



Using worker surveys to drive change in supply chains

20 April 2017 | By: Beth Wright

Getting brands and retailers to think differently about the way they connect with workers in their supplier factories is key to producing more reliable audits in the future, says Heather Franzese, executive director and co-founder of Good World Solutions. She explains how direct worker feedback from its mobile survey platform, Laborlink, is being used to help bring about change, drive sourcing decisions and give deeper visibility into the supply chain.

"If you don't know about a problem then you can't fix it." Franzese says. "The starting point is just having visibility. What happens so often is that companies invest millions of dollars in audit programmes that provide sub-par information, upon which they then base decisions regarding their sourcing factories."

Unlike a typical audit where around 5% of the workforce are interviewed, and workers may be coached on what to say, Laborlink uses mobile technologies to survey factory workers, giving brands and retailers a real-time insight into safety, factory conditions, working hours and wages across their supply chains.

The end result is much more reliable data sourced from a larger number of workers.

"We've heard from brands that they're able to have a different kind of conversation with their supplier because they are coming to the table with not only more data, but more reliable data, so it becomes difficult for the supplier to push back on that," she explains. "Brands are able to have more leverage and more influence on suppliers to drive change."

Good World Solutions, a US-based non-profit, launches Laborlink with a number of apparel brands and retailers including Primark, C&A, Marks & Spencer, Levi Strauss Foundation, American Eagle Outfitters, and a partnership with the Alliance for Bangladesh Worker Safety.

In December, it reached its 1m worker surveys milestone more than a year early, of which 60-70% are based in apparel or footwear factories.

Benchmarking programme

In another first for the company – "and I think for the industry in a few ways" – a two-year initiative in China used anonymous mobile surveys to try to understand why workers are leaving companies, what would make them stay, and mapped the change in their responses over time.

"We were able to not only benchmark factories against one another in terms of their performance, but also to measure change because we had two rounds of data collection, meaning we could see improvements in aggregate across the factories."

The Laborlink China Collaborative secured financial support from The Walt Disney Company, and convened with ten leading brands, including American Eagle, C&A, J Crew, and Marks & Spencer, who nominated 70 factories to the scheme

The first results found two out of five workers (43%) were dissatisfied with their current job, and of this group only 30% planned to stay at their current factory for the next six months. Meanwhile, 73% said they regularly experience workplace stress, which correlated with supervisor relationships. Only 11% of those with good supervisor relationships also reported workplace stress.

In addition, one in four (28%) said they did not believe complaints were being resolved fairly by factory management.

However, factory interventions showed "statistically significant" improvements between the baseline and follow-up surveys. Workers reported 15% less workplace stress and 10% greater likelihood of staying at their current factory for the next six months. The top three drivers of turnover were different at each factory but common themes were the fairness of complaints resolution, supervisor relationships, and stress.

Laborlink is now rolling out the China Collaborative as an annual benchmarking programme, and already operates a similar initiative in Bangladesh where several companies including C&A, American Eagle, and Tesco are on-board.

Driving sourcing decisions

For Franzese, the next step is for brands and retailers to add Laborlink data to a supplier's internal scorecard to help drive sourcing decisions, much in the same way that price, quality, and on-time delivery already are.



Laborlink uses mobile technologies to survey factory workers, giving brands and retailers a real-time insight across their supply chains

"That's really the point we've got to now and one of the reasons that we have standardised our question sets," she explains. "If you think about how audit data is used by companies, it's a data set collected across all or most of their factories."

"Companies have figured out how to translate an audit score into their internal scorecard to inform sourcing decisions, and that's just the point we are getting to. We now have sufficient penetration in terms of number of sites and standardisation of the data to be able to basically use that data to drive sourcing decisions. That's the next step."

Under the banner of 'Connecting with Every Worker', the organisation is also working on a set of principles and best practices – known as the WEST principles (Worker Engagement Supported by Technology) – to act as a guide on how technology should be used to better working conditions.

"In this space there are a number of for-profit technology providers, or data or survey providers that don't have a mandate to use that data to make improvements," says Franzese. "One of the reasons we set ourselves up as a non-profit with a mission to use data to create safe and respectful workplaces is because we have that obligation as public charity to use the data to drive improvement."

Beyond the first tier

This obligation is also driving plans to move beyond the first tier to access workers in indirect sourcing factories to identify and prevent situations of forced labour.

Using subcontractor lists from brands and retailers already working with Laborlink, the organisation aims to identify "hotspots" across the world, where it can connect with local NGOs who already have a level of trust on the ground.

"Every company has a different level of information about their lower tiers," Franzese explains. "We can potentially partner with a group like NYU Stern, or with folks in Bangladesh where they are mapping subcontractors. There are a lot of new data sources popping up around this issue."

Also in the pipeline is a survey instrument Franzese says will tackle forced labour through a "community-based survey methodology."

Typically Laborlink surveys are run in factories, but this model will see them rolled out across communities in partnership with grassroots NGOs. "These NGOs already have a certain level of trust in the community, so that when the survey is delivered we're able to gather reliable information on what is obviously a very sensitive topic," Franzese explains.

"I think the community-based approach is definitely a great way to understand what's going on around factories – a bottom-up approach as a compliment to the top-down idea."

The scheme is currently being piloted in India, in the hope of expanding elsewhere at a later date.

Meanwhile, Franzese adds there are "definitely" opportunities in countries such as Bangladesh for governments to "step up" and take a more active role.

"I hope initiatives like Laborlink and our ability to publish new data and shed light on some of what workers are experiencing can help point governments and other stakeholders in the right direction, in terms of the most urgent worker needs and how to address them."

However, perhaps unsurprisingly, the bottom line always comes down to resources.

"One of the biggest challenges is having the resources come together," she explains. "That was something that was made possible by the Rana Plaza catastrophe in that many companies came together to pool their resources at the same time. And so that's one of the questions on the table as we look at a global expansion, is how to catalyse the resources needed to build a robust system."

Audits by robot

Also on the agenda is a worker-centric audit alternative, a "tablet on top of a Segway" that can be operated remotely by brands or government inspectors to provide a real-time virtual factory inspection.

A pilot of these mobile telepresence robots has been rolled out in Delhi, with another planned for Bangalore.

"The cost has come down exponentially in the last few years. Whereas a brand may pay a few thousand dollars for a two-day audit, this robot only costs a few thousand dollars, which can be shared between multiple customers and the factory.

For Franzese, this is just one example of how in just a few years time emerging technologies could replace the existing audit system, which has been in operation for more than 30 years.

Amader Kotha

Meanwhile, Good World Solutions is also behind the Amader Kotha helpline – 'Our Voice' in Bangla – set up in 2014 to monitor conditions in Bangladesh's garment factories by encouraging workers to report abuses using their mobile phones.

Established in partnership with the Alliance for Bangladesh Worker Safety, Clear Voice and grassroots NGO Phulki in Bangladesh, the helpline reaches workers in over 250 factories. It received close to 1,200 calls from October to December 2016, of which 342 were directly related to safety.

But as the Alliance draws closer to the end of its initial mandate, Good World Solutions is working on what comes next.

"We are having conversations internally in Bangladesh and on a global level about how to replicate this model, along with discussing the lessons we have learnt in other apparel sourcing countries," Franzese explains. "I think we can all come up with a list of countries that have a lot of the same challenges that we see in the Bangladesh apparel sector and could benefit from a model like this."

Since the helpline was set up, technology has advanced greatly, meaning a global roll-out could come at a much cheaper price. It is "definitely" Good World Solution's desire to expand the system, or a similar version, globally, Franzese says.

