Kenyan Apparel and Textile Factory Toolkit

Helping your business grow sustainably and getting fit for export

Developed for textile & apparel factories

Practical guidance on improving productivity, quality and decent working conditions for factories operating in Kenya’s Textile and Apparel Industry.

Developed by

Funded by
Description of the project

This toolkit has been developed by Partner Africa as part of the ‘Fit for export: Towards a socially responsible Kenyan Textile and Apparel Industry’ project. The Fit4Export 2022 project seeks to work with local T&A firms in support of an industry geared towards export with high quality products, made in decent working conditions that meet globally recognised social standards, with the long-term objective to improve their competitiveness on the global manufacturing map and develop a responsible apparel industry in Kenya. The project is fully funded by the IDH as part of their IN Sustainable Textile and Apparel Parks (INSTEP) programme, which is a collaborative approach to step up the sustainable production of textiles and apparel via the scale of Industrial Parks, reaching multiple factories and shared facilities, with assessment and interventions to reduce environmental impact (better environment) and improve working conditions (better jobs).

Background to the project

Kenya’s garment sector is fast gaining a reputation in the world market as an emerging supplier of high volumes of bulk, basic garments. Although the sector in Kenya is still small compared to global leaders in T&A production such as Bangladesh and Pakistan, the capacity of Kenya’s T&A industry has grown significantly in recent years, mainly driven by low labour costs, foreign direct investment, preferential trading agreements with the US and the EU, and migration inflows from Ethiopia resulting from the political instability and increasing risks around social compliance.

There are approximately 170 large-scale and 75,000 small-scale and micro apparel manufacturers. Of these, according to the Kenya Investment Authority, 37 are predominantly export-oriented and contribute to the bulk of the sector’s export revenue.

Export Processing Zones (EPZs) are centrally located in Athi River, Nairobi and various sites in and around Mombasa are registered EPZs in their own right. These are designated areas of the country in which export-oriented industries are based and in which exporting apparel factories are located. Garment factories in EPZs are fixtures in local communities and represent a large source of employment for both local workers and workers who come from other areas of Kenya in search of employment.

Kenya’s vision 2030, its Medium-Term Plans and Big Four Agenda all prioritize Textile and Apparel as a key industry to deliver the industrialization and social transformation for investment attraction, job creation and export growth.

With apparel identified globally as a high-risk industry for human rights abuses, there are ever-increasing mandatory human rights and environmental due diligence requirements in the sector.

A socially responsible T&A industry creates a new market positioning for Kenya – in addition to quality, price and reliability - the industry will now increase its focus on uplifting social standards and respecting human and labour rights.

* https://blog.bizvibe.com/blog/textiles-and-garments/kenyas-textile-apparel-industry-revive
Introduction

People are a core and valuable asset for every business and in order to have an efficient, productive business, workers need to work in good conditions. Good working conditions go hand in hand with productivity, quality and efficiency as essential elements of building a sustainable and resilient business.

This toolkit provides apparel factories with practical assistance on how to improve in these areas: outlining why each issue is important to your business, what you need to do in practice and practical tools to support you as you make improvements. The information provided is intended for general guidance and information purposes only.

The practical guidance in this toolkit is grounded in international and national best practice standards and guidance. The toolkit seeks to provide guidance for issues that have been identified by Partner Africa through consulting with factory workers. In addition, a needs assessment has been completed by a sample of factories in the T&A industry in Kenya to better understand areas where factories seek further assistance with.

Addressing workplace issues and implementing the advice in this toolkit will help you creating sustainable businesses that thrive geared towards increasing your export possibilities. It will help positioning yourself as a sustainable business improving your reputation and attracting additional clients. In addition, it will help improve factories’ competitiveness on the global manufacturing map and develop a responsible apparel industry in Kenya.
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Productivity, Efficiency and Quality

In this chapter

1.1 Why is it important for my business?
1.2 What is expected of your business?
1.3 How do you identify this issue?
1.4 How do you manage and prevent this issue?
Tools and tips for improvements
1.1 Why is it important for my business?

**Productivity** can be described as producing more goods or services with the same amount of input (time, labour, materials and machines).

**Efficiency** can be described as producing the same number of goods or services by using less resources.

A competitive market demands continuous improvement in both productivity and efficiency. In order for a business to ensure longevity, a culture of doing more with less must prevail.

**Quality** is important for your business, because in order for products to sell, they need to be highly marketable and desirable, with quality consumers can trust. Consumers hold brands responsible for quality and so the quality of products is very important to brands.

A quality driven ethos and an efficiency / productivity orientated mindset go hand in hand. A business only driving efficiency gains but ignoring quality will soon see any productivity gains eroded through rework and rejected product. Similarly, a business only focused on ensuring the right quality at any cost will lack the efficiency to remain competitive.

1.2 What is expected of your business?

- **Quality**, **efficiency** and **productivity** can only be sustainably achieved if workers’ rights are respected, and their wellbeing and health and safety are not compromised.
- Ensure that the purchasing companies’ detailed quality expectations are met in full every time. This means that systems need to be in place to ensure both ‘Quality of Product’ and ‘Consistency of Product’.
- Factory productivity and efficiency is enhanced through a careful consideration of what needs to be build, improved or removed.

To improve productivity, efficiency and quality your business should actively and continuously identify (review and analyse) and improve key indicators (throughputs, material usage, labour utilisation, waste etc.)

Strengthening our capabilities and resources is central to this mission. This can be broken down into the 5 Ms:

- **METHODS**
  - Processes and systems
- **MANPOWER**
  - The people: workers/team
- **MACHINES**
  - Machinery, tools, equipment, facilities
- **MATERIALS**
  - Inputs for production, raw materials, packaging
- **MEASURE**
  - Measuring productivity, quality, time, costs

**Identify**

- Find out where you are now (using checklist and tools provided in the annex)
- What are the areas for improvement?
- Obtain a clear understanding of existing issues, their extent and where they are occurring
- Identify where to start addressing problems identified
- What are the root causes?

**Manage and Improve**

- Develop a list of top priority issues to tackle and an understanding of why they occur
- Use the tools provided to manage the improvement process [templates]
How do you identify this issue?

This section contains the following categories:

1. **Review current practice**
2. **A process flow diagram**
3. **Measuring**
4. **Root cause analysis**

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### 1. **Review current practice**

The details of achieving productivity, efficiency and quality in practice in your business starts by reviewing current practice by using the checklists at the back of this toolkit. These checklists can also be used as a tool to self-assess your site.

The checklists are organised around the 5 M’s discussed earlier:

- Methods
- Manpower
- Machines
- Materials
- Measure

but also include bottlenecks and waste (in terms of efficiency). For example, under “Manpower” you need to review if you are confident you have the right people for the right jobs or under “Bottlenecks” you need to review if you understand the capacity of each work station and provide adequate resources (people, raw material) to ensure the product line remains adequately balanced.

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### 2. **A process flow diagram**

Once you have identified issues (or potential issues) on the checklists, these need to be reviewed in relation to the processes happening at your factory. This can be done by using a flow diagram.

A process flow diagram is a helpful tool to map and visualise the production flow (from order through to delivery), to identify where improvements can be made and to continuously review and analyse productivity, efficiency and quality. You can draw a process flow diagram for the entire production cycle, as well as for each stage of the process. The exercise of developing an accurate and useful process flow diagram should not happen in isolation, in a manager’s office. You will need contributions from the workforce on the factory floor to understand the process they are daily involved with, where there are potential issues and what their recommendations are for improvements. It may be necessary to draw flow diagrams indicating productivity and quality issues separately, showing for example in flow diagram, exactly where recurring quality issues or high levels of defects are happening in the process, and in another, where bottlenecks or disruptions to production.

#### Step by step guidance on creating a flow diagram:

1. **Decide on the start and end points of the process**
   - This exercise can be carried out on a macro process (supply chain from start to end) or a micro process (one step within the bigger process). Often it is used to analyse the flow for just one product line, from the first step in production to the finished product being dispatched.
   - Decide what you are analysing upfront and continue with this all the way through the process.
   - Consider multiple flow diagrams rather than trying to include too much in one diagram.

2. **Draw out the high-level plan, showing the processes and movement only**

3. **Gather information on:**
   - The time it takes for a product to move from one stage to the next.
   - Average number of defects per batch / shift / day, for different stages/steps.
4. **ADD THE INFORMATION GATHERED IN STEP 3 TO THE PROCESS FLOW DIAGRAM**

- Add tables to capture time and defects
- Add time between stages under the movement arrow

5. **REVIEW AND ANALYSE THE PROCESS**

- Having identified some key areas for improvement in the checklists, can you mark where in the process these issues are occurring, on your process flow diagram?
- Add symbols where there are concerns in the process, in terms of Capability/Resources (C) (you may want to break that down further into the 5Ms), Delays (D) (bottlenecks) and Waste (W)
- Write a document to capture the detail of each issue you have identified, including what is happening, where it is happening, when it is most often happening, what is the result of the issue and what the causes could be

6. **ALLOW THE PROCESS TO BE CHECKED BY THE WHOLE TEAM, INCLUDING WORKERS, TO SEE IF ANY STEPS OR POTENTIAL ISSUES ARE MISSING.**

Review as many times as possible to ensure that the process flow is representative of actual conditions.

See right an example of the process flow for the T&A industry.
Measuring Productivity and efficiency

Another key aspect of reviewing and understanding the current situation is having detailed, up to date and accurate measures in place. This is important for identifying issues, bringing the full extent of the situation to light and also for motivating for and measuring improvements. They lead businesses to ask critical questions about productivity, efficiency and quality which would otherwise be ‘hidden’.

This section shows how you can improve the measurement of productivity, efficiency and quality, step by step.

**STEP 1: Ask yourselves, as a team, ‘what are the drivers of our business’ profitability?’**

* Efficient usage of labour  
  * Maintaining low overheads  
  * Minimising waste  
  * Achieving throughput targets  
  * Efficient usage of raw material  
  * Low conversion cost of raw material to final product  
  * Purchasing of equipment that is fit for purpose and ensuring that this equipment runs at full capacity  
  * Maintaining low levels of working capital which includes work in progress

**STEP 2: Metrics**

* Agree a measure for each driver and appropriate metrics.  
  * What do you want to measure (eg amount of waste, throughput, efficiency of raw material use), what metric is appropriate (eg kg, seconds, percentage) and how will you collect that data? Who has the information?  
  * Are you already measuring this and how frequently?  
  * At this stage we are simply measuring what IS happening, rather than setting targets. (Financial reports are not sufficient – long intervals and only available after the fact)

**STEP 3: Simple Daily Measures**

* If you haven’t already, put a daily measure in place  
  * Start simple (eg a daily measure of throughput on each shift for the processing unit)

**STEP 4: Detailed daily Measures**

If the simple measures are working, you can go deeper and more detailed with the daily measures. For example:

* Planned throughput to actual throughput  
  * Number of staff and hours for throughput achieved (person hours/kg produced)  
  * Raw material usage for output achieved (% conversion of raw material)  
  * Lost time due to breakdowns (% of available time lost due to breakdowns)

**STEP 5: Hourly Measures**

* If an 8-hour shift must produce 1000 garments, then 125 garments must be produced each hour. If this hasn’t happened in the first hour it can be addressed immediately rather than letting the issue run all day.  
  * Hourly measures (actual and target) can also be communicated to workers to increasing motivation. For example:  
    * Actual hourly output for each section  
    * Hourly output needed to achieve shift output target

**STEP 6: Minute Measures**

* Minute measures can be recorded for individual workers, teams and machines.  
  * What does each person need to produce each minute to achieve the hourly group target? (e.g., if there are 100 workers and 4 production lines per garment, each worker needs at least 3 minutes per garment to produce 125 garments per hour)  
    * minute to give the hourly throughput of 100 garments  
  * In all of this, when setting targets, they need to be reasonable and safe for workers, not causing quality or health and safety issues.  
  * At what speed must a machine operate at to achieve the throughput?
**STEP 7: Ask Questions**

- Is the target throughput correct?
- Could it be more if we changed something?
- Is anything consistently limiting the throughput?
- How can we optimise our process to do more with less?
- What are the patterns of when:
  - Waste is higher than normal
  - Equipment doesn’t run at full capacity
  - Work in progress is high
  - Throughput targets aren’t met?

**STEP 8: Continuous Improvement**

- Identify areas for improvement
- Analyse WHY issues are occurring
- Use the action plan tables and Plan-Do-Check-Act cycle to manage continuous improvement

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**Measuring Quality**

**Defining defects and calculating a metric**

It is essential to clearly define what constitutes a defect. A defect can be broadly defined as a product / system / process that is not at the desired specification. Both management and production workers need to be very clear on what the specifications are and what constitutes a ‘defect’ for each product.

**DATA COLLECTION**

In order to set and track progress against objectives, you first need to be collecting accurate and consistent data on quality.

*Some of the data you need to be collecting includes:*

- Number of rejects for each product and each department, each month
- Number of reworks for each product and each department, each month
- Number of deliveries that were late, each month
- Customer satisfaction (this can be done through a simple customer survey with quantitative ratings at regular intervals)

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**FREQUENCY OF DATA COLLECTION**

Once you are collecting data monthly, you can increase the frequency and detail of the data collection to daily figures of rejects/reworking, then even hourly.

*Think as a team how best to collect this data*

- How will each piece of data be collected?
- Who do you need data from and when?
- Assign responsibility to collect, report, collate and analyse data.

**TRENDING DATA**

There should be a system to keep track of these measures on an ongoing basis, to be able to see the trends, whether the business is getting better or worse.

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**Another important element in identifying issues is to undertake a root-cause-analysis.**

This enables you to diagnose a problem, find out the underlying issue/cause, which is essential to finding effective solutions. The next step is thus to understand the ‘root causes’ of those issues identified, to diagnose the problem, which is essential before you can find a solution.

**Two useful tools for root cause analysis are introduced here:**

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**THE ‘5 WHYS’**

A simple tool that uses the question ‘why?’ to get to the final root cause of an issue

**THE ‘FISHBONE DIAGRAM’**

A fishbone-shaped diagram that breaks down complex issues with many causes
**Root Cause Analysis: The 5 Why’s**

In using the 5 Why’s tool to identify root causes, simply ask the question why, until you cannot ask it anymore, or until you have got to the bottom of the real reason behind the issue. It may take you more or less ‘5 Why’s’ to get to the real answer.

