Interview de Dilip Cherian – Practising communication and lobbying in India

Dilip Cherian



<u>Dilip Cherian</u> is the co-founder and consulting partner of <u>Perfect Relations</u>, South Asia's largest image management firm.

A pioneer of the concept of image management in India, <u>Dilip</u> <u>Cherian</u> is India's foremost communications & public affairs consultant, a political advisor and a practicing lobbyist of repute, widely regarded as the "Image Guru of India".

<u>Perfect Relations</u>, which was founded by him in October 1992, has now grown into South Asia's largest image management consultancy. Perfect Relations advises CEO's and country management teams on External Communications, Internal

Communications and Public Affairs. The firm has offices in 14 Indian cities, Nepal, Bangladesh and Sri Lanka today. Perfect Relations advises also political parties - help them win elections and build coalitions - and also are the single biggest policy advisory resource for India's biggest firms - both domestic and global.

<u>Dilip Cherian</u> is also a co-founder of Baird's Communications Management Consulting, an international network of senior communications management consultants with offices in USA, UK, South Africa, India and other developing countries.

<u>Dilip Cherian</u> is also a columnist and has devoted readers several newspapers in various parts of the country. He is also a former editor of Business India (India's largest business magazine) and the Observer newspaper.

He is a member of the Board of Governors in Advertising Standard Council of India and on the Governing Council of the National Institute of Design and is member of the Central Board of Film Certification. <u>Dilip Cherian</u> is also the Nominee Director for the BBC on their media investment in India.

IE-Lobbying: As the co-founder and consulting partner of Perfect Relations, South Asia's largest image management firm, you are also a lobbyist of repute in India.

You

IE-L: How did you come to practice <u>lobbying</u>? What is your educational and professional background?

Dilip Cherian: Trained in globalisation at the London School of Economics and in Development Economics at the Delhi School of Economics and Presidency College, Calcutta, I started my career as Economic consultant, Bureau of Industrial Costs in the Ministry of Industry, New Delhi. The work involved advising the Central government on regulatory measures. As a natural corollary to my work it was advantageous for me to have a wide range of professional contacts in various ministries of the Central government leading to a deep understanding of how the Indian bureaucracy worked. This knowledge – and the connections I made during this time – helped hugely in my later career as Editor of Business India, one of the country's leading publications.

At Business India I was also able to create a separate and extremely popular section on policymaking as it affected India's corporate sector. The by-lines generated during that time - and during subsequent career moves to television and newspaper journalism - have helped me maintain my reputation as a leading business journalist, both with government as well as with leaders of the corporate world. My work as Business Editor for The Observer, which I was instrumental in founding, gave me deep insights into the way the giant industrial groups of India managed their communications both within the media as well as with the government since the magazine was owned and managed by India's largest business group, the Reliance Group.

I founded Perfect Relations in 1992; the company is today one of South Asia's largest image management and public relations companies with leading corporate clients across the sub-continent and now, increasingly, overseas. This, along with my syndicated columns on economic and policy-related issues as well as on the arcane workings of India's bureaucracy, led, in almost logical sequence, to lobbying. With clients asking my advice not only on dealing with government but also on how to make sense of the new policies that were being rapidly introduced with economic liberalization, I felt that it was necessary to include lobbying in our Public Affairs function both to provide a 360 degree service as well as to make lobbying itself transparent.

IE-L: What is your personal definition of **lobbying**?

DC: I consider lobbying an intrinsic part of Public Affairs strategy through which to tactically manage a client's universe. It's important to create consistently favourable conditions through a well-thought out overall strategy instead of using lobbying in isolation, only as an emergency or situation-specific tool with which to kill or promote government policy or to sway public opinion. I have also found that when a Public

Affairs (including lobbying) strategy is designed to be on going rather than situational, the credibility factor of such an activity rises.

IE-L: As far as you are concerned, what are the connections between <u>lobbying</u> and <u>competitive intelligence</u>?

DC: Competitive Intelligence (CI) allows accurate assessment of the external factors that threaten a client's universe - thus permitting targeted lobbying. CI not only detects competitive threats, it also identifies areas of competitive advantage, giving a head start in Public Affairs campaigns that can be designed to focus in on these. By extension, of course, this also means that CI helps find new opportunity areas.

IE-L: You are also a famous political counsellor, being a real policy advisory resource for India's firms? Could you explain us explain what do you do exactly?

