

# **VOICES OF BRITISH BUSINESS**

## **GOOD PRACTICES FOR BETTER COLLABORATIVE WORKING**

**A Report compiled for the Trade  
Association Forum and the Department for  
Business, Innovation & Skills (BIS)**

**BIS**

**Department for Business  
Innovation & Skills**

  
*TradeAssociationForum*  
*promoting excellence*

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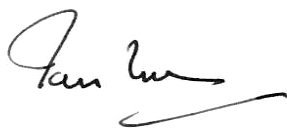
## FOREWORD

In jointly sponsoring, with the Trade Association Forum, the Voices of British Business Report, the Department for Business, Innovation and Skills is committed to promoting and encouraging good practices for better collaborative ways of working between Government and Trade Associations. The Voices of British Business research examined how far the improvements in UK Trade Associations practices have translated into a more effective involvement in the policy making of the country,

Trade associations have a crucial role to play in promoting best practice, helping companies become more competitive and formulating effective public policy and delivery. They have tremendous potential to act as a co-ordinated voice of business when talking to Government, and great value in terms of quickly disseminating messages about Government policy to their members. Productive engagement between associations and Government is very important for the policy making process but can also present challenges. The Report seeks to address this by setting out best practice proposals (for both Government and associations) which we will aim to promulgate following the publication of the report.

The Report is a very useful contribution to the definition of best practice in the relationship and structure of the interface between Government and Trade Associations, and we hope that it will be a helpful framework to develop a more effective relationship between Trade Associations and Government. We look forward to BIS and TAF working together to develop new shared practices that build on the excellent examples in this report.

We are both very grateful to BIS, TAF, its member associations and others who have made such a helpful contribution in bringing this Report to fruition.



Ian Lucas MP  
Minister for Business and Regulatory Reform  
Department for Business, Innovation and Skills



Andrew Large  
Chairman  
Trade Association Forum



## **EXECUTIVE SUMMARY**

The Trade Association Forum (TAF), which represents around 300 trade associations, is based at Centre Point, and was originally set up with Department of Trade & Industry and Confederation of British Industry (CBI) support. The Trade Association Forum thought the time was appropriate to take a fresh look at how trade associations interact with Government and the Department for Business, Enterprise and Regulatory Reform (BERR), now the Department for Business, Innovation and Skills (BIS), agreed to co-fund the Voices of British Business project with the Trade Association Forum. A consultant was appointed to undertake independent research on behalf of the Forum, and this exercise is now complete.

Much has been written over the years about the way in which government and business can work together better and more constructively for the benefit of their common good. At a time of global economic uncertainty the need for best possible collaboration is paramount.

The research acknowledged that, whilst much progress has been made, it is a discipline which requires constant revisiting as the business and legislative landscapes evolve to meet the demands of the day. The effects of globalisation, the arrival of the Regional Development Agencies, the influence of an enlarging European Union, the increasing importance of the devolved assemblies together with the sheer speed of electronic communication and consultation have all contributed to the need for business and government to be faster, smarter and to work together collaboratively.

The research focused on establishing the current dynamics of these vital relationships and to signpost some of the best practices currently available. The themes examined included:

- developing good practices
- leadership
- understanding
- networking
- engagement and working together
- consultation
- joint projects
- making good practice happen

The ‘Voices of British Business’ Project has been conceived to identify and promote Good Practice in this area. The first stage in the Project was to

circulate a questionnaire to Trade Associations and Government bodies to gather views on current and future working. The second stage was to hold a Workshop and invite representatives from BERR and the Trade Association Forum to deliberate on good practices for collaborative working. The design, facilitation, analysis and reporting of the Workshop was independent of both BERR and the Trade Association Forum. The Workshop was led by Jane Dowsett, a Future Focus facilitator, supported by Dr Ray Smith (facilitator) and Dr Alan Woods (analyst) from The Consultant Connection Ltd. The Workshop was also attended by Christopher Macgowan, who led the ‘Voices of British Business’ Project for the Trade Association Forum, and by Linda Cavender, Forum Manager.

The responses showed that there is a desire to work together, and agreement about how to do so in many areas, but also that there are opportunities for Trade Associations and Government bodies alike to develop, promote and embed better working practices.

In May 2008, the “Voices of British Business” project was broadened out and Sir Brian Bender, Permanent Secretary, BERR, wrote to Permanent Secretaries and Chief Executives at other Government Departments and Regional Development Agencies, to seek their help with the “Voices of British Business” project. Christopher Macgowan consulted with other Government Departments, Agencies, and Regional Development Agencies and obtained their input to the Project. The research is now complete and the findings have been distilled by the Department for Business, Innovation & Skills (BIS), formerly the Department for Business, Enterprise and Regulatory Reform (BERR), into four key recommendations (Engagement and Consultation; Understanding and Leadership; Networking; and Joint Projects). The recommendations have been broadly circulated for comment and have received positive endorsement by the Department for Business, Innovation & Skills, Trade Association Forum, other Government Departments and Regional Development Agencies, and the “Voices of British Business” Steering Group. A pilot study is now in the process of being organised, spanning the work of two (or more) Government Departments and a Trade Association demonstrating good practice in action.

# **RECOMMENDATIONS**

## **Engagement and Consultation**

To formalise an arrangement of regular two-way engagement and consultation between Government bodies and Trade Associations about policy issues, to bring about continuous improvement in building better working relationships and improving policy development, implementation and wider ownership (among businesses) of policy outcomes and mechanisms. To underpin this, both parties to develop an annual agenda that incorporates effective stakeholder engagement and communication through a series of regular joint meetings, working groups and conferences that are regularly reviewed to ensure that practices, outcomes, engagement, and dialogue about emerging issues are well-targeted and focused.