Here is an example of the 5 Why’s in practice:

**PROBLEM:**
Increase in downtime hours over the last month.

**WHY?**
One of the labelling machines has been malfunctioning

**WHY?**
It hasn’t been serviced in over 2 years

**WHY?**
There is no maintenance schedule in place

**WHY?**
The manager responsible for scheduling maintenance on the machine is new, and was not given a maintenance plan by his predecessor

**ROOT CAUSE**
The company does not keep centralised maintenance plan records that multiple managers can access, or which can be easily taken over by a new manager.

**SOLUTION:**
Create a central database of all machinery maintenance schedules that can be accessed by multiple managers. Ideally, this system should also send reminders to managers in advance of the next maintenance event.

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**Root Cause Analysis: Fishbone Diagram**

The concept is to create a diagram that is in the shape of a fishbone, to assist in solving more complex problems that could have multiple causes.

**WHEN TO USE A FISHBONE DIAGRAM:**
- To explore all the possible causes that result in a single problem
- To find out why a process is not working properly

**HOW TO USE IT**
1. Write down the main problem you are facing at the “head” of the fish
2. Use the 5Ms (methods, manpower, machines, materials, measure) as the “big bones” of the fish.
3. These are the categories that will be analysed
4. For each category, write down any causes that you think could be contributing to the main problem. For example ‘insufficiently skilled workers, causing bottlenecks’ could be a cause under “manpower”
5. Use “small bones” to add more information to a cause. For example, ‘new workers have not yet been trained’ could be a reason why the insufficiently trained workers are causing bottlenecks

Here is an example of a fishbone diagram:

**ONCE YOU HAVE BUILT YOUR FISHBONE DIAGRAM:**
- Analyse the diagram and rank the causes by priority of how significant they are in contributing to the problem: High, medium, low priority
- Discuss as a team to find solutions and implement changes, starting with high priority causes
- Assign responsibility for each improvement action you agree on and check it is completed (more ideas are given on how to manage this improvement process in the next section)
1.4 How do you manage and prevent this issue? Tools and tips for improvements

1.4.1. Prioritise

You have now identified a few areas for improvement from the checklists and process flow diagram. Having accurate and frequent measures in place will significantly help in determining the priority areas to focus on, and where you will get the best return for effort spent.

In making changes, we need to focus on tackling the most wasteful and harming practices first, which are going to yield greatest efficiency gains for the least effort. Practically, this is the process of identifying which issues to address first. Very simply, for example, considering the defects of products in terms of quality, ask the following questions to determine the priority of issues:

Are there relatively more defects...

✦ On a particular shift?
✦ On a particular product line?
✦ Using a particular raw material?
✦ Producing a particular product?
✦ At certain times of day (dayshift vs nightshift)?
✦ When is one person doing quality checks rather than another?

IN ADDITION, WHEN PRIORITISING WHICH ISSUE TO ADDRESS FIRST, YOU COULD:

✦ Assess the value and relative importance: apply an appropriate estimated financial value to the resolution of each issue identified and the benefit that it would bring to the business. The allocation of financial benefit to each of the areas identified is a challenging exercise, but it proves to be very valuable as it often leads to a motivation for a change in process or purchase of new equipment etc. If the cost of a broken machine is $1000 / day in downtime, and it costs $15000 to buy a new machine – it implies it will take 15 productive days to pay this new machine off.

Use the 80/20 rule (Pareto principle): that 80% of the effects come from 20% of the causes. In a production facility 80% of efficiency / productivity loss, is often a result of only 20% of wasteful practises. If the business focuses on and resolves ‘the 20%’ of most wasteful practices, it will provide 80% of the efficiency gains which have been identified.

1.4.2. Manage using the Plan-Do-Check-Act-Cycle (PDCA)

Management expert W Edwards Deming’s ‘Plan-Do-Check-Act cycle’ will help you to guide the process of addressing the root causes you have identified, to improve productivity, efficiency and quality.

W Edwards Deming’s ‘Plan-Do-Check-Act cycle’

1. PLAN
Identify your problems

2. DO
Test potential solutions

3. CHECK
Study results

4. ACT
Implement the best solution
1. PLAN

Understand the current situation
Collect and analyse information gathered through the checklists, process flow diagram exercise and measurements – using the ‘Review’ sections above. Understand the impact on the business (both qualitative (costs) and quantitative (team morale, motivation, H&S)) and also what the impact of solving the problem would be on both.

Select a project/issue to tackle and understand it fully
Select a priority project or problem to solve (identify any patterns or particular issues that are being repeated or are particularly high priority). Identify the root causes of the issue (find out why the issue is happening and what can be done to improve it)

Work with a team
Bring together the most suitable team to tackle the problem (internal/external expertise? Complimentary skills – ‘hard’ and ‘soft’ skills may both be needed).

Agree on a plan
Prepare an implementation plan and schedule, with specific responsibilities assigned to individuals, with timelines attached. Set a target of how you want things to improve, with appropriate metrics.

2. DO

Implement solutions on a trial or small scale before making fundamental changes to the business. Check that each task in the implementation plan has been successfully completed.

3. CHECK

Monitor and measure how the new solution is performing
Has it met targets? Were targets realistic? Are new targets needed? Compare the metrics and measures to what was collected before the solution was trialled. Tracking and reporting progress is essential to keep the team motivated to continue. Get feedback from worker (and customers where possible). Are the measures you are using accurately reflecting the problem and the improvement? Are you only measuring quantitative gains? Can the qualitative gains also be measured and reported on? Refine the solution – Was there any aspect that didn’t work well? What can be done to address that? How can the improvements be maintained?

4. ACT

Make any changes required to improve the implemented solution
If the solution is working, make it a permanent part of the production process
Can the solution be extended to other areas?

Once you have successfully implemented one solution you can return to the plan stage, to tackle another issue. Teamwork is essential to continuous improvement. At each step of the cycle it is important to use the experience and insight of those involved in the production process by encouraging and giving opportunities for workers to identify issues, come up with solutions and contribute to implementing those solutions.

Objectives / KPIs
Part of managing improvement is setting and tracking targets. Objectives are specific, measurable goals that you can keep track of on a regular basis, by collecting data that matches Key Performance Indicators for each objective. You may wish to set objectives and KPIs for specific departments or even individuals. You can then measure the KPIs and have monthly report backs and problem-solving sessions with teams.
Health and Safety

In this chapter

2.1 Why is this important to your business?
2.2 What is expected of your business?
2.3 How do you identify this issue?
2.4 How do you manage and prevent this issue? Tools and tips for improvements
Why is it important for my business?

Poor health and safety can result in many and significant costs to the business as outlined to the right, but H&S improvements can reap significant ROI.

2.78 MILLION WORKERS DIE FROM WORK-RELATED INJURY AND DISEASES PER YEAR

THAT’S 7,500 DEATHS EVERY DAY

6,500 FROM WORK-RELATED DISEASES

1,000 FROM OCCUPATIONAL ACCIDENTS

POOR HEALTH AND SAFETY
HAVE DIRECT COST CONSEQUENCES

WORK-RELATED ILLNESS AND INJURY

LOWER STAFF COMMITMENT

WORKDAYS LOST

IN KENYA, 64 OF 100 000 OCCUPATIONAL ACCIDENTS ARE FATAL. FURTHERMORE, 40.9% OF ALL INDUSTRIAL ACCIDENTS OCCUR IN THE MANUFACTURING INDUSTRY OF KENYA.

HIGHER ABSENTEEISM

HIGHER WORKER TURNOVER

HIGHER COST OF RECRUITMENT/TRAINING

LOWER PRODUCTIVITY

LOWER QUALITY

COST OF LOST OUTPUT

COST OF REMAKING PRODUCTS

LEGAL ACTION

Those workers who reported that they got injured at the onshore oil drilling operations in Turkana Country, Kenya, were absent from work between 7 days and 1 month, which amounts to a considerable cost to the company.

COST OF LAWSUITS
Case study

RANA PLAZA DISASTER – MANAGEMENT CHARGED WITH MURDER

1,135 people were killed in the collapse of the Rana Plaza complex in Bangladesh in 2013, which housed 5 garment factories, supplying global brands.

Another 2,500 people were rescued, some with traumatic injuries. 38 people including the owner, senior management and government officials were charged with murder in 2016 and could receive the death penalty if found guilty. In the meantime, the owner has been sentenced to 3 years in prison for corruption. The owner and 17 others have also been charged with breaching building codes while adding three further floors to the original six-storey building.

Survivors of the collapse said they had been ordered to enter the factory to work despite complaining about the appearance of cracks in the walls.\(^5\)

2.2 What is expected of your business?

Maintain a productive workplace by minimizing the risk of accidents, injury and exposure to health risks.

- Adhere to all local laws and regulations on health and safety
- H&S policy, management systems, management responsibility are in place
- Safe and secure working environment (including adequate safe drinking water, sanitary and hygiene facilities, ventilation, adequate lighting and temperature, personal protective equipment and health and safety training)
- Emergency preparedness procedures
- Proper handling and disposal of hazardous chemicals, according to law
- Risk assessments and actions to mitigate risks
- Mechanism in place for workers and contract workers to raise H&S concerns and receive a response
- Worker accommodation clean, safe, structurally sound, well maintained and meets basic human rights standards. Must be separate from production areas

2.3 How do you identify this issue?

In order to understand whether your business is achieving health and safety in practice or whether any issues exist, you can use the following checklist.

For points you are not able to check off, consider, develop, and implement a strategy to bring the factory into alignment with health and safety legislations and best practices:

Checklist follows on next page
### PHYSICAL WORKING AREAS

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Met</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work areas are well lit</td>
<td>✓</td>
</tr>
<tr>
<td>Work areas are well ventilated</td>
<td>✓</td>
</tr>
<tr>
<td>Monitor vibrations and ensure it is not excessive or likely to cause harm to workers</td>
<td>✓</td>
</tr>
<tr>
<td>Adequate working space</td>
<td>✓</td>
</tr>
<tr>
<td>Noise levels monitored and reduced where possible or ear protection provided</td>
<td>✓</td>
</tr>
<tr>
<td>Temperature monitored and kept at a reasonable level. Air conditioning/ventilation/fans or warm protective clothing provided if temperatures are particularly hot or cold.</td>
<td>✓</td>
</tr>
<tr>
<td>Monitor air quality for dust and any chemical fumes etc.</td>
<td>✓</td>
</tr>
<tr>
<td>Minimise the production of these where possible eg extraction directly from the machinery.</td>
<td>✓</td>
</tr>
<tr>
<td>Display allowable floor loading weights and maximum load limits</td>
<td>✓</td>
</tr>
<tr>
<td>In areas of confined space, post appropriate warning signs</td>
<td>✓</td>
</tr>
<tr>
<td>Aisles and exits accessible</td>
<td>✓</td>
</tr>
<tr>
<td>Workers with standing jobs have tables with adjustable height and floor mats</td>
<td>✓</td>
</tr>
</tbody>
</table>

### MACHINERY

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Met</th>
</tr>
</thead>
<tbody>
<tr>
<td>All machinery in good working condition with regular preventative maintenance carried out, including emergency equipment</td>
<td>✓</td>
</tr>
</tbody>
</table>

### PROTECTION

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Met</th>
</tr>
</thead>
<tbody>
<tr>
<td>Records are kept of machinery maintenance</td>
<td>✓</td>
</tr>
<tr>
<td>All machinery has appropriate guards and safety devices where there are blades and/or moving parts that could cause injury</td>
<td>✓</td>
</tr>
<tr>
<td>All tasks and areas of the workplace are risk assessed to identify the need for personal protective equipment, so that PPE is suitable for the work conditions (eg gloves, ear protectors, masks etc)</td>
<td>✓</td>
</tr>
<tr>
<td>All workers (including all contractors, temporary and seasonal workers) receive appropriate PPE</td>
<td>✓</td>
</tr>
<tr>
<td>All PPE is free of charge</td>
<td>✓</td>
</tr>
<tr>
<td>A system is in place to provide new PPE at appropriate intervals, so that it continues to provide sufficient protection (or filters regularly changed)</td>
<td>✓</td>
</tr>
<tr>
<td>Visitors also provided with PPE</td>
<td>✓</td>
</tr>
<tr>
<td>Signage displayed indicating what PPE is required</td>
<td>✓</td>
</tr>
<tr>
<td>Workers are trained on the use of PPE and why it’s important</td>
<td>✓</td>
</tr>
<tr>
<td>Regular checks are made to ensure workers are consistently using the appropriate PPE</td>
<td>✓</td>
</tr>
</tbody>
</table>

### CHEMICALS AND HAZARDOUS MATERIALS

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Met</th>
</tr>
</thead>
<tbody>
<tr>
<td>All hazardous materials and chemicals are handled properly, with the correct personal protective equipment (PPE) used</td>
<td>✓</td>
</tr>
<tr>
<td>Exposure to hazardous substances is maintained at or below regulatory standards, with periodic monitoring conducted to validate levels</td>
<td>✓</td>
</tr>
<tr>
<td>Exposure is reduced where possible through engineering controls.</td>
<td>✓</td>
</tr>
</tbody>
</table>
All workers handling chemicals are trained in the risks involved, the safety procedures, PPE use, disposal and emergency procedures

Emergency eyewash and showers provided if hazardous materials/chemicals are used

All hazardous materials and chemicals are stored properly and safely, with appropriate and clear labelling (in a language that workers understand) and are properly contained using secondary containment. Storage is away from sources of heat and flammable materials and is secured

A full inventory is accurately maintained of the hazardous materials used on site

Material Safety Data Sheets are made available to all workers handling or storing hazardous materials and chemicals, in the appropriate language. These may need to be prominently displayed in the areas where the materials are used as well as them being explained clearly to the workers

All hazardous materials, carcinogens, toxins and chemicals are disposed of properly, according to local law

**EMERGENCY PREPAREDNESS**

Plan for emergency situations, i.e. fire, medical, natural disasters, civil disobedience

Site co-coordinator responsible for emergencies

All relevant staff are familiar with the local fire safety requirements

Fire detection and alarm system is in place and is regularly tested

Can the existing means of detection ensure a fire is discovered quickly enough for the alarm to be raised in time for all the occupants to escape to a place of total safety?

Are the detectors of the right type and in the appropriate locations?

Can the means of warning be clearly heard and understood by everyone throughout the whole building when initiated from a single point?

Are there provisions for people/locations where the alarm cannot be heard?

If the fire-detection and warning system is electrically powered, does it have a back-up power supply?

