

CURRENT PRACTICES AND THE ROLE OF TECHNOLOGY TO
AMPLIFY WORKER VOICE IN SOCIAL COMPLIANCE AUDITS

APRIL 2019

UNMASKING LABOR EXPLOITATION ACROSS SUPPLY CHAINS



UNITED NATIONS
UNIVERSITY

UNU-CS

Computing and Society



**MEKONG
CLUB**

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SILVIA MERA

THE MEKONG CLUB

A black and white photograph of a fisherman in Thailand. The fisherman is a man with short hair and glasses, wearing a light-colored, short-sleeved button-down shirt with a floral pattern and light-colored trousers. He is sitting on a large pile of fishing nets, which are spread out on the ground. He is holding a pair of scissors and appears to be cutting or mending the nets. His bare feet are visible. In the background, other people are visible, some sitting and some standing, in what appears to be an outdoor market or processing area. The scene is brightly lit, suggesting daylight. A semi-transparent white box with red text is overlaid on the upper right portion of the image.

THIS REPORT IS PART OF OUR
MISSION IS TO IMPROVE THE
SCREENING OF WORKERS IN
VULNERABLE POPULATIONS
ACROSS **SUPPLY CHAINS** TO
HELP UNMASK FORCED LABOR
AND HUMAN TRAFFICKING

A fisherman in Thailand

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EXECUTIVE SUMMARY



Auditors always conduct worker interviews during audits.

91% of auditors received training on how to select cases for review.



Workers appearing to be coached was the most often raised issue for auditors (40%). Language barriers and time constraint are faced by half of the auditors, yet only 4% use translation services.

99% of auditors conduct interviews in private rooms, however, most auditors interview workers either individually or in groups.



98% of auditors agree that technology can be useful in their jobs.

92% of auditors think that technology could be useful to help to assess worker conditions.



On average, 13% of auditors systematically collect information regarding indicators of labor exploitation.



More than 50% of auditors don't have a consistent way of collecting and storing data, or consistent follow-up