## **Understanding and Leadership**

Government bodies and Trade Associations to forge an effective partnership, using imaginative approaches and tools to bridge mutual gaps in understanding (e.g. poor understanding of sectors by Government bodies; poor understanding of how Government works), with Trade Associations leading on sector thinking, standard setting, building proactive policies (alongside their reactive work), and developing a long-term strategic outlook that incorporates practical solutions and greater transparency. Government bodies and Trade Associations should jointly lead the development of sector and/or issue-based road maps (including shared visions) for the future, including delivery. Government bodies to develop strategy involving sourcing suitably qualified staff, broader use of secondments and fact-finding visits to businesses.

## **Networking**

Government bodies and Trade Associations should work closely together to sponsor the creation of additional 'networks', 'forums', 'alliances' or 'federations' which provide a focus for collaborative work with Government bodies on policy and delivery, and influence EU legislation (particularly that focused on only one sector). Trade Associations in the same sector to work together to provide a consolidated industry view, develop skills, and policy development and delivery, while Government bodies should maintain good liaison with international Trade Associations which represent sectors active in the UK, to complement contact between UK Trade Associations and their EU counterparts to help ensure better outcomes for UK plc.

## **Joint Projects**

Government should as needed maintain working-level contacts with European and international associations, with a view to identifying synergies and opportunities for closer working, and to better understanding policy positions adopted by other countries or groups of countries, while acknowledging too that in some sectors there may be cross-currents between national and multi-national priorities.

## **KEY ACTIONS**

### **Making good practice happen**

An obvious starting-point for taking the high-priority Good Practices forward is for the Department for Business, Innovation & Skills and the Trade Association Forum to prepare, publish and promote joint guidance. But simply ‘publishing a Good Practice guide’ may not in itself improve current ways of working. It is recognised that action will be needed across Trade Associations and Government bodies in general, and by the Department for Business, Innovation & Skills and/or the Trade Association Forum in particular. As a next step, it has been decided to organise a pilot study that spans the work of two (or more) Government Departments and a Trade Association to help demonstrate good practice in action. Going forward, other actions could include:

1. Publish guidance which builds on the outputs of this project, and other relevant good practice (e.g. from the USA). Focus on setting tangible and measurable expectations. Make the guidance widely available. It could usefully refresh and extend the Trade Association Forum ‘Best Practice’ Guide for Associations of 2006 - but would need to be communicated as much to Government bodies as to Trade Associations.
2. Encourage the Cabinet Secretary or BIS Permanent Secretary to write to their counterparts within Government to promote the Good Practice guidance and the necessary change in organisational culture which this will require.
3. Review and develop the 2008 Government Code of Practice on Consultation to reflect the overall findings of the “Voices of British Business” Project. Advances in IT could also be used to facilitate consultation inputs and feedback.
4. Arrange training workshops to discuss and promote Good Practice, and in particular to promote ‘good personal networking behaviours’ to help improve relationships. Engage influential and respected ‘change ambassadors’ to promote Good Practice
5. Arrange an Annual Good Practice Event to celebrate success stories and promote Good Practice, perhaps with a Trade Association Forum Award. Those demonstrating successful engagement could submit their experience for wider ‘good government’ awards.

6. Provide an advisory service to steer people through the engagement process and answer their queries. This could be supported by a practical toolkit containing detailed guidance, systematic training modules, and supporting web resources.
7. Develop a diagnostic tool which all parties could use to assess their strengths and weaknesses and identify actions to improve performance. The assessments could be shared as part of a deliberate process of mutual learning, improvement and building trust. Good performers could be identified and promoted as exemplars.
8. Ensure that all parties actively use the Good Practice guidance in their work with their counterparts and mutually seek to hold them to its commitments.
9. Consider how a ‘step change’ might be engineered in the whole relationship between Trade Associations and Government bodies. This might include: making collaborative working in the national interest the norm; ensuring that the Good Practices drive this transformation; radically shifting current mutual expectations; actively building trust through better engagement, and practical work; seeking improved efficiency and effectiveness in all relationships; and considering how the Trade Association Forum itself should evolve.

**“Trade associations have a pivotal role to play in promoting best practice, helping companies to become more competitive and engaging their help to develop effective public policy. More efficient methods of collaborative working can help ensure that companies are able to make a valuable contribution within the sectors that they represent, and help to spearhead the fight-back as the UK emerges from the most difficult economic period for many decades”**

Ian Lucas MP, Minister for Business and Regulatory Reform  
Department for Business, Innovation and Skills

**“At their best, trade associations are vital for good public policy development and delivery. It is important, therefore, that we as associations continue to strive for excellence in representing the views of our industries and member companies”**

John White, Chief Executive of the Timber Federation and  
Past Trade Association Forum Chairman

**“A dynamic trade association which is responsive to its members needs should always be seeking ways to improve its dialogue with government. As the machinery of government is faced with implementing policy with diminished resources, it is of paramount importance that trade associations improve their messages and equally that government understands it can improve policy delivery from those messages. This project has shown that both sides can be smarter in their relationships with each other and provides guidance for all of us working to excel in what we are charged to do”**

John Murray, Chief Executive of the Society of Maritime Industries

**“The NFB actively welcomes this ground breaking research which has sought to explore the sometimes challenging relationship between trade bodies and government. That relationship has been one characterised by missed opportunities, now this report identifies trade federations as a legitimate route for government to access large sections of the economy which would be otherwise unavailable. The report will enable a development of mutual appreciation and understanding and enable the relationship to be one of professional and enduring partnership to the overall benefit of UK plc.”**

Julia Evans, Chief Executive of the National Federation of Builders and Vice Chair of  
the Trade Association Forum