Emergency lighting

Evacuation plans and route signs

Evacuation routes wide enough and kept clear, adequate for the number of people on site (you may need to revise layout to reduce distance to escape routes/exits)

Buildings are constructed, particularly in the case of multi-storey buildings, so that, if there is a fire, heat and smoke will not spread uncontrolled through the building to the extent that people are unable to use the escape routes

Effective training and communication for all staff about what to do in an emergency

Evacuation drills once a year on each shift or as required by law

Fire inspection certificate(s) are up to date

Sufficient, clearly marked, unobstructed, unlocked exits, which open in the direction of travel

Adequate emergency equipment (e.g. fire extinguishers appropriate to the materials used on site), which are maintained/tested and checked for pressure on regular basis

Emergency equipment is in designated and well signed locations

Access to fire extinguishers is not obstructed
<table>
<thead>
<tr>
<th><strong>HYGIENE</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire risks are reduced by removing or reducing combustible materials and/or ignition sources</td>
<td>✓</td>
</tr>
<tr>
<td>Clean drinking water freely available</td>
<td>✓</td>
</tr>
<tr>
<td>An adequate number of functioning restrooms/toilets provided with sinks, running water and rubbish bins</td>
<td>✓</td>
</tr>
<tr>
<td>Restrooms are clean and hygienic, regularly cleaned, with adequate hand soap, paper towels or hand dryers.</td>
<td>✓</td>
</tr>
<tr>
<td>Restrooms/toilets segregated by gender</td>
<td>✓</td>
</tr>
<tr>
<td>Canteen meets all national and local regulations regarding conditions</td>
<td>✓</td>
</tr>
<tr>
<td>Food service is carried out in accordance with hygienic principles.</td>
<td>✓</td>
</tr>
<tr>
<td>People who handle, prepare and serve food are in good health, with current health records</td>
<td>✓</td>
</tr>
<tr>
<td>Food safety training is provided for people who prepare and serve food eg handwashing etc</td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>FIRST AID/MEDICAL ATTENTION</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency medical equipment and ‘first aid’ supplies available in close proximity to the working areas</td>
<td>✓</td>
</tr>
<tr>
<td>Trained first aiders and CPR available on each shift</td>
<td>✓</td>
</tr>
<tr>
<td>Medical professional available, if required by law</td>
<td>✓</td>
</tr>
<tr>
<td>Medical exams if/as provided by law (NB it is essential that medical exams/tests are voluntary and the results of these tests are confidential and do not have negative repercussions for workers’ treatment or employment)</td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>TRAINING AND H&amp;S COMMITTEE</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Proper training for relevant/involved staff on appropriate aspects of medical care, handling of blood and blood contaminated waste</td>
<td>✓</td>
</tr>
<tr>
<td>Sufficient and clearly understandable health and safety training provided so that all workers understand the risks and the necessary precautions, PPE and what to do if an incident occurs</td>
<td>✓</td>
</tr>
<tr>
<td>Workers using particular machines and/or hazardous materials have specific training in the risks and the preventative actions and PPE needed. This is repeated at appropriate intervals and also provided for temporary/seasonal workers</td>
<td>✓</td>
</tr>
<tr>
<td>Have appropriate mechanisms in place so workers and contract workers can raise and discuss their concerns around health and safety with management and receive a response. A health and safety committee is one way this can be done.</td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>MANAGEMENT</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A clear, publicly-available health and safety policy statement is in place</td>
<td>✓</td>
</tr>
<tr>
<td>Appropriate health and safety management systems are developed and applied (including clear assignment of management responsibility for health and safety)</td>
<td>✓</td>
</tr>
<tr>
<td>Risk assessment of the whole site (production facility and wider property) reflecting existing and emerging issues and good practice; to understand health and safety issues both generally and specifically for the sector; including machinery, chemical use, trips and slips and other potential ergonomic hazards.</td>
<td>✓</td>
</tr>
<tr>
<td>Management actions are assigned to resolve any potential issues observed and to mitigate identified risks</td>
<td>✓</td>
</tr>
<tr>
<td>Jobs/tasks are assessed for potential repetitive motion injuries</td>
<td>✓</td>
</tr>
<tr>
<td>Accidents, injuries and incidents are closely monitored, tracked and investigated (including ‘near misses’). The records/logs are reviewed to evaluate any trends</td>
<td>✓</td>
</tr>
<tr>
<td>Solutions/corrective actions are put in place to resolve any situations causing an accident or injury, with actions assigned to specific people and followed up to check they are completed</td>
<td>✓</td>
</tr>
</tbody>
</table>
Reminders are posted regarding the need to report accidents and injuries  
All legally required licenses, permits, certificates and records are up to date  
Records maintained regarding number of stacks or vents

**BUILDING INTEGRITY**
Conditions of the facility and grounds are monitored and evaluated for safety  
All buildings and other facilities are structurally sound

**ENVIRONMENT**
Dust, temperature, light, sound and ventilation are regularly measured and adjustments made as necessary  
Compressors, boilers and forklifts are serviced regularly to avoid unnecessary pollution  
Waste is separated at source and collected by recyclers and/or licensed waste collectors, with disposal certificates provided. Disposal certificates are especially important for hazardous waste, which should never be mixed with general waste. Hazardous waste includes things often overlooked, such as rags used for spot-cleaning, paint brushes used for spreading solvent during footwear manufacturing.

Effluent from dying processes is treated at the factory, or industrial park’s treatment plant.
Regular testing of water is conducted – both potability of workers’ drinking water and waste water.
Consideration is given for the most environmentally-friendly option when purchasing new machinery e.g. sewing machines with variable-speed motors.
All light bulbs are changed to LED. This will reduce energy consumption considerably – both benefitting the factory financially and lowering the factory’s carbon footprint.
Records are kept of water, energy and chemical consumption, as well as waste recycled and sent to landfill, carbon footprint and airborne Volatile Organic Compound (VOC) from the use of chemicals, including, but not limited to spot-cleaners, solvents, screen wash and inks.
Targets are set to reduce environmental impact and reduction is continuously achieved until all measures have been exhausted, whereafter reduced levels are maintained

---

**WORKER ACCOMMODATION**
Is clean, safe and meets basic needs of workers, including potable water and ablution facilities (segregated by gender) and cooking areas
Constructed and maintained to ensure safety of workers and in accordance with laws and regulations
Respects workers’ rights to family life and dignity
Separate to any production area

---

**Risk Assessment**
In addition to the checklist, it’s important to conduct a risk assessment. You can use the following risk categorisation to prioritise identified risk and identify those in need of immediate improvement.

**LIKELIHOOD**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 [TRIVIAL]</td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Green" /></td>
</tr>
<tr>
<td>2 [MINOR]</td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Green" /></td>
</tr>
<tr>
<td>3 [LOST TIME]</td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Red" /></td>
<td><img src="#" alt="Red" /></td>
</tr>
<tr>
<td>4 [MAJOR]</td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Red" /></td>
<td><img src="#" alt="Red" /></td>
<td><img src="#" alt="Red" /></td>
</tr>
<tr>
<td>5 [FATAL]</td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Red" /></td>
<td><img src="#" alt="Red" /></td>
<td><img src="#" alt="Red" /></td>
</tr>
</tbody>
</table>

The following questions can be used to determine next action steps as part of your risk assessment:

---

**ELIMINATION** Can the hazard be removed completely?
**REDUCTION** Can the habit be reduced at source?
**ENCLOSURE** Can the hazard be enclosed or contained?
**REMOVE PERSON** Can people be kept from the hazard?
**REDUCE CONTACT** Can the hazard be diluted or contact time reduced?
**PERSONAL PROTECTION** Can something be provided to the person to lessen the effect of accidents?
How do you manage and prevent this issue? Tools and tips for improvements

- Ensure that workers have access to PPE at all times — adequate PPE for workers in T&A factories include eye covers, masks, gloves, safety boots, dustcoats, and earmuffs. Especially considering the high level of dust in garment factories, appropriate PPE is crucial to avoid chronic chest and lung illnesses. A recent study has shown that dust levels in Kenyan Textile factories are much higher than the recommended levels set by the WHO.*

- Ensure better equipment maintenance and machines with emergency stop features to avoid incidents and accidents.

- Ensure workers have access to toilets and clean drinking water, including regular cleaning the toilets and emptying sanitary bins.

- Ensure workers enjoy sufficient breaks and rest time to avoid injuries to their legs and feet from standing long periods of time.

- Conduct regular fire safety risk assessments.

- Make sure the right fire-fighting equipment is available for the types of materials present and the potential fire hazards and also ensure that people are trained in how to use the equipment in the case of an emergency.

- Establish a Health and Safety Committee: This is a group that discusses any concerns and potential risks in terms of workers’ health and safety. The people most likely to notice a potential problem are the workers themselves who are working alongside machines and hazardous materials all day. Giving opportunity for workers to freely raise concerns and also suggest solutions will be very valuable to management.

A health and Safety committee is an important workplace tool that monitor and discuss any concerns or potential risks in terms of workers’ health and safety.

A H&S COMMITTEE:
- Should meet at least quarterly
- Should include members from every level of the workforce and from various shifts and functions
- This team should receive training on health and safety, hygiene, waste management, proper handling and disposal of hazardous materials
- Meeting notes should be taken, with concerns, suggestions and also actions agreed and a note of who will do the action and by when. The management need to feedback to the committee on progress on the actions
- Taking action on issues raised builds trust and confidence

BENEFITS OF DIRECTLY ENGAGING YOUR WORKERS IN HEALTH & SAFETY:
- Whole company ownership & responsibility of the issue
- Tap into worker expertise
- Identify risks early
- Minimise risk & harm
- Identify liaison points within the workforce on this issue
- Develop worker expertise around H&S
- Develop worker leadership skills through H&S representatives
- Foster better working relationships in all aspects of the workplace/business
- Taking action on issues raised builds trust and confidence

* scirp.org/journal/paperinformation.aspx?paperid=117951
Worker Cooperation & Communication

In this chapter

3.1 Constructive and Effective Workplace Relations and Engaged Workers
3.2 Freedom Of Association
3.3 Grievance Procedures

Each section will follow the same format as previous chapters, answering four main questions:

— Why is this important to your business?
— What is expected of your business?
— How do you identify this issue?
— How do you manage and prevent this issue? Tools and tips for improvements
**Chapter 3 — Worker Cooperation and Communication**

### Constructive and Effective Workplace Relations and Engaged Workers

#### Why is it important for my business?

Your business can only really thrive and excel if you have your workers’ minds and hearts (ideas, motivation and commitment) as well as their hands (physical capacity). If your workforce is not engaged, you are only reaping a small part of the potential business benefit of the wages you pay.

Workers are more motivated, satisfied and productive when their job meets their needs in terms of income security, progression, self-respect and feeling safe.

There may be some issues you don’t know about that need to be resolved and could make a big difference to workers’ motivation.

Workers can be a valuable source of information to solve problems in production, if they believe their voices are heard and valued and their suggestions are implemented.

### TALK

**GOOD WORKPLACE COMMUNICATION**

- **BETTER PRODUCTIVITY, LESS TIME WASTED**
- **IMPROVED WORKER MORALE, TRUST & COMMITMENT TO THE BUSINESS**
- **BETTER PRODUCTIVITY, LESS TIME WASTED**

86% of managers and employees surveyed cite lack of collaboration or ineffective communications as a key reason for workplace failures.6

46% employees surveyed routinely receive confusing or unclear directions (36% said up to 3 times a day). Estimated it wastes 40mins a day, the equivalent of 83 employees in a company of 1,000 doing nothing every day.7

**LOWER WORKER TURNOVER**

Businesses with effective communication are more than 50% more likely to have employee turnover levels below industry average.8

Differences in manager-employee communications practices directly responsible for an 18% variation in absenteeism rates.9

69% of employees said they would work harder if they were more appreciated.10

**VALUE TO BUSINESS**

- Increased Production/Profitability
- Increased Productivity and Quality
- Reduced Cost of Lost Output

**Day to day experience of production**
- Can spot inefficiencies and also solutions
- Need to know suggestions heard and acted upon

**Innovation**

**Problem solving in production**

**Day to day experience of production**
- Can spot inefficiencies and also solutions
- Need to know suggestions heard and acted upon

**Innovation**

**Problem solving in production**

- Day to day experience of production
- Can spot inefficiencies and also solutions
- Need to know suggestions heard and acted upon

**Innovation**

**Problem solving in production**
Case study

**ENHANCED WORKPLACE COOPERATION INCREASES PRODUCTIVITY AND QUALITY IN AN ETHIOPIAN GARMENT FACTORY**

CBA Garment, a T&A factory located in Ethiopia, joined the ILO’s SCORE program in 2020 and implemented a range of worker communication, cooperation, and information sharing programs, including daily worker–management meetings, employee suggestion schemes, and tracking tools for KPIs related to worker retention, amongst other initiatives. For example, workers and managers established regular meeting times, targets were clearly displayed to workers, and workers began receiving incentives for good performance. These small changes in the communication and cooperation practices at the factory yielded quick and positive improvements in the number of pieces produced a month, team performance, and worker morale. The shirt, jeans, and finishing lines averaged increases of 2,045 pieces, 6,439 pieces, and 3,641 pieces, respectively.

A Jemato Meron, a line supervisor at CBA Garment discussed how increasing communication has made workers more invested and productive: “I never really felt that I had a responsibility to bring change in the company, it just felt like a routine job carried out for my survival... they give us orders and we work accordingly.... We never saw the fruits of our work. Now, we are speaking to the managers, we jointly discuss what we achieved yesterday and what we need to achieve today, it’s also displayed on the board. We tell them what we need, and they hear us. They also started giving incentives for achieving targets. This has created a spirit of competition and motivation to achieve more.”

Similar positive results were reported across the factories that took part in the SCORE pilot program. Defect rates, worker absenteeism, turnover rates, and workplace accidents dropped, and worker morale, productivity, and product quality increased.

Case study

**IMPROVED WORKPLACE REPRESENTATION INCREASES PRODUCTIVITY AND PREVENTS STRIKES IN EGYPTIAN TEXTILE FACTORIES**

Partner Africa designed and developed training materials to help improve workplace communication in three textile factories in Egypt. The project trained 116 workers and 11 managers across 3 factories on effective representation who then went on to train 3,175 of their colleagues.

Workers and management were selected to undertake a two-day course covering:

- Introduction to workplace communication
- Workers committees, roles and responsibilities
- Electing representatives and officials
- Running workers’ committees
- Action planning

Using the action plan developed as part of the training, the three sites went on to develop mechanisms for worker representation by establishing workers’ committees through a democratic process. After the training, 100% of the workers at one of the factories felt it was easy to raise concerns with management, compared with only 38% at the baseline.