DC: In order to answer this question fully I need to give you a little background on the Indian situation. Dealing with Government here is like walking on shifting sands. Policy is determined by political exigencies and these can change from day to day, month to month. Coalition politics with its continuous push and pull results in changing policies. There is also, still, a great deal of government interference in business, despite liberalization. I help clients negotiate this rather tricky combination, since determining what will work involves a rather quirky mixture of enormous expertise and experience, phenomenal effort and a puzzling element of, what we call in India, *tukke bazi* - which translates best to mean 'taking a gamble'.

Naturally, what will work for one may not be appropriate for the other. The techniques that are core to the success of a giant corporation like Reliance (a large Indian conglomerate), for instance, may not be those that an equally large corporation like Motorola finds appropriate. Although their needs may be very much the same, one has to work within the confines of someone's Oxley limitations.

Yet everybody needs the Government on his side. People in this heavily market driven economy will say they don't mind government not being with them as long as it's not against them. As long as Government itself is not a roadblock, they claim they are fine. That's not true. Essentially, influencing government is not only, still and likely to be for the foreseeable future, a critical function of most corporations at the board level, it also ends up being the core function of most savvy and smart CEOs who either have growth, expansion or entry strategies on their mind.

IE-L: What do you think of **IE-Lobbying.info** initiative?

<u>IE-Lobbying.info</u> is the first collaborative Portal on Economic Intelligence and Lobbying. The main objective is to promote these two domains bound. Several services are new available such as an actuality, an agenda, a directory, etc.

DC: It's an excellent resource and referral portal; particularly, for businesses in EU countries looking to understand international government policies and economies as well as lobbying practices and controls in countries inside and outside the EU. I think it serves the purpose for which it has been created very well - although I think an English language option would be great so non-French and German speakers could also access the extremely useful information on offer.

Your profession

IE-L: Is there a specific way of practising <u>lobbying</u> in India? <u>In a precedent interview</u>, <u>Véronique Queffélec</u> (<u>Euromédiations</u> / Indiamediation), a friend of yours, explained that one has to take into account specific cultural aspects to do lobbying in India, such as religions, traditions, etc. What is your opinion?

DC: Lobbying in India is yet nascent; till quite recently it didn't involve much more than influencing policy with suitcases full of money. Needless-to-say, this happened at a different level, involving shady middlemen of uncertain provenance. With increased transparency more-or-less forced upon government, business and the judiciary by a vigorously watchful media, Indian business soon realized that a more legitimate method was needed to influence policy makers. That's when the practice of mainstream advocacy / lobbying became an accepted alternative.

Certainly, as Véronique Queffélec states, religion and caste do play an important role in politics in India and can be used to influence policy, but this is more in terms of policy makers wanting to please specific groups in order to garner their votes - what we call 'vote-bank politics'. Tradition, per se, is weakening and is no longer a deciding factor in modern India, either politically commercially, or socially.

IE-L: <u>In the same precedent interview</u>, <u>Véronique Queffélec</u> (<u>Euromédiations</u> / Indiamediation), explained that "business couldn't be separated with charity in India"? How this aspect may influence the practice of <u>lobbying</u> in India?

DC: I think Véronique Queffélec's initiatives in this area are to be applauded. Through Indiamediation, we promote companies and technologies that invest in the environment and health. She also encourages companies introduced by Indiamediation into India to give back a percentage of their profits to society in the form of developmental projects providing access to drinking water. Her efforts are commendable and are well received.

Unfortunately, Indian firms are miles behind their European and American counterparts when it comes to 'giving'. Charity has traditionally been a private, usually religious, act that takes place in the temple precincts or at home, for specific religious rituals. The corporate concept of charity has just recently been adopted by corporate India, mainly for additional media coverage. Corporate Social Responsibility (CSR) is a recent introduction to corporate communication strategy and already the media has lost interest in knowing which charities a business house

supports. A recent online Media / PR survey shows that CSR is at the bottom of the list of news pegs that interest media. There is a great deal of scepticism among media and their audiences regarding the new buzz word CSR; as a result savvy businesses are starting to keep their charitable activities, if any, under wraps.

That said, a large number of non-government organizations (NGOs), are also involved in charitable and developmental work and have a great deal of political clout as they're perceived to have greater credibility and are popular with target audiences. Public Affairs / lobbying campaigns that involve NGOs with good track records as partners thus have a greater chance of being successful, although much depends upon the objectives of the campaign.

IE-L: <u>She</u> also explained that being a woman as a lobbyist has several advantages. For instance, women would be considered in India as proficient professional partners because of their natural empathy or "intuition"? What do you think?

DC: For a woman with the impressive credentials and experience that Véronique has, this certainly applies. True excellence, if visible, is often appreciated and rewarded in India, irrespective of gender. However, women in India are still battling tremendous odds for parity and justice at the workplace and in their private lives and a vast number of gifted women remain unknown and unrewarded. The Indian women Veronique has named in the interview, who have reached the top in their professions, are the exceptions rather than the rule, unfortunately.

