offer clues as to the implications for all of them.

3.7 WRITING A REPORT

Often writing the report is the hardest part.

It is very easy to put everything you know into a report. It is, however, far better to resist the temptation.

Think carefully about the structure. There should be:

- a beginning - setting out the issue
- a middle - presenting the evidence for both the current position and the desired future position
- an end - with your recommendation(s) and justification.
- If you feel you need to include a lot of data, then put it in an appendix. This way, the interested reader can refer to the data, but you only need to include the key figures in the text.

Write simply and clearly. Prepare a draft and have your colleagues read it.

- Is it clear?
- Could it be clearer?
- Is it compelling?
- What are the likely objections?
- Have you addressed the objections?
- Have you provided information in the appendix such as data and its sources, further references and other details that you could not include in the text but which a serious reader might require to dig deeper into?

Once your colleagues are happy, consider asking one or two others to give some further feedback. These could be members of your board or business people whom you know. In most cases, you will want or need to prepare a consultation draft which can then be circulated around to some of your members – to ensure that what you are saying not only is accurate but also is supported. The results of the feedback can then be incorporated into the final report.

4. COST BENEFIT ANALYSIS

One way of looking at the impact on business is to undertake a cost benefit analysis. This section sets out the principles underlying such analysis, what we mean by the risks, how to identify the costs as well as the benefits, and how to work out 'present values'.

Ideally the Government will be looking at the benefits as part of their argument to support the case for regulation. If the present value of the benefits is greater than the present value of the costs then the project is worthwhile, from the Government's point of view. The private sector will want to take a view on whether the benefits have been estimated realistically – but are likely to be far more concerned with the costs.

A cost benefit analysis can be undertaken using only direct financial costs and direct financial benefits. However, to be worthwhile, it is necessary to include more intangible items, such as benefits to society. It is also necessary to think about who benefits and who bears the costs. It is helpful to bear in mind the following principles:

- Costs and benefits, whether economic, social or environmental, must be measured in a common unit – and the easiest is money. So all the benefits need to be expressed in terms of money, at 'present values', to eliminate the impact of inflation.
- Estimating the monetary values can be difficult, especially where people's time is involved. Therefore, estimates need to be based on evidence and market choices, and it may be better to give ranges rather than implying total accuracy.
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- Spell out assumptions and provide references to data sources.
- Benefits which involve reducing risk to life and limb are difficult to quantify because of the difficulty of putting a value on a human life. But people already make choices like taking higher pay to work in a more risky environment. So the difference can be used as an indicator.
- The analysis needs to compare the positions with and without the change, and only consider the additional benefits and additional costs. Remember that not changing in the way proposed may force other changes, which will have their own costs.
- Avoid double counting of benefits and costs.

4.1 THE RISKS

The risks represent the current problem(s) that necessitate the policy choices that are being considered. In other words, what is the problem being addressed by the policy and why?

Ideally, the risk should be quantified over a specified period of time – probably a year, but it can be longer depending on the nature of the risk.

Specify the business sectors affected, the number of firms involved and the sizes of the firms (in terms of their employment and turnover).

Identify where the burden is likely to fall most heavily:

- E.g. small firms or agro-processing exporters buying from small scale farmers.
- What are businesses being asked to do?
- When, for example, might buying new equipment in the near future be harder for small businesses?

Consider the extent to which other stakeholders (for example, NGOs, consumers and the public sector) might be affected by the proposal. Benefits may accrue to a specific group such as workers, consumers, or low-income groups or to society in general. Common benefits may be a cleaner environment, better health, a safer workplace or improved food hygiene.

4.2 COSTS

Costs may be one off or impose a continuing burden on businesses; they may be related to the policy or they may be related to implementation. The separation of policy and implementation costs is important. Policy costs are those that are directly attributable to the policy goal (for example, an import duty, or the cost of a license, or the costs necessary to meet the policy objective) while implementation costs are those associated with understanding the requirements, keeping records or demonstrating compliance. Implementation costs are also referred to as compliance costs.

High costs of implementation relative to costs of policy might suggest the desirability of using an alternative to regulation. The relative magnitudes will also reflect how efficiently the policy might be implemented and therefore how well it is designed. Keeping the costs separate will also assist in ensuring that all the costs are considered.

Identify the costs by thinking about the aim of the proposal and what businesses, consumers or other stakeholders will be required to do. Think about the impact that the proposals might have on the environment.

- What will businesses have to do to familiarize themselves with the new requirements in terms of training, employing more people, investing in new equipment, changing their working practices, changing their product, moving to new premises etc?
- What costs will the public sector bear in complying with the proposal and in enforcing and monitoring it?
- What costs will central government incur in developing and disseminating the policy?
- Think also about any indirect costs – changes in behavior such as fewer firms setting up in business, reduced consumer choice, less competition between firms, less innovation, etc.

You will need to quantify the costs. Where there is uncertainty, make it clear and spell out the assumptions used to determine the estimates.

Some costs will be easy to estimate while others will be more difficult.Costs might include:

- labour costs (familiarization with new legislation, training, new working practices, time spent taking inspectors around the firm etc);
- cost of new equipment or new production processes;
- collecting information and providing proof of compliance – use labour costs, plus the cost of new equipment (e.g. computers or software) required to do this;
- cost of getting licenses – these will involve estimating the fees plus administrative costs;
- cost of extra legal, accountancy or other consultancy advice.

4.3 BENEFITS

Benefits do not all accrue at once but are received over time. Identify the benefits by thinking about the aim of the proposal and the risks being addressed. If the proposal is to improve consumer health then the benefit should be a reduction in illness or death; if it is to reduce air pollution then the benefit should be X% fewer tons of the pollutant being emitted to the atmosphere. The risks associated with this pollution might be illness or damage to property and crops. The benefits would therefore be a reduction in these.

Once you have identified the benefits then you should quantify them in monetary terms. The starting point may be to consider:

- how many lives are saved, or
- how many illnesses will be avoided, or
- how many animals will face better conditions, or
- how many workers will have improved rights, or
- how much money will be saved through reduced fraud.

In all cases, there is a need to translate these into money.

Some of the benefits may accrue to the sector, perhaps through cost savings from a regulation that is designed to reduce or simplify existing requirements or through higher receipts as a result of an existing regulation being properly enforced.

Where there is uncertainty, make it clear and spell out the assumptions used to determine the estimates.

Some benefits will be easy to estimate – for example, higher wages or increased incomes – but others will be more difficult. In turning benefits into money, you could use the following:

- time – use wages multiplied by the hours saved;
- the environment – you could use surveys which show people's willingness to pay (how much people would pay for a clean river, fresh air or a national park) or their willingness to accept (how much people would be prepared to accept in compensation for suffering from pollution);
- life/health – use estimates of the value of a statistical life, or the cost of treating the illness;

- social benefits – you could use surveys, e.g. showing people's willingness to pay to have a more equal distribution of income or for better physical security; also again people's purchases might give some idea of people's values; and
- training – you could use surveys of firms' increased revenue and productivity gains following training; or use analysis of the higher wages that trained staff can command.

There is likely to be uncertainty over the valuations, in which case, spell out the assumptions and use ranges.

5. COMMISSIONING CONSULTANTS

You may want to use consultants or researchers occasionally to assist with your research, rather than doing it all yourself. This section provides a few tips to help you commission consultants.

Prepare clear terms of reference about:

- the objectives of the assignment,
- the scope of work
- the deliverables.

It also helps to be clear about the mix of experience and expertise required of the ideal consultant or team of consultants.

Before you talk to any consultants, you should consider your evaluation criteria. You may not find anyone who matches all of your requirements, but the danger of setting criteria later in the process is that you are likely to become influenced by any consultants with whom you discuss the work. You may want to weight this so that, for example, relevant experience of the individuals who will do the work counts for 50 per cent while costs account for, say 10 per cent.

It will also help to be clear from the outset about the budget that may be available for the assignment and to be willing to share this with potential bidders.

The best way to find consultants is by word of mouth recommendation from others.

Advertising is likely to lead to lots of enquiries from consultants who do not meet the criteria. When you identify possible consultants, send them the terms of reference informally and ask if they might be interested in bidding. Once you have at least three firms, or individual consultants, then you can formally invite them to bid. Give them long enough to prepare a proposal, at least two weeks, but longer for more complex assignments, or assignments that require specialist skills, and be clear about the procedure for returning proposals.

Bidders should be encouraged to submit brief proposals. These must include:

- fees
- expenses
- timescales
- CVs
- a clear explanation of how the assignment will be tackled
- an account of tasks to be undertaken by each member of the team.

FACILITATOR'S GUIDELINES
ACTIVITY 1: UNDERSTANDING THE ISSUE

Group work
Time: 1 hr 15 min
Materials: laptop, screen, projector.

Objective: To understand more precisely the issues which the BMO has prioritized for advocacy.

1. **Explain** that a critical step in the advocacy process is to research and understand the issue. This is about how to use objective evidence to build a compelling case for advocacy change. This means that a BMO should do the following:

   - Be able to assess why the issue is a problem and what harm it is causing
   - Be aware that there may be many potential solutions
   - Be able to assess the impact of specific courses of action on members and the economy
   - Use international experience as a benchmark
   - Get member feedback all along the way

2. **Remind participants** that this should include a clear understanding of the harm being caused to business currently, including the impact of the issue on the cost of doing business.

3. **Explain** that carrying out such research allows BMO to pinpoint more precisely the problem and therefore what specifically needs to change. This can add much value as part of a BMO's engagement with government.

4. **Remind** participants that incomplete or inadequate understanding of the issue is a common reason for the failure of advocacy campaigns.

5. **Say** that the foundation for this section of the course is that experience and emotion are not enough to influence policy and practice.

6. **Say** that as BMOs, you often have a lot of experience and an intuitive sense of the daily challenges you face. You also want to see action taken by policy makers and decision makers on these and many other challenges, in order to improve the environment in which your members businesses operate. In your efforts to improve the business climate, you might want to educate the broader public and build their support for the various issues. The ultimate aim of your advocacy effort is to try and ensure that business faces minimum obstacles to growth, profitability, ability to create jobs and improve the lives of Nigerians.

7. However, **remind participants** that experience and 'gut feelings' are often not supported by good information and analysis. ***Relying on emotion or 'special access' to persuade policy makers to change policy is not a sustainable strategy.*** The decision makers you are trying to reach have limited time and they are almost always faced with many competing demands for their time and attention. Detailed research, good analysis and solid evidence will make your proposal stand out in comparison to others.

8. **Say** that the most effective ways of increasing the chances that policy makers will act in your BMO's interests are to:

   - Show that you understand the issues
   - Demonstrate that you are keen to make sure they understand and share your insight
   - Provide clear evidence and strong arguments for your advocacy proposals. This is best achieved through doing very good research around the business issues you are facing.

9. **Now ask** participants to divide into groups of 4-6 people, select an advocacy issue and then discuss the following question:
   What information about the issue should you collect to help you develop a convincing argument for your proposal?