An HR Manager at one factory reflected on how the trainings can help increase factory productivity: “Performing such training will increase the workers’ trust in factory management to create a better work environment based on trust. The workers committee should reduce the strikes and that affects production.”
### 3.1.2 What is expected of your business?

- **Effective and regular cooperation and communication** between all levels of employees.

- **Leadership for effective cooperation and communication**: Leadership mentality and style has a significant impact on whether you will have successful two-way communication with workers and cooperation from them, which is essential to the productivity and growth of your business.

- **Recognise the value of workers** as a source of innovation, since they have a direct day-to-day knowledge of the production process, issues and potential solutions.

- **Eliminate a ‘blame culture’** – instead of asking ‘who’s to blame’ when an issue arises, rather ask ‘why did the problem occur?’ By focusing on fact-finding, process, systems and improving capacity, the real issues can be seen and resolved. 95% of problems in an organisation are process and systems driven and only 5% are due to people issues13

- **Welcome problems as opportunities for improvement**. If you get angry about a problem and blame someone, issues will be hidden and go unresolved in the future because people will be too scared to raise them. Increase people’s confidence and capacity to identify and solve problems on a daily basis.

### 3.1.3 How do you identify this issue?

To better understand how your business performs on workplace cooperation and communication and whether there are any issues related to his emerging in your business, regarding worker cooperation and communication, use the following checklists.

For points you are not able to check off, consider, develop, and implement a strategy to bring the factory into alignment with legislations and best practices:

<table>
<thead>
<tr>
<th><strong>Checklist</strong></th>
<th><strong>Status</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Information is shared widely across your organisation</td>
<td>✔</td>
</tr>
<tr>
<td>Two-way communication is actively promoted</td>
<td>✔</td>
</tr>
<tr>
<td>Managers communicate regularly and in a variety of ways with workers</td>
<td>✔</td>
</tr>
<tr>
<td>Managers communicate with workers in a polite and respectful manner</td>
<td>✔</td>
</tr>
<tr>
<td>Communication is in a simple, understandable form, in a language all workers can understand</td>
<td>✔</td>
</tr>
<tr>
<td>Goals and production targets are clearly communicated to workers, and their feedback on the viability of these targets is welcomed and considered</td>
<td>✔</td>
</tr>
<tr>
<td>Using notice boards and visual information sharing to the best capacity</td>
<td>✔</td>
</tr>
<tr>
<td>Regular team meetings</td>
<td>✔</td>
</tr>
<tr>
<td>Workers able to identify and have opportunities to raise issues and suggestions for improvement in the production site (productivity, quality, H&amp;S, other issues)</td>
<td>✔</td>
</tr>
<tr>
<td>Employees are encouraged to make suggestions, and these are listened to and acted upon where relevant</td>
<td>✔</td>
</tr>
<tr>
<td>Workers feel confident to share ideas and suggestions</td>
<td>✔</td>
</tr>
<tr>
<td>Good suggestions are often implemented</td>
<td>✔</td>
</tr>
<tr>
<td>The leadership style empowers workers as a source of innovation and welcomes problems as opportunities for improvement</td>
<td>✔</td>
</tr>
<tr>
<td>There is a mutual respect and trust between workers and management</td>
<td>✔</td>
</tr>
</tbody>
</table>
Worker Engagement Survey

A worker engagement or worker voice survey is a great tool to better engage with workers and understand any potential issues they might face. These types of surveys can be done rolled out manually, or digitally.

When doing it manually, workers must be able to respond anonymously and be reassured that there will be no retribution or penalty for any responses. These are collated by the Human Resources department into a spreadsheet and statistics produced, to be reported to senior management. If you are a large factory you may wish to investigate the possibility of doing a survey through mobile phones.

You could include some of the following questions, or others you think are relevant. To each question, the worker would have space to select/answer and space to write a comment if they wish:

- Is the money you earn enough to cover your basic expenses?
- Are you able to get to the end of the month without borrowing money?
- Are you able to save 10% of your total income each month?
- I feel that management takes my concerns and complaints seriously
- I can leave the site whenever I want
- How would you rate your relationship with your supervisor / manager? [Positive / Neutral / Negative / Not applicable]
- Have you noticed any issues that limit your productivity and ability to make products that meet the quality standards? [Space for free text response]
- What solutions can you think of to improve these issues? (these need to be small and practical where possible, and not involve large investments)
- Have you noticed any health and safety issues that impact you or your colleagues?
- What solutions can you think of to improve these issues? (these need to be small and practical where possible, and not involve large investments)
- Have you noticed any other issues that impact you or your colleagues?
- What solutions can you think of to improve these issues? (these need to be small and practical where possible, and not involve large investments)
- Do you feel like you understand the expectations of the job?
- Do you think management communicates well with the workers? What could be improved?*
- Does your paycheck accurately reflect the hours you work?
- Do you feel like all workers are treated equally? Why or why not?

WHAT DO YOU DO WITH RESULTS?

- Data needs to be collated, analysed and statistics produced for each question
- The top issues can be identified from the responses (H&S, hours, pay, harassment etc)
- The results should be presented to a committee of senior management and production staff
- This group needs to discuss what the root causes of the issues found are and what possible solutions are. The practical tips sections in the various chapters of this toolkit should give you a starting point for some solutions and actions that can be taken
- Actions should be assigned to individuals, with timescales
- Any positive changes should be reported to workers

How do you manage and prevent this issue? Tools and tips for improvements

Think about the different types of workplace cooperation and communication – formal and informal.  

AS YOU READ THROUGH THIS LIST, AS YOURSELF

- What forms of workplace communication and cooperation already exist in our facility?
- How well are they each working?
- What are the strengths and weaknesses of each approach we take?
- What needs to change to make them more effective?
- What new/different form(s) of cooperation and communication should we try out?

- Information sharing: Notice boards, newsletters, announcements. One-way and no opportunity for feedback or clarification. Notice boards can be used to communicate work targets and progress as well as many other topics.
- Visual information sharing: Translate vital information, instructions and warnings into visual devices as close to the point of use as possible. Minimises need for supervision and process management.
- Two-way communication: Management provides information and gives workers opportunities to discuss, ask questions and seek clarification. e.g., a query on the details of a payslip. This could be in meetings, conversations, workshops or training.
¬ **Line/cell team meetings:** Production line/cell team members and their supervisor meet for 10 mins at the beginning of a shift to discuss the previous day’s performance (safety, quality, productivity, using actual data), solve any issues (including opportunity for workers to make suggestions for improvements), discuss the plan for the day, share other information. Short and productive. Facilitated in such a way that workers can contribute.

¬ **Daily production meeting:** Similar to above but with supervisors and production managers. Especially important for shift handovers.

¬ **After-action review (AAR):** Brief team meeting after a particular project/delivery (workers and supervisors involved), to discuss:
  - Did everything go according to plan?
  - Did unforeseen problems arise?
  - How did the team address these problems?
  - What can we learn? How would we do it next time?

¬ **Employee suggestion schemes:** Ideas on performance improvements can come directly from workers with first-hand experiences of the issues on the production floor. Employees participating in improving the productivity have increased sense of pride and ownership of their work. e.g. Suggestion boxes, dealt with by management regularly, with a quick response time.

¬ **Joint problem-solving:** Interactive process to identify a problem between two or more parties. Recognise any overlap in desired outcomes, understand what’s causing the problem, brainstorm options for solutions, evaluate options and agree viable solutions.

¬ **Joint decision-making:** Discussion between managers and workers that results in a binding decision. Can be in formally established committees or a specially created task force.

¬ **Teamwork and cross functional collaboration:** Often input from different functions is needed to solve a problem. This can be in formal workshops and projects but also on a daily basis. e.g. production and maintenance or procurement and quality.

¬ **Consultation:** Information is shared and discussed but one party retains the right to make the final decision. e.g. management asking workers for input and suggestions on how temperatures could be made more reasonable in a section.

¬ **Dispute/grievance resolution:** Formal mechanism, mediated by human resources or senior management, to resolve disputes and address employee grievances, ensuring root causes for disputes are understood and addressed while treating all parties fairly and respectfully.

¬ **Consultative Committee:** Elected representatives of workers meet regularly with senior members of management to discuss problems, changes in operations or new initiatives and to consider joint solutions and ideas. Agreed minutes can be shared with the whole business where appropriate.

¬ **Negotiation and bargaining:** Two or more parties come together to resolve an issue by making compromises and reaching an agreement. Collective bargaining is a formal process where workers (union representatives) discuss and negotiate with management representatives to reach a legally binding agreement (Collective Bargaining Agreement CBA). This normally involves pay, benefits and hours but can include other matters.

--- **Worker committees: a useful tool for workplace communication**

Implementing a worker committee is a method through which workers can talk to management and discuss any issues or questions they may have, as well as make suggestions to improve the workplace. Workers elect representatives to the worker committee, which should include a variety of people from each department or job type or any other particular group in the workplace. The worker committee gathers input from the workers and meets with management once a month to discuss issues that have been raised.⁵

Partner Africa and Tesco have produced a document on how to set up a worker committee as a channel of communication in the workplace. It includes the reasons why such a team would be of benefit to the business, how it can be set up and run and also gives sample templates of Terms of Reference, a sample meeting agenda, minutes and action plan.

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**THE CYCLE OF WORKER COMMITTEE MEETINGS**

- **HOLD MONTHLY MEETINGS**
- **AGENDA GIVEN TO MANAGEMENT ONE WEEK BEFORE THE MEETING**
- **ISSUES NOT DEALT WITH GO ONTO MEETING AGENDA**
- **ACTION PLAN AGREED & POSTED ON BOARD WITH MINUTES**
- **BEFORE NEXT MEETING, WORKER COMMITTEE MEMBERS GATHER ISSUES FROM COLLEAGUES**
- **WORKER COMMITTEE TRIES TO DEAL WITH ISSUES BEFORE MEETING**

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EMPLOYEE ENGAGEMENT PROGRAMME BRINGS BUSINESS BENEFITS IN INDIA

CSynthite Industries, a spice ingredient provider in Kerala, India, believes that employee engagement is essential to building a stable workforce. The site engages and has good relationships with two unions. Synthite’s HR Manager Raeez K.A says “it is vital to use meetings and committees to ensure good two-way communication and to foster inter-level engagement.” My Voice, launched in 2009, is a formal employee engagement programme initiated by the workers themselves. It is a monthly opportunity for employees to feedback confidentially on anything work-related. “The results have been positive, with many minor issues being brought to attention of management that might not have been noticed otherwise. Implementing My Voice has improved the quality of the management process.”

How ‘My Voice’ works:
- Formal guidelines were produced to ensure workers and staff understood the objective and process
- The monthly session is chaired by representatives from the HR department
- Details discussed in the meeting are properly documented and shared with the relevant Heads of Departments
- Workers raising issues are kept confidential
- Communication is sent to all employees once the grievance or query is addressed, through notices
- Documented minutes are sent to the corporate office every succeeding month

“Our employees have suggested new ideas including a system for flexible leave, especially for our female workers. Employees are now entitled to one hour, half day and a full day leave, once a month, if they have something urgent to do or an appointment to attend. The result is much higher satisfaction and lower level of absenteeism. In the first session, the employees weren’t confident and were sceptical; the breakthrough came after two or three sessions when management reviewed the previous sessions, proving that issues were being tackled and solutions being made.” The improved trust, communication and cooperation has benefitted the whole team. Since workers are now more satisfied and happy to be a part of a company that listens to them, morale and productivity has improved, as worker retention has increased and absenteeism reduced.
Case study

COLLECTIVE BARGAINING INCREASES WORKPLACE SATISFACTION IN A CHINESE SHOE FACTORY

Management at a large shoe factory in China noted a high level of worker dissatisfaction, particularly among female workers, and was concerned that it would continue to increase unless action was taken. A local consultancy group specialising in employee relations was brought in to advise the factory on how to develop and implement negotiation mechanisms through which workers could raise issues and work with management to create constructive changes in the workplace. A worker representative committee was established and provided with trainings on their rights and responsibilities, with female workers encouraged to run for election. The workers’ committee liaised with management to make changes in the factory and improve the workplace environment. According to one worker, “Our department is very crowded when clocking in and out every day, and the workers complained a lot. I raised our opinions to the department manager and they added a clock-in machine.”

This new system benefited both female workers and factory management:

- Female workers displaced increased confidence in the workplace
- Reduction in absences
- Increased access to professional and career development opportunities
- Workers enjoyed improved work–life balance
- Worker satisfaction with workplace communication rose from 20% to 43% year-on-year

One factory manager reflected on the benefits of the agreement, stating that “After communication and negotiation with the female representatives, we have reached a result that is satisfactory to both parties. The number of leave requests due to picking up children has been reduced, accompanied by the improved production efficiency. Because the factory provides employee welfare of sending children to school and picking them up from school, it has attracted more new employees and the recruitment process is smoother.”

3.2.3 How do you identify this issue?

To better understand whether you are compliant with national and international best practice standards regarding freedom of association, use the following checklist.

For points you are not able to check off, consider, develop, and implement a strategy to bring the factory into alignment with international best practices:

<table>
<thead>
<tr>
<th>Point</th>
<th>Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Every worker has the right to join a trade union or not, as they wish</td>
<td>✔</td>
</tr>
<tr>
<td>In factories with no union presence, workers have access to an alternative form of representation, e.g., Worker committees</td>
<td>✔</td>
</tr>
<tr>
<td>Workers are treated equally regardless of their association – this needs to be actively implemented into policies, training and procedures for staff responsible for recruitment, performance management, discipline, termination and wages payment (e.g., applicants should not be asked about their views on trade unions or worker representation groups in an application process)</td>
<td>✔</td>
</tr>
<tr>
<td>Representatives to unions, workers committees, etc. are elected at set terms through an anonymous and fair process understood by all workers</td>
<td>✔</td>
</tr>
<tr>
<td>Management sets a designated, regular time to meet with workers’ representatives to discuss questions, concerns, or issues</td>
<td>✔</td>
</tr>
<tr>
<td>Management provides prompt and regular updates to workers’ representatives on answers to questions or resolutions to issues</td>
<td>✔</td>
</tr>
<tr>
<td>The workplace allows access to trade union representatives. The workplace allows access to trade union representatives. Kenyan labour law requires trade unions to obtain 50% + 1 representation and to conduct trade union business outside of working hours</td>
<td>✔</td>
</tr>
<tr>
<td>Where a collective agreement is signed between the employer and trade union, reference must be made to this collective agreement in the employment contract and a copy of the collective agreement displayed, or otherwise easily made available to workers so that they are easily able to refer to it.</td>
<td>✔</td>
</tr>
</tbody>
</table>
Workers are made aware of their rights to join and participate in a trade union and have access to worker representation.

Where there are unions represented in your workforce you need to establish constructive dialogue with the representatives and negotiate with them. This includes:

• Building relationship with representatives
• Workers representatives are democratically elected by the workers rather than being selected by the company
• Allowing representatives to carry out their functions in the workplace (including providing paid time for their duties)
• Telling workers how they can find out about the union or other employee organisation
• Setting regular meetings with representatives
• Keeping records of meeting notes including issues discussed and solutions/actions agreed upon (minutes should be reviewed and approved by both management and a union/worker representative)
• Keeping records of collective bargaining agreements with the union
• Communicating decisions made at meetings to the workforce
• Being willing to negotiate key conditions such as pay and benefits

Workers who choose to associate or not to associate with a union must not be in fear of reprisal, intimidation or harassment. If you notice or hear of any such intimidation or harassment this must be dealt with immediately.

If the legal system prohibits or severely restricts the formation of, or association with, unions you need to establish alternative means to allow representation and communication. This can include worker committees.

How do you manage and prevent this issue? Tools and tips for improvements

The International Organization of Employers provide support and resources on labour issues including industrial relations: https://www.ioe-emp.org/policy-priorities/industrial-relations

UN Global Compact Human Rights Dilemmas forum (includes information on risks to business, case studies, specific ‘dilemma’ situations and suggestions for responsible business action): https://hrbdf.org/dilemmas/freedom-of-association

Grievance Procedures

Why is it important for my business?

Address complaints/issues quickly and systematically

Minimize disruptions to business and production

Resolve problems within the enterprise without government intervention

Build trust and confidence between workers and managers

Workers who know their concerns are being resolved are more committed to the business and less likely to be absent or leave – which would cost the business in loss of production and recruitment/training costs

Where there isn’t a grievance procedure or where workers don’t feel able to raise their concerns, the turnover can be higher, as people leave if they are unhappy rather than trying to resolve the issue.

Why is it important for my business?

An accessible, trusted, fair and confidential mechanism should be provided for workers to express any grievances without fear of reprisal. Concerns should be appropriately addressed in a timely manner.
Chapter 3 — Worker Cooperation and Communication

3.3.3 What is expected of your business?

To better understand whether you are compliant with national and international best practice standards regarding grievance mechanisms, use the following checklist.¹⁹

For points you are not able to check off, consider, develop, and implement a strategy to bring the factory into alignment with best practices:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Checkmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is an easily accessible, trusted and fair method for workers and/or external individuals to report concerns or violations including: accidents or safety issues, harassment or discrimination, abuse, bribery or potential conflicts of interest</td>
<td>✓</td>
</tr>
<tr>
<td>There is a written grievance procedure that’s shared with all employees explaining how the process works, how long each step takes, who the employee should contact about a grievance and how. It is understandable and accessible to all</td>
<td>✓</td>
</tr>
<tr>
<td>Workers are involved in the design of the grievance mechanism and their feedback is incorporated into its implementation</td>
<td>✓</td>
</tr>
<tr>
<td>Workers are able to report a concern anonymously. This is very important</td>
<td>✓</td>
</tr>
<tr>
<td>Reports are kept confidential</td>
<td>✓</td>
</tr>
<tr>
<td>Training and clear explanation are provided to all workers (and repeated at regular intervals) to ensure all workers know how to use the system and that they understand the process for handling any issues that are raised</td>
<td>✓</td>
</tr>
<tr>
<td>Reports are followed up with appropriate action taken, in a timely manner</td>
<td>✓</td>
</tr>
<tr>
<td>Workers are entitled to have a representative assist them with any complaint</td>
<td>✓</td>
</tr>
<tr>
<td>If the problem can’t be resolved informally, there is a meeting with the employee (a grievance hearing), to hear evidence and make a decision on the case, which should be in writing. If either party isn’t happy with the decision, they can appeal</td>
<td>✓</td>
</tr>
<tr>
<td>There is a policy in place prohibiting retaliation against workers and other stakeholders who lodge good faith grievances or concerns. Employers are careful to ensure this is carried out and no worker is poorly treated or harassed because of reporting a concern</td>
<td>✓</td>
</tr>
<tr>
<td>Are you aware of your customers’ requirements and mechanisms available on reporting grievances? Check your customers’ supplier code and website to find out details of their services for whistle- blowing and grievance reporting</td>
<td>✓</td>
</tr>
</tbody>
</table>

3.3.4 How do you manage and prevent this issue? Tools and tips for improvements

— Setting up an effective grievance procedure

SIMPLE CHANGES WITH BIG IMPACTS:

♦ An anonymous suggestions and grievances box could be provided in an accessible part of the site, which is not in view of management offices
♦ Workers should be informed and trained in the use of the box and informed what will happen with any concerns raised
♦ A worker representative/line representative must be responsible for ensuring the process is followed
♦ The box should be regularly emptied and a system in place to investigate and resolve issues raised
♦ Resolved issues should be communicated to workers.
♦ The workforce must be recognised for good suggestions and never penalised for comments or critical suggestions

A MORE FORMAL METHOD FOR LARGER SITES/BUSINESSES:

♦ You could provide a confidential hotline number which is publicised amongst workers through verbal briefings, distributed materials/leaflets and posters in public areas and restrooms
♦ The process should be effectively communicated to workers, including who will answer the call, confidentiality, anonymity and what will happen to resolve issues raised
♦ The hotline should go through to a confidential organisation, not the management, with operators who are able to speak all the major first languages of the workers
♦ A system should be in place for any concerns reported to be documented anonymously and submitted to relevant members of the management team
♦ A procedure must be in place to follow up and thoroughly investigate all concerns and provide a remedy where appropriate that is communicated to workers
♦ Clear policies and procedures to ensure there is no retaliation

RESOURCES AND TOOLS:

♦ Tesco have compiled a very practical document on how to set up and run a grievance procedure. It also gives sample templates of a ‘grievance form’ and a ‘notice of formal grievance meeting’. Link in endnote references²⁰
♦ ‘Discipline and grievances at work’ guide can be downloaded from the link in the endnotes references²¹
Chapter 4

Decent Working Conditions

In this chapter

4.1 Wages and Benefits
4.2 Working hours and leave
4.3 Child Labour and Young Workers
4.4 Forced Labour and Freedom of Movement
4.5 Discrimination and Harassment
4.6 Regular Employment

Each section will follow the same format as previous chapters, answering four main questions:

— Why is this important to your business?
— What is expected of your business?
— How do you identify this issue?
— How do you manage and prevent this issue? Tools and tips for improvements
Decent working conditions are a crucial element for your business to implement in order to thrive, be fit for export (due to the ever-increasing mandatory human rights and environmental due diligence requirements globally), and to actualise and capitalise on the full potential of the talents and value of the workforce.

Benefits of implementing decent working conditions, include lower turnover, higher skill retention, lower recruitment costs, higher productivity and the attraction of skilled and experienced workers.

This chapter will cover a few key elements of decent working conditions:

- WAGES/BENEFITS,
- WORKING HOURS AND LEAVE,
- CHILD LABOUR AND YOUNG WORKERS,
- FORCED LABOUR,
- DISCRIMINATION AND HARASSMENT,
- AND REGULAR EMPLOYMENT.

Wages and Benefits

Why is it important for my business?

The diagram to the right outlines why paying decent wages are important to your business.
Case study

COSTCO

US retailer Costco has decided it makes business sense to give good wages, benefits and training and in turn it has significantly higher retention and performance levels, which saves significant costs of employee turnover (recruitment and training). The company’s more stable and productive workforce has been shown to more than offset the costs. Costco has an employee turnover of 17% overall (just 6% after one year’s employment) compared to 44% at Walmart, close to the industry average.

How do you identify this issue?

To better understand whether you are compliant to national and international best practice standards regarding wages and benefits, use the following checklist.

What is expected of your business?

- Pay wages according to at least the legal minimum standards or appropriate industry standards, whichever is higher.
- Wages in Kenya are determined by Wages Councils and by Collective Agreements in certain sectors, as prescribed in the Labour Institutions Act. Wage rates for the T&A sector are published in Regulation of Wages (General) (Amendment) Orders, with the minimum wage for a machinist in the clothing sector in Nairobi, Mombasa, Kisumu and Nakuru cities at KSh158.75 per hour in 2022.
- Provide the legally required benefits to all workers
- Prescribed benefits include housing, or a housing allowance (12% of basic wage paid in full by the employer), payments to the National Social Security Fund (6% contribution by both employer and employee) and the National Hospital Insurance Fund (payments are flat rate, based on a sliding scale of earnings and are paid in full by the employee)
- Pay wages during working hours – workers should not be expected to wait after working hours to be paid, nor come back to the factory to collect wages outside of normal working hours.
- Best practice: Beyond this, suppliers should work towards providing workers with a pay and benefits package that supports an adequate standard of living (‘living wage’/‘fair wage’).
4.1.4 How do you manage and prevent this issue? Tools and tips for improvements

As you increase productivity and efficiency of your production unit, it may be possible to increase wages for workers, beyond the minimum legal wages and ideally to move towards ensuring they can meet their basic needs on their wage. This progress will benefit the company by reducing the costs of employee turnover, sickness and dissatisfaction and attract better skilled workers.

In order for wages to be negotiated there needs to be positive social dialogue between workers and management. This can include in-factory and sector-wide collective bargaining mechanisms and it can also include more informal worker engagement methods such as focus groups and committees, to bring people together to discuss improvements.

If you are working towards not just a minimum wage but a ‘living wage’ (which enables a family to meet their basic needs and some discretionary income) you may be interested to carry out a ‘living wage study’ at your facility, for example by using the IDH Living Salary Matrix Tool – accessible here.

---

4.2 Working hours and leave

4.2.1 Why is it important for my business?

Overtime can be a high cost burden to business and may not be paying off. Excessive overtime can indicate that staff resourcing, shift patterns or production planning are not operating efficiently. Your business also has a legal obligation to keep hours within legal limits. Effectively tackling this issue can materially benefit your business through decreased costs and increased employee wellness and productivity.

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4.2.3 Identifying and managing risks

**WHAT DO YOU NOTICE?**

There is a difference in your workplace between what men and women are paid for the same job role and also a difference between local and foreign workers’ pay levels. There is also a worker who is injured and he is paid less. The manager says it’s because the value/output of their work is not the same.

**WHAT DO YOU NOTICE?**

The workers receive just the legal minimum wage. There are deductions for accommodation, food and travel. There are also deductions for quality mistakes. After all the deductions some workers only receive 45% of the minimum wage.

**WHAT DO YOU NOTICE?**

No deductions should be taken as a disciplinary measure (eg quality mistakes or being late). Deductions shouldn’t be excessive. In this case the deductions are excessive and do not leave the worker enough to live on.

**PAUSE**

**THINK**

**WHAT NEXT**

All workers, regardless of gender, race, disability or any other factor, should be paid the same for the same role.
What is expected of your business?

- Workers should not work excessive hours. Normal working hours are generally between 40 and 52 per week, but are prescribed, along with overtime rates through collective agreement and detailed in employment contracts.
- National law provisions can be negotiated in collective agreements between employer and trade union, but should not exceed the 60 hours (including overtime) provided for by ILO convention.
- Overtime must be paid at the prescribed rate.
- Rest days and breaks must be provided in accordance with law and workers should be allowed a minimum of one continuous 24-hour rest period in every 7 day period.
- Best practice: In the absence of applicable laws or collective agreements, normal working hours should not on a regular basis exceed 48 hours per working week or 60 hours a week including overtime.
- Working overtime should be seen as the exception, not the norm.
- Management should not be setting unrealistically high working targets.
- Most importantly, overtime must be voluntary.

How do you identify this issue?

4.2.3 To understand whether your business is compliant to international and national legalislation around working hours and leave, use the following checklist.

For points you are not able to check off, consider, develop, and implement a strategy to bring the factory into alignment with legislations and best practices:

- Compliance with Kenyan legal requirements for maximum working hours, overtime hours, overtime premiums, rest days and meal breaks.
- Keep accurate attendance and hours records for all workers. This should include clocking times of when workers actually start and stop work.
- A measure of total overtime for the site should also be kept and trended to see improvement.
- Have a system to communicate what overtime hours will be needed in advance where possible.
- Have a system in place for workers to accept or refuse overtime hours without penalty/pressure.
- Ensure that overtime hours are all paid at a premium rate and noted on pay slips, in accordance with the law.

Identifying and manage

Shirley always volunteers to work overtime. Her manager appreciates her willingness to work longer hours, so he happily gives her all the overtime she wants. In fact, last month she worked 14 days straight with no days off.

Even if workers want more overtime, it must be limited to the legal maximum, with a minimum of one day off in 7 (or more if law requires it), even if local law allows her to work 14 days straight. If workers are always wanting more overtime than is allowed you may need to look at the wages chapter and ensure they are being paid a sufficient wage for the legal working hours. The manager should also provide education to the workers to support their understanding of why a day of rest is important to their long term health and well-being.
Root causes

Before trying to find solutions, it is really important that you understand the root causes of any overtime issues. Using the below fishbone diagram tool described in the Productivity section, you can brainstorm the root causes of overtime in your particular facility and identify where you need to focus your actions.
Reducing overtime hours without reducing output or wage levels is a challenge many production units face.

In many countries factory managers feel it is just ‘normal’ to have excessive hours and that it can’t be changed. However, with this toolkit we really want to challenge that presumption. It’s important to note that reductions in overtime are usually gradual, not immediate and that high level and middle management commitment must be present.

--- Overall approach

- **COMMITMENT AND TEAMWORK**
  - Create awareness that excessive overtime is a problem and ultimately leads to productivity losses and other problems (high staff turnover, increased costs, decreased worker wellness).
  - Build commitment to managing overtime. This is essential to any change being achieved and will include building a local business case and setting targets that all levels of management agree to.

- **REVIEW AND MEASURE**
  - Assess the current situation and keep track. Collect and review data to give you a full picture of the current level of the hours issue - total hours in a day, week and month as well as number of rest days, for different departments/activities. Also review data on the current impacts and costs in terms of injuries, absenteeism, turnover, contracted hours, productivity, quality (defects/losses) etc. Keep track of these as you make changes in overtime hours, both for individual workers as well as the site as a whole.
  - Assess timekeeping methods. Ensure these give an accurate reflection of hours eg that workers clock in and out at the actual time of starting and finishing work. Ensure records identify regular and overtime hours. Ensure systems are in place for the employer to request overtime, with some notice and for workers to accept or refuse it.

- **ANALYSE: ROOT CAUSES**
  - Assess possible root causes of excessive overtime. Take a fresh look at the production facility and review production flow, production planning, unplanned stoppages/breakdowns, shift patterns, worker pay calculation methods/incentives. You can refer to the Productivity and Quality sections. Try to identify areas where delays can be reduced and improvements can be made. The sections below will help with this.

--- PLANNING

- Ensure legal requirements are built into production planning and processes. All relevant staff need to understand the legal requirements (including young worker restrictions and government waivers) so that they are incorporated into scheduling, shift plans etc.
- Ensure that work patterns and shifts are planned according to the production even if this includes a limited amount of overtime. Never formulate the work pattern to include the full overtime allowance.
- Approval of overtime. Ensure that any overtime must be approved by top management. This creates a healthy check to ask ‘is this overtime necessary?’, and ‘can this work not be done during normal hours?’ In some cases staff will look to maximise overtime due to increased pay rates, where in reality all of the responsibilities can be completed during normal working hours.

--- IMPROVE: PLAN, TAKE ACTION AND MEASURE IMPACT – USING THE PDCA CYCLE REFERRED TO IN CHAPTER 1

- Establish a plan. Develop a plan for gradual reduction in overtime hours and agree it with management. Put monthly tracking in place. Decide how to allocate available overtime hours to workers.
- Effective communication and engagement with workers/unions. Explain why changes need to happen in terms of healthy work-life balance, reduced injuries, increased productivity and legal compliance. Encourage worker involvement and suggestions to achieve targets. Keep in mind that workers who have consistently worked longer hours have become accustomed to the increased earnings from the overtime. Understand any financial impact on workers and develop strategies to offset, which could include transition, one time payments and review of base rates.
- Take actions to address root causes. Sustain focus on and commitment to this, it will take time for improvements to happen.
- Measure impact on hours, pay, productivity, quality, accidents etc and communicate with management and workers where appropriate to encourage continued progress.

Other suggestions that factories might want to consider in tackling excessive overtime include the following:

- Changing shift patterns such as adding a 3rd shift
- Employing more full-time workers or contract/temporary workers

A careful cost-benefit analysis needs to be made when considering these above changes, including, amongst other factors, the increased productivity of workers, lower risk of accidents and absenteeism and the reduction in overtime premiums paid.

These direct approaches mentioned above will work best in partnership with approaches explained which improve productivity, quality, HR and communications.
4.3 Child Labour and Young Workers

4.3.1 Why is it important for my business?

The purchasing companies need to be confident that all their suppliers adhere to local law and internationally agreed standards so that children are not working (under the legal minimum age) and young workers (between the minimum age and 18) are working in non-hazardous jobs with limited hours, that protects their health, wellbeing and development.

If children are contributing to the manufacture of the products or if young workers are in hazardous jobs, this is damaging to the reputation, credibility and legitimacy of your company and also of the purchasing companies in the eyes of customers and other stakeholders. However, it is ESSENTIAL that if children are found to be involved in any part of the process, the situation is handled sensitively and they are not just dismissed, since this may result in even worse danger to their wellbeing.

4.3.2 What is expected of your business?

- No child labour: You must ensure that all workers are above the legal minimum working age, in Kenyan law this is 13 years. The ILO convention is 15 years, subject to exceptions permitted by the ILO (see footnote).30
- Young workers (above minimum age and under 18 years old): Employment conditions for young workers must be in accordance with the legal requirements to ensure they have access to education and their health and safety is protected.
- Kenyan labour legislation allows for children between the ages of 13 and 15 to be employed under apprenticeships or indentured learnership to perform light work which is:
  (a) not likely to be harmful to the child’s health or development; and
  (b) does not prevent the child’s attendance at school, or other vocational training.
- Employment contracts for children between 13 and 15 years of age must be verbal only and not written contracts.
- Children (up to 18 years) may not work in any opencast situations that are entered by a shaft.
- Children (up to 18 years) may not work at night – i.e. between 6.30 p.m. and 6.30 a.m. unless in an unforeseen emergency
- You, as the employer, are required to keep a register of every child employed, including the following details:
  (a) age and date of birth;
  (b) start and end date

4.3.3 How do you identify this issue?

To better understand whether you are compliant to national and international best practice standards regarding employing young workers and preventing child labour, use the following checklist.

For points you are not able to check off, consider, develop, and implement a strategy to bring the factory into alignment with best practices:

- Know what the legal minimum working age is in your country and what the requirements are for young workers
- Understand the difference between child labour, child work and hazardous work and the legal framework.
- Have a system in place to check official documentation that proves a worker’s age, at the time of hiring (eg official government documents such as birth certificate or ID card with date of birth, photo ID preferred where possible)
- Keep a copy of this document and ensure the original is returned to the worker
- Keep a list of all ‘young workers’ and ensure that the tasks they are assigned to are not hazardous and that their working hours are in line with legal restrictions and are not at night. The register should list their name, date of recruitment, birth date, department, job (including tasks, to ensure non-hazardous), work schedule/ hours (including education related restrictions) and supervisor’s name
Chapter 4 — Decent Working Conditions

4.3.4 Developing a child labour policy

Many non-compliances in social audits on child labour are raised because the company does not have a child labour policy. It is important for you to develop a policy and communicate it with the relevant staff, especially in recruitment. Before developing a policy you need to assess what the risk of child labour is within your region and industry.

A policy should include:

- Your company’s stance on child labour – aligned with ILO Conventions. If you chose to align your policy with the ILO convention (which is recommended) your policy should include a commitment to not recruit or hire workers below the age of 15 or below the local legal minimum age (whichever is higher).
- How you as a company will ensure you do not employ children – e.g document checks on recruitment etc.
- A definition of what you mean by young workers and what the specific conditions are for their employment. e.g. a commitment to not allow young workers to work overtime, at night, or in hazardous jobs.
- A description of what your company will do if child labour is found. e.g how the company will remediate the situation in the best interests of the child and his or her family.

This doesn’t have to be a separate policy. If it’s specified in your code or other company policies that’s fine as long as it’s explicitly mentioned.

Evidence of age

Getting meaningful evidence of young people’s age may be a challenge. In many countries children may have no birth certificate, and whatever certificates people do have may be forged to suggest they are older than there are. Equally, many children and parents genuinely do not know what age a child is or in which year the child was born.

Be aware that various techniques which are reputed to estimate a young person’s age accurately are inaccurate or even unethical (e.g. x-rays or examinations of a young person’s teeth).
What to do if you found child labour?

If workers who are younger than the minimum working age are found working at the production site it is essential that they are not just dismissed. This may often cause them more harm than is being caused by remaining at work, since in some countries, they may well be likely to go into more hazardous work or into prostitution. This is a complex and difficult situation to tackle. Protection for the child is the most important consideration and involving credible local experts is the best way to develop an appropriate strategy for the individual child/children concerned.

Essentially the supplier should:

- Compensate for loss of income and get commitment for remediation, including a stipend, housing, food
- Ensure that the children can access and stay in quality education and that fees are paid until they are of employment age when they should be re-employed, if the children so wish
- In the country you operate in there may also be dedicated organisations to support you in dealing with child labour if identified

Why is it important for my business?

Your company needs to be fair and compliant with local law to be sustainable as a business.

Forced labour in the supply chain poses a significant reputational risk to your business and to the purchasing companies and your business has a moral responsibility to ensure it is not occurring in your business or supply chain.

Governments are increasingly regulating forced labour in the supply chain. There is now a ‘Modern Slavery’ law in the UK (UKMSA) which requires companies above a certain turnover to report publicly on what actions they are taking to tackle forced labour in their supply chains. In other areas of the world there is the California Transparency Act, restrictions on US imports produced using child or forced labour and Australia is also working on transparency requirements for forced labour in supply chains.

What is expected of your business?

- All work must be conducted on a voluntary basis, with no coercion of any worker through any means
- Workers must be free to leave their employment at any time, with reasonable notice
- Suppliers must prohibit and must not benefit from any forms of forced or compulsory labour including slave labour, prison or military labour, indentured or bonded labour or any form of human trafficking
- There must be no compulsory overtime on site

According to the ILO Forced Labour Convention, 1930 (No. 29), forced or compulsory labour is: “all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.”
How do you identify this issue?

To understand whether forced labour is an issue in your business, use the following checklist.

For points you are not able to check off, consider, develop, and implement a strategy to bring the factory into alignment with national and international legislation:

<table>
<thead>
<tr>
<th>All employment is entirely voluntarily</th>
<th>✔</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers are not indebted to the facility or recruitment agency</td>
<td>✔</td>
</tr>
<tr>
<td>Government-issued identification, passports or work permits are not withheld from workers. COPIES can be taken and originals returned to the workers</td>
<td>✔</td>
</tr>
<tr>
<td>Workers are not required to lodge recruitment fees (deposits), or any deposits for anything else including working equipment (deposits can create a bond between the employer and worker)</td>
<td>✔</td>
</tr>
<tr>
<td>Workers are free to withdraw from the employment relationship/leave with reasonable notice</td>
<td>✔</td>
</tr>
<tr>
<td>Workers are allowed to leave the work premises off shift and overtime is not compulsory</td>
<td>✔</td>
</tr>
<tr>
<td>The prohibition of trafficking of persons includes arranging or facilitating the travel of another person with a view to that person being exploited</td>
<td>✔</td>
</tr>
<tr>
<td>Workers have freedom of movement whilst working and within company provided housing. This includes reasonable movement around the facility (i.e. during meal breaks or using the restroom etc)</td>
<td>✔</td>
</tr>
<tr>
<td>Workers are not locked in a facility or accommodation or guarded (this would be an indicator that there is some coercion for them to stay or that they could be trafficked)</td>
<td>✔</td>
</tr>
</tbody>
</table>

Identify and manage

**WHAT DO YOU NOTICE?**

An employee needs money to pay for his wife’s operation. He offers to work “for free” in exchange for an advance of payment.

It would be fine for the company to loan this money, with small reasonable loan repayments deducted from monthly wages until it was repaid (with a clear agreement between the parties). However, it would not be okay for the employee to work for ‘free’ and receive no wages to repay the loan.

How do you manage and prevent this issue?

**Tools and tips for improvements**

**Policies**

- Develop and implement a forced labour policy, and a recruitment fee policy
- The implementation of the policy must be supported by a responsible, non-exploitative labour management system

**Loans**

You should not make a loan to an employee if this will in any way prevent the employee from leaving the job. Often a person is unable to repay an initial loan and must take another, and another to keep re-paying loans and this can become debt bondage. While employers might be providing loans for entirely right reasons, it is often the start of a process which ends in the employee not being able to be free to leave employment and not being able to pay their way out of debt.

**Recruitment Agencies**

You need to ensure that all recruitment agencies and contract labour providers you use understand your requirements on this issue and you need to check their processes and procedures to ensure their recruitment and treatment of workers is in alignment with this requirement. You need to investigate and ensure that labour providers/recruitment agencies do not hold original identity papers or deposits from workers and that workers are not indebted to them, holding them in employment.
5.5. Discrimination and (Sexual) Harassment

4.5.1 Why is it important for my business?

The right for every worker to be treated fairly and equally in the workplace is outlined in international labour conventions, national constitutions and laws.

Divided teams don’t function effectively but team work, respect and good communication improves productivity and quality.

Workers who feel safe and respected, participate in the work with more motivation.

Sexual harassment at the workplace creates a hostile work environment that is not conducive to promoting productivity.

4.5.2 What is expected of your business?

- Workplaces should be free from all types of harassment, intimidation, bullying or abuse of any employee including the threat of physical punishment or disciplinary action, or any abuse that is physical, sexual, psychological or verbal.

- No sexual harassment of any kind should be tolerated, physical or non-physical harassment (messages, remarks etc.).

- Favouritism based on where workers come from or their gender, age or physical appearance should not be tolerated.

- No corporal punishment.

- No disciplinary-related deductions from workers’ pay.

- Employees should all be treated fairly, with no discrimination (for recruitment, hiring, placement, training, compensation, advancement or any aspect of employment) on the basis of (but not limited to) factors such as race, colour, caste, ethnicity, religion, gender, age, political opinion/affiliation, national extraction, disability, marital status, health (including pre-employment medical exams), union membership, social origin, pregnancy and maternity, sexual orientation or any other arbitrary means.

- Hiring and employment decisions (including those related to compensation, benefits, promotion, training, discipline, and termination) are made solely on the basis of the skill, qualifications, experience, ability and performance of workers.

- Any security measures in place:
  - Must not harm the safety or security of local community members and other third parties.
  - Must not undermine respect for the human rights of workers and third parties.
  - Must not use force, if force is used, it shall be in a manner consistent with applicable laws and shall never exceed what is strictly necessary and appropriate to the situation.

HEALTH COSTS
- Mental health symptoms
- Physical symptoms
- Additional health services

PRODUCTIVITY COSTS
- Absenteeism
- Reduced performance
- Lower job satisfaction

CAREER COSTS
- Employee’s costs of changing jobs
- Employer’s costs to replace employee

REPORTING/Legal COSTS
- Legal fees
- Filing/processing reports
- Settlements or awards
- Damage to reputations

Source for information of above graphic, see footnote
MARY’S EXPERIENCE

Mary was the only woman employed in a male dominated industry. When senior positions became available she was not considered for promotion despite many years in the industry. Males were given precedence over her even though they did not have the same level of experience. She raised her concerns with her employer and shortly after her work performance was criticised and she was sacked.

Mary filed a complaint of sex discrimination. At conciliation, Mary and her employer negotiated a settlement of KES 1.7 million.

How do you identify this issue?

To understand whether discrimination and harassment occurs in your business, you can use the following checklist.

For points you are not able to check off, consider, develop, and implement a strategy to bring the factory into alignment with best practices:

**HARASSMENT**

- The workplace is free from all harassment, intimidation and bullying. This means there shouldn’t be shouting in the workplace or harsh treatment of workers, even in busy times
- Take a look at policies and practices to make sure there are no inappropriate or unacceptable punishments or penalties. What happens when a worker does something wrong? Are they shouted at? Are workers ever hit?
- Are workers fined? Have you ever heard of these things happening? **None of these forms of punishment are acceptable**

**SECURITY**

- The workplace is free from all sexual harassment, even subtle forms of inappropriate language and behaviour.
- Supervisors and team leaders are trained effectively to eliminate these practices.
- There is a culture of respect in the workforce.
- Ensure that workers are not penalised with more or heavier workloads.

**DISCRIMINATION**

- Providing a workplace free from discrimination
- Temporary workers are offered the same rights as permanent staff
- Review the recruitment procedure and questions asked in interviews and application forms. Does it include any information about the worker that you think could be being used to discriminate against them in recruitment/hiring (eg religion, race, pregnancy, union membership)? Ensure all staff involved in recruitment understand the importance of non-discrimination
- Merit-based selection criteria for recruitment
- Review pay records. Ensure that women are paid the same as men for the same job. Ensure people of different races, religions, nationality etc are paid the same for the same job. If this isn’t the case you will need to speak to HR managers to ensure that this is rectified
Take an overview of the employees, is there a pattern of the kinds of people who are more often promoted/advanced (eg certain genders or races)? You need to put policies, procedures and practices in place to ensure advancement is purely based on experience, skills, character, performance and merit, not other factors.

If there is a medical exam as part of the recruitment purpose, what is that for? Is there a valid non-discriminatory reason for it? Can you guarantee that the results of the medicals are not jeopardising people’s employment potential?

A confidential and effective procedure for managing complaints regarding discriminatory or harassing behavior is in place. Management to ensure that workers know about this procedure and trust it.

Ensure that all workers have access to the grievance procedure, including seasonal workers and contract workers.

If a concern is raised, action needs to be taken, with no recrimination of the person raising a genuinely felt concern. The manager must ensure they are fully informed of the facts before taking action. The action must be, and be seen to be, fair, appropriate and proportionate to the concern raised.

RESOLVING CONCERNS

Management should take all necessary steps to ensure that supervisors understand the company’s policy and position on non-discrimination and harassment.

It is recommended that regular training takes place with managers to ensure that there is no abuse of power. Management to ensure that there are channels available to workers to report any instances of discrimination and harassment that they can trust.

Develop a policy on harassment and discrimination

Discuss acceptable and unacceptable behaviours and what should be done when unacceptable behaviour is demonstrated. Ensure that this is set out in a clearly written statement.

The basics

Train your staff (both workers and management) about the issues of discrimination and harassment needs to cover the basics of:

- Why it’s important to the business to tackle these issues:
  - the business will only thrive if the whole workforce is moving together
  - divided teams don’t function effectively but team work, respect and good communication improves productivity and quality
  - workers who feel safe and respected participate in the work with more motivation
  - workers who feel threatened and scared won’t offer suggestions of how production/productivity/quality can be improved, and the business benefit of the innovation and ideas is lost
  - stress, fear and anxiety caused by discrimination and harassment leads to higher absenteeism, poor performance and higher turnover
- What your policy is on these issues
  - allow discussion on what are acceptable and unacceptable behaviors so that employees at all levels can identify when a situation is not in line with the policy
— Mapping the issues

Although the basic level of training above is beneficial, this factual type of training will not be sufficient to shift the culture in your organisation if discrimination and harassment are happening.

— In planning for training, brainstorm as a team:

**DISCRIMINATION:**

- What are the most common forms of discrimination in your workplace? Is it gender? Race? Religion? A combination of those? Other?
- How does that most often manifest? In how supervisors talk to/deal with workers? In recruitment?
- What needs to change for every person to be treated equally?
- Are there particular people who are worse at discriminating? Have they been spoken to/disciplined?
- Is the management leading by example by actively treating every person equally?

**HARASSMENT:**

- What types of harassment happen in your workplace? Shouting? Bullying? Sexual harassment? Inappropriate comments?
- When are these most likely to happen? And to whom?
- What needs to change for every person to be treated with dignity and respect?
- Are there particular people who are worse at this behavior? Have they been spoken to/disciplined?
- Is the management leading by example by eliminating any shouting, bullying or harsh treatment in their own behavior?

— Changing mindsets

Once you have an idea as a team about what the key issues are in your workplace you can **plan some interactive training** that engages people, in addition to the factual basic training above. People will only start treating people differently if their mindsets about the value of other people are shifted, not just because they have been told to.

**Your training could include:**

- **SEEING EACH OTHER:** Giving opportunities for employees to engage with people of different levels (workers/management) and of different genders/races/religions (or any other factor you think is key in terms of discrimination and harassment). You can set up small groups for discussion, within one big room and set questions for people to ask each other in pairs (within the small group). The pairs should be with someone of a different level, race, gender, religion etc. Suggest questions that enable that person to see the other as human, as not so different to themselves. They could listen to the other person and then introduce them to the rest of the small group, sharing a summary of what they’ve heard.

- **QUESTIONS COULD INCLUDE:**
  - How many siblings do you have?
  - Where did you grow up?
  - What did you enjoy doing as a child?
  - Do you support a sports team?
  - What foods do you like?
  - What do we have in common?

- **FINDING COMMONALITY:** Another exercise you could try would be asking everyone in a large room to move around and each find someone else who is a different level, gender or race (or other factor) to themselves, but shares the same:
  - Month of birth
  - Home town/area
  - Number of siblings
  - Favourite sports team

- **ROLE PLAY:** Setting up fictional situations where harassment or discrimination most often happen and discussing different ways to handle the situation and asking different people to act it out. You can use these role plays to put people ‘in someone else’s shoes’ – to experience what it is like to be on the receiving end of discrimination and harassment. They can also be used to brainstorm what employees think is acceptable and not acceptable and to explain what the policy is.
4.6 Regular Employment

4.6.1 Why is it important for my business?

REGULAR EMPLOYMENT
AND POSITIVE EFFECTS TO YOUR BUSINESS

BUILD SKILLS AND EXPERIENCE IN YOUR WORKFORCE

LESS RECRUITMENT, HIRING AND TRAINING

INCREASED PRODUCTIVITY

REDUCES QUALITY ISSUES

REDUCES LIKELIHOOD OF ACCIDENTS & INJURIES

VALUE TO BUSINESS

REDUCES COSTS OF LOST WORK

REDUCES COSTS OF REMAKING PRODUCTS

HIGHER OUTPUT

REDUCES COSTS OF RECRUITMENT AND TRAINING

4.6.2 What is expected of your business?

- To every extent possible, work performed should be on the basis of a recognised employment relationship established through national law and practice (in other words, “rolling contracts” where workers are continuously employed on short-term contracts that follow onto each other should be avoided).
- Every effort should be made to ensure employment is continuous, where possible.
- It is recognised that temporary/contract labour is necessary in some businesses but it shouldn’t be used excessively, to avoid the legal requirements of regular/permanent employment.

4.6.3 How do you identify this issue?

To understand whether there are any issues regarding regular employment in your business, use the following checklist.

For points you are not able to check off, consider, develop, and implement a strategy to bring the factory into alignment with best practices:

- Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship should not be avoided through the use of:
  - labour-only contracting
  - sub-contracting
  - home-working arrangements
  - apprenticeships schemes where there is no real intent to impart skill or provide regular employment
  - excessive use of fixed-term contracts of employment

This does not mean that these types of employment should not be used at all. Seasonality of many businesses means this is necessary but the point is that they should not be used excessively or in a way that is deliberately to avoid the legal requirements/benefits of regular/permanent employment.
All workers (regular, contract, piece rate and home-workers) have formal, written:

- employment agreements (including duration of contract, job functions, wages, hours, benefits, pay cycle, resignation and termination conditions/process), signed by both the worker and manager, in a language they can understand. The contents are clearly explained and workers should receive a copy.

Copies of employment terms and conditions are provided to all workers.

Probation periods comply with legal limits.

Contract terms are not changed after the worker signs the contract/agreement.

Workers are not asked to sign blank papers, forms or resignation letters.

Agency and contract workers and homeworkers receive full legal and social security benefits.

The company, its contractors and labour providers do not discharge and rehire workers to avoid paying permanent worker wages and benefits.

The company, its contractors and labour providers don’t employ workers:

- on consecutive short-term temporary contracts.

If you have temporary workers, there needs to be clear policies and practices:

- on how long before they receive the same wages, benefits and conditions as permanent workers, after a fixed time period or as required by law. There should be effective systems in place to transition these workers to become permanent employees.

Temporary workers and contract workers also receive H&S training, free personal protective equipment, access to the grievance mechanism etc.

If you use labour contractors/recruitment agencies, there needs to be a contract with them ensuring that all workers receive legal wages and benefits, including social security benefits.

If you have an apprentice scheme, it needs to be for a limited period and there needs to be a clear and deliberate transfer of skills useful to permanent employment.

If you subcontract any work you need to ensure that those businesses understand your expectations in terms of legal wages, benefits, hours and regular employment.

### How do you manage and prevent this issue? Tools and tips for improvements

#### Examining the use of temporary workers

- Do you understand the full situation with temporary workers and contract workers in your business: the proportion of your workforce at different times, the duration of their employment and the reasons for using them?
- If you have identified an excessive use of temporary or contract workers in your company, think through and discuss with different people in management the following questions:
  - What is driving the need for temporary or contract workers rather than having more permanent workers? Is it just seasonal or is it other things, such as rushed last minute orders? Or is it just habit of the company and the cost of employing more permanent staff seems too high?
- If analysis of sales could give better forecasting and if production planning worked closely with Human Resources, could more realistic staffing and production plans be developed to minimize the use of temporary workers?

#### Labour Employment Agencies

- Is the labour broker/employment agency a registered legal entity?
- Do you have a system on site to continuously monitor the compliance of the labour broker/agency?
- What kind of relationship do you have with your labour providers/employment agencies?
- Do you trust that they are paying at least legal minimum wages and appropriate benefits?
- Do you even know what the workers are paid? If not, informally ask a sample of workers (anonymously) and also ask the labour provider.
- Ensure that you sign a ‘service agreement’ with your labour provider/broker and that it states that they must pay legal wages and benefits and meet other legal requirements on working conditions including safety of transport and any accommodation.
- Ensure that the labour provider gives workers contracts, including a termination clause.
- Labour providers should give workers payslips at each pay period.
- Ensure labour providers do NOT take financial deposits or original identity documents from workers and that workers are not indebted to them.


18 https://www.partnerafrica.org/case-study-ipwc/


20 https://www.sizes.co.za/documents/Ethical_Workplace_Communication_Channel.pdf

21 Sedex Supplier workbook. www.sedexglobal.com/sedex-supplier-workbook

22 https://www.ethicaltrade.org/resources/case-studies/how-did-collective-bargaining-initiative-china-shoe-factory-boost


30 paying-your-employees-less/


36 The Productivity of Working Hours. IZA DP No. 8129. April 2014. John Pencavel, Stanford University


40 The international community has agreed that younger children should not be employed in full time work before reaching a specified minimum age: International Labour Office (ILO) Convention 138 sets this at 15. There are specific and limited circumstances in which children can undertake some types of work. Some national laws or regulations permit ‘light work’ for children aged 13-15 which is not harmful to their health and development, and does not interfere with attending school or vocational training. Convention 138 states that children should not be employed on light work for more than two hours a day, or spend more than seven hours a day on a combination of school work and light work. Children engaged in light work should have at least one day a week off (as should adults), as well as public holidays. In the context of global supply chains, we strongly recommend that the international standard minimum age of 15 for full time work should be enforced; even if a country’s laws allow for the employment of younger workers. There are clear internationally binding standards about the type of work children can do and their working hours are limited. ILO’s ‘Worst Form of Child Labour’ Convention 182 states that no one under 18 should be allowed to engage in the ”worst” forms of child labour’, which includes work that is hazardous, undertaken at night, requires long hours or causes harm to the health, safety or morals of a child. ILO Conventions 138 and 182 are ‘core labour standards’ that are binding for all countries, regardless of whether or not they have ratified these conventions.” (Base Code Guidance: Child Labour, Ethical Trading Initiative)

Annexures

Included here:

- Annexure 1  Checklist: Productivity
- Annexure 2  Checklist: Quality of the Product
**ANNEXURE 1**

**Checklist: Productivity and Efficiency**

### CAPABILITIES / RESOURCES (5Ms)

#### METHODS

- We understand what differentiates us from competitors and strengthen those capabilities
- Our systems and processes are looked at regularly to see if they can be improved
- We consult with others to review our methods and processes
- We get feedback from workers who actually use the processes, on how they can be improved
- We have identified areas where our business needs to improve in order to remain competitive
- We often ask: Why do we do it that way? How can we do this better? Why is this necessary? Can multiple steps be turned into one? Could a new technology make this more efficient? (We are not afraid to challenge and change the ‘status quo’)

#### MANPOWER

- Workers are trained and skilled for the jobs that they do
- We are confident that we have the right people in the right jobs
- We provide on-site training to ensure that we maintain good skill levels in our teams
- We understand what rate of work (e.g., task / minutes) a skilled person can achieve

#### MACHINES

- We have machines which are fit for purpose
- We have operators with the required skills to maintain and keep these machines in good working order
- We measure the effectiveness of each machine and know which of our machines are reliable and which need to be replaced
- We know the manufacturers design capacity of each machine and are operating close to that design capacity
- We continue to update our machinery and equipment to keep up with advances in technology
- Machinery and equipment are maintained according to a proper maintenance schedule
- We have a backup if a key piece of machinery breaks down

- We have clearly defined measurable targets for new workers which must be attained in a certain time period
- Workers are aware of the target rate of work
- We know who our star performers are, and they are recognised
- We have systems in place to listen to the frustrations of workers and attempt to resolve them
- Workers know what the planned target is for the day
- Workers know throughout the day if they are achieving this target
- Feedback is provided on the previous days’ performance and any issues from the previous day are addressed today
### MATERIALS

<table>
<thead>
<tr>
<th>We are confident that we are using the most suitable materials for the job, materials that add value to the product, according to the customers’ requirements</th>
<th>✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>We ask whether there are alternative materials which can offer us a similar / better quality at a lower price</td>
<td>✓</td>
</tr>
<tr>
<td>Goods are stored in appropriate clean areas, so that spoilage/damage is rare</td>
<td>✓</td>
</tr>
</tbody>
</table>

### MEASURE

<table>
<thead>
<tr>
<th>We understand and measure how productive / efficient we are at each stage of our process and are continuously looking to improve this</th>
<th>✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>The resources required to produce a single product are measured, and we work to maintain or improve on the use of these resources</td>
<td>✓</td>
</tr>
<tr>
<td>The time each product spends at each stage of production is measured, and we work to maintain or improve these times</td>
<td>✓</td>
</tr>
<tr>
<td>We are able to compare how production units/workers/ sections perform in relation to one another</td>
<td>✓</td>
</tr>
</tbody>
</table>

### BOTTLENECKS / DELAYS

<table>
<thead>
<tr>
<th>There are no workers or workstations waiting excessively long for the next task (this would mean that there is a bottleneck before them in the cycle)</th>
<th>✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>We seldom / never need to stop production due to excessive pile up at one station</td>
<td>✓</td>
</tr>
<tr>
<td>If any workstation has a pile up of inputs or inventory, we understand why this has occurred and this is addressed so it does not happen again</td>
<td>✓</td>
</tr>
<tr>
<td>We measure the number of delays / stops which occur and actively work to reduce these</td>
<td>✓</td>
</tr>
</tbody>
</table>

### OTHER

<table>
<thead>
<tr>
<th>We are able to achieve consistent throughputs within the system, rather than erratic performance from one hour to the next</th>
<th>✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>We balance our resources to the capacity of our facility, with workstations looking very similar each day</td>
<td>✓</td>
</tr>
<tr>
<td>We understand the capacity of each work station and provide adequate resources (people, raw material) to ensure the product line remains adequately balanced</td>
<td>✓</td>
</tr>
<tr>
<td>In general, workers are productive during the day – working consistently at the required speed</td>
<td>✓</td>
</tr>
<tr>
<td>All machines operate at the manufacturers design level (if there is a machine operating above the design capacity, it runs the risk of breakdown and therefore causing prolonged delay)</td>
<td>✓</td>
</tr>
</tbody>
</table>

### WASTE: TRANSPORTATION

<table>
<thead>
<tr>
<th>Transport to and from the facility (deliveries, worker transport etc.) takes the shortest route possible</th>
<th>✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product is never / seldom lost due to transportation concerns (for e.g. breakdowns / theft / stock control)</td>
<td>✓</td>
</tr>
<tr>
<td>Deliveries take place during off-peak traffic, reducing delivery time but without negatively affecting production</td>
<td>✓</td>
</tr>
<tr>
<td>Our delivery vehicles make use of full loads, rather than half loads</td>
<td>✓</td>
</tr>
<tr>
<td>We measure and understand the cost (typically cost / kg) to deliver goods and actively seek ways to reduce this</td>
<td>✓</td>
</tr>
<tr>
<td>Workers and workstations are situated close to the inventory supply (store room or previous work station), eliminating unnecessary movement</td>
<td>✓</td>
</tr>
<tr>
<td>Workers do not have to make unscheduled trips to collect tools or inventory</td>
<td>✓</td>
</tr>
<tr>
<td>The delivery of resources to the production floor is not carried out by skilled workers who are better utilised in production</td>
<td>✓</td>
</tr>
<tr>
<td>Production is seldom / never delayed due to interruptions in the transport of goods</td>
<td>✓</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Enough time is provided for the transportation of workers to allow for the occasional mishap without having an impact on production</td>
<td>✓</td>
</tr>
</tbody>
</table>

**WASTE: INVENTORY**

<table>
<thead>
<tr>
<th>We have traceability of inventory to understand stock movement</th>
<th>✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>We seldom or never need to dump raw material or packaging which has expired</td>
<td>✓</td>
</tr>
<tr>
<td>We know the value of stock which was dumped, the reason for this (for e.g. expired stock) and work actively to reduce this</td>
<td>✓</td>
</tr>
<tr>
<td>We undertake production planning to understand the inventory levels we require and only order in accordance with the defined plan</td>
<td>✓</td>
</tr>
<tr>
<td>We understand our required levels of ‘work in progress (WIP)’ and are proactive in keeping this to a minimum without interrupting production</td>
<td>✓</td>
</tr>
<tr>
<td>We keep the necessary packaging at our facility for the upcoming production runs and work to keep this at manageable levels</td>
<td>✓</td>
</tr>
<tr>
<td>Raw material and packaging requirements for the shift are delivered prior to the commencement of shifts, typically more than 24 hours before the start of a shift</td>
<td>✓</td>
</tr>
<tr>
<td>We seldom / never need to stop production mid-way through a shift due to unavailability of stock</td>
<td>✓</td>
</tr>
<tr>
<td>We actively work towards ‘just in time’ production, with minimal delay between end of production and point of sale</td>
<td>✓</td>
</tr>
</tbody>
</table>

**MOTION**

<table>
<thead>
<tr>
<th>We understand the importance of ergonomics (design for efficiency and comfort in the working environment) and how this directly translates to improved productivity / efficiency</th>
<th>✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying of product on the floor from one location to another is kept to a minimum</td>
<td>✓</td>
</tr>
<tr>
<td>Long distance travel and hauling is done by machines (e.g. trucks / forklifts etc)</td>
<td>✓</td>
</tr>
<tr>
<td>Workers do not have to move long distances between stations (situated close together and in the order of production flow)</td>
<td>✓</td>
</tr>
<tr>
<td>Inventory and tools are well laid out so that workers do not have to search for them</td>
<td>✓</td>
</tr>
<tr>
<td>Workers do not lift excessively heavy items (this can lead to delays and costly health issues)</td>
<td>✓</td>
</tr>
<tr>
<td>Workers stand or sit at the same level as their task (bending down or reaching up are both time inefficient and can lead to injury)</td>
<td>✓</td>
</tr>
<tr>
<td>Twisting, stretching, bending and lifting are kept to a minimum</td>
<td>✓</td>
</tr>
<tr>
<td>Tasks are appropriately assigned to men / women, understanding the legal/ appropriate lifting limit</td>
<td>✓</td>
</tr>
<tr>
<td>Regular breaks are provided to ensure the pace of work can remain consistent</td>
<td>✓</td>
</tr>
<tr>
<td>We understand that the rate of motion (work speed) is often dependent on skill level and we provide the necessary training to achieve this</td>
<td>✓</td>
</tr>
<tr>
<td>External factors such as exposure to the elements are well understood and the impact that these will have on productivity</td>
<td>✓</td>
</tr>
<tr>
<td>Workers are engaged to understand if there is a better way of undertaking repetitive tasks</td>
<td>✓</td>
</tr>
</tbody>
</table>

**WAITING**

<table>
<thead>
<tr>
<th>We seldom have a stop in production due to a machine breakdown</th>
<th>✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>We measure the cost of downtime due to machinery breakages and regularly check how these costs compare to the cost of a new machine</td>
<td>✓</td>
</tr>
<tr>
<td>Tools and equipment (for e.g. PPE) are readily available to minimise waiting time</td>
<td>✓</td>
</tr>
</tbody>
</table>
### Production
- Production breaks are staggered to ensure minimal waiting time (e.g. packers start 30min later to allow for freezing time of product at the start of the shift)
- Product waiting on the floor is actively managed to reduce negative effects of delays (e.g. temperature abuse etc)
- Production plans are made visible and are easy to understand to avoid delays at start time
- There are clear, open communication channels between workers and managers (waiting for information can be costly in terms of time and also can cause bigger issues, like machine malfunctions)
- Managers are ‘visible’ and quick to respond to workers’ questions and information
- We have early detection of delays or waiting time (e.g. red light flashing when production line stops)
- The escalation process to notify management of a stop in production / process is well understood to avoid waiting time for the problem to be reported to the right person
- If there are potential future delays that can be known ahead of time, appropriate steps are taken to limit downtime (e.g. scheduled national/regional shutdown in electricity is known and therefore production is not planned for that day/time)

### Over-Processing
- Over-processing (adding more value to the product than required by the customer) and Overproduction

#### OVER-PROCESSING
- Product specifications are built in conjunction with the customer
- Product specifications are often reviewed to assess whether all elements are needed to meet customers’ requirements
- Product specifications are practically orientated, giving the workers steps on ‘how’ to achieve the specification
- An open relationship is established with customers on potentially non-conforming/ problem products, with the processing unit not trying to hide defects

### Workers
- Workers know exactly what is required of them in their role and have been well trained to perform it
- Workers have a clear understanding of quality expectations. They are aware of both the lowest acceptable quality specifications and also the maximum expectations, so they not only avoid producing non-confirming products but also don’t waste time making products that exceed the specifications.
- We have a clear understanding of quantities required by our customers and where possible we only produce what we will be delivering to them

### Defects
- Measurements are in place to report on the number of defects per production unit (for e.g. 1 defect per 1000 units produced)
- We actively work to reduce the number of defects, with clear targets being set
- Workers are measured individually on the number of defects they produce, with incentives provided to reduce the number of defects
- We understand the difference between a defect and an allowable loss on the production line
- We measure how many defects are produced per machine and know which machines are more problematic than others
- We carry out Root Cause Analysis (RCA) to understand the reason for the defects and how these reasons can be eliminated
**Annexure 2**

**Checklist: Quality of Product**

**CAPABILITIES / RESOURCES (5Ms)**

**METHODS**

- We know exactly what the customers’ quality requirements are
- Everyone on site understands the reason for the quality requirements and why these are important to achieve
- Our plan of products and processes are designed as simply as possible to meet the customers’ actual needs, not what we may perceive these needs to be
- We get regular feedback from the customer to ensure quality standards are met, and about how we can improve, to meet these standards more efficiently in the long term
- The business ensures that all team members know exactly what the final product quality requirements are, as well as how the quality of each individual team’s output contributes towards achieving this overall quality
- There is a written set of criteria for products
- There is a culture of employing strong process discipline, through Standard Operating Procedures (SOP)’s which ensure consistency
- The team is encouraged to offer input towards the setting of the process / SOP, but they are also consistent and meticulous in the execution of the agreed plan
- Some measures of quality are included in Key Performance Indicators (KPIs) when measuring productivity and team performance
- There is one or more inspection points before final inspection of the finished products

**MANPOWER (PEOPLE)**

- Staff are employed with the right skills and experience to do their job well
- Every staff member is trained and equipped for the job that they are doing, including an understanding of their job’s effect on downstream operations
- Managers understand the cost of quality mistakes
- All workers are informed about customer expectations and quality standards / specifications and how to avoid common quality issues
- All workers have access to the operational specifications for the task they are completing
- Understanding of specifications is reinforced by examining a correctly constructed sample before production starts
- Working conditions (including health and safety) are good and allow people to do their jobs well
- Line and floor managers are trained and equipped to easily spot and address quality defects
- The person responsible for quality is able to halt work that does not meet requirements, even if there is a rush for delivery
- Quality concerns being raised by workers is welcomed by management, not seen in a negative light

Someone is responsible for sorting defects from final inspection for distribution back to the appropriate departments (the department which makes the mistakes are made aware of the rework, to maximise learning/improvement)

The business has measures to tackle repeated quality issues and to reduce future defects:
- We consistently deliver quality products/services
- We consistently deliver products/services on time
There are opportunities for workers/operators to suggest changes to improve quality ✔
Such suggestions are implemented where appropriate ✔

**MACHINES**

- We have the right machinery, tools and equipment to produce the desired quality of product ✔
- Our machinery does not damage the product, or result in unusually high rejects or wastage ✔
- Contamination of product from machine damage occurs very rarely ✔
- Raw material wastage through the use of machinery is kept to a minimum ✔
- Problems with machines causing quality defects are identified immediately and reported to the appropriate person ✔
- Equipment is well maintained, reliable and looked after by the business ✔
- Operators understand the importance they play to ensure the machine is handled correctly and can deliver the required quality ✔
- Workers responsible for the maintenance of the machines understand the importance of machinery in order to meet the required quality ✔
- Machines are serviced regularly, according to a maintenance schedule, and repaired immediately when required ✔
- Good lighting and supporting services are provided to meet the required quality standards ✔
- Facilities are clean and well maintained, to meet hygiene and quality standards, throughout ✔

**MATERIALS**

- Incoming materials from our suppliers are inspected for quality ✔
- Clearly written quality specifications are available to the quality inspector of incoming goods, so they know what is acceptable and unacceptable quality ✔
- Expiration dates of incoming materials are known and tracked during the production process (if relevant) ✔
- Packaging quality is inspected before it is accepted to ensure it conforms to the customer’s requirements ✔
- The specifications for the quality of incoming products is agreed in purchase orders ✔
- Quality/damage reports of incoming materials are regularly shared and discussed with our suppliers ✔
- Raw material from suppliers which does not meet the required specification is rejected ✔
- The raw materials we use are of consistently good quality ✔
- Raw materials are ethically and responsibly sourced, from companies that we know and trust ✔
- Goods are stored in appropriate clean areas, so that spoilage/damage is rare ✔
- Goods are handled with care during the production process ✔
- Hygiene and cleaning materials are certified and meet the customer’s requirements ✔
- PPE assists the worker ✔
MATERIALS

The quality measures are in line with the specifications and the required standards of the customer

We have an internal measure for every external check (i.e. if a quality measure will be checked by the customer then we have an internal check which will verify this before the product is sent)

We have easy to measure standards of quality for each step of a process

The business understands the definition of a ‘defect’ and the multiple ways that any one product can be below the required specification

Accurate measures of quality are kept, including % defect rate and % reworking, by department and by product

We are able to track and trend quality measures to determine if we are getting better or worse in particular areas / departments

The quality measures are clearly defined and agreed by all in the business. Quality results are seldom disputed internally

We don’t send product and ‘hope and see’ if it will be rejected by the customer

Our internal controls and measures are of a similar standard to that of the customer, not lower or excessively higher

We take representative samples for quality checks

Our quality checks are verified independently

Incoming materials from our suppliers are inspected for quality

Clearly written quality specifications are available to the quality inspector of incoming goods, so they know what is acceptable and unacceptable quality

Expiration dates of incoming materials are known and tracked during the production process (if relevant)

Packaging quality is inspected before it is accepted to ensure it conforms to the customer’s requirements

The specifications for the quality of incoming products is agreed in purchase orders

Quality/damage reports of incoming materials are regularly shared and discussed with our suppliers

Raw material from suppliers which does not meet the required specification is rejected

The raw materials we use are of consistently good quality

Raw materials are ethically and responsibly sourced, from companies that we know and trust

Goods are stored in appropriate clean areas, so that spoilage/damage is rare

Goods are handled with care during the production process

Hygiene and cleaning materials are certified and meet the customer’s requirements

PPE assists the worker to achieve the desired quality, not hindering the process

END OF CHECKLIST