Still, it is true that although the majority of senior Government functionaries in India are men with a vested interest in maintaining the gender status quo, the handful of women in power are definitely happier dealing with women as professional partners.

IE-L: Is this true that there would be currently a political action to make that 1/3 of your Parliament would be composed of women deputies? In your opinion, could the next President of India be a woman?

DC: Yes, the next President of India will almost certainly be a woman: Pratibha Patil. As for the promised and long-pending one-third reservation for women in the Lok Sabha (The lower House of Parliament), this is something that is yet to happen despite repeated efforts at passing the bill.

IE-L: Looking at the case studies available on your <u>Web site</u>, we may think that image management, public relations and lobbying are not dissociable. What is the specific methodology of lobbying of <u>Perfect Relations</u>?

DC: Our methodology for lobbying starts with four basic rules developed to suit today's Indian political & business scenario.

Rule # 1. We advise our clients never to take anything for granted or at face value when dealing with government, keeping in mind the golden rule: If you receive a 'No', interpret it as 'Hold on'; if a 'Yes' - then proceed, but with caution. Retail majors, for instance, were convinced that retail was about to open up. They were right - but

neither Wal-Mart nor Carrefour nor any of the other biggies had any idea how long the opening up was going to take. They still don't.

Rule # 2. We always advise our clients to 'know their enemy'. The biggest stumbling block to thinking processes about influencing the government is not recognizing, explicitly, that there is an enemy. Whatever you want to do - somebody wants to block you. So Coke does not need to think only of its competitor in the marketplace, Pepsi. Often, the enemy you face could be a common one. In a competitive world, creative influencing of Government is also about understanding who is against you, even if you don't know why. Whether it's simply the system, your competition, somebody else's understanding of your product, old-fashioned obstinacy - or a conspiracy. It's sensible to sniff. Never dismiss conspiracy, it's not paranoia.

Rule # 3. The battleground is important. So, setting the stage, making sure the agenda is wider than just your self-interest and ensuring that there is a semblance of public opinion in our favour, is obviously par for the course. To illustrate, when Monsanto wants to attempt selling hybrid seeds in India, it must sell the wider concept: low farm productivity, the need for good seeds, the obvious impact of science on yields, are all issues that must be in the air, before Monsanto can sow the seeds of profit for the future.

Rule # 4. Being politically savvy is an obvious pre-requisite to lobbying the government effectively. Knowing how Government and Parliament is organized and how they work is critical to an effective public affairs program. This is a problem that aircraft giant Boeing had over the years. Winning a contract is one thing but becoming a savvy local corporation is another. Understanding how to make representations to Government, what tools and techniques can be effectively used to communicate with MPs, MLAs and the Government of India, which Ministries administer what - and which Minister heads which Ministry - these are both the obvious and the arcane bits of knowledge that can empower you and help you understand better the Byzantine workings of the Government of India.

IE-L: It is known that India, still belonging to the Commonwealth, has privileged relations with the United Kingdom. Are British lobbyists more present than European ones in India?

DC: Perhaps that was true earlier but no longer. European lobbyists have been very active in India in the last year or so.

Overtures

IE-L: What do you think of European <u>lobbying</u>? How could it be improved comparing to the lobbying practiced in India?

DC: Today, lobbying in Europe is a highly specialized discipline and is generally not seen as part of PR function. It is often a high-end management tool practiced by

lawyers, retired diplomats and former politicians to further private and public interests with policy makers and shapers. But this didn't happen overnight. There was a time not long ago when, in Europe as in India, lobbying was perceived as something 'dodgy' involving bribery and other criminal acts.

As to how lobbyists in the EU and in India can help improve each other's lobbying practice, I think lobbying has gone global and lobbyists cannot act in isolation any longer when their clients' interests are rapidly expanding internationally. Indian and EU lobbyists need to form strategic alliances to help their clients compete successfully and operate internationally, understanding and dealing with complex governmental policies and stakeholder demands.

IE-L: Is it possible that an "Abramoff" scandal may occur in India? How <u>lobbying</u> is currently regulated in India?

DC: Lobbying is currently unregulated in India. However, I think any activity that is this high-end will often throw up 'bad apples' no matter how highly regulated it is, as the Abramoff scandal has shown; particularly, in a system that gives discretionary powers to individuals, as democracy does. (Of course, totalitarian systems witness far greater corruption that is seldom exposed.) So, the answer to your question is 'yes, there is every possibility that an Abramoff-like scandal could occur in India.

IE-L: Thank you very much for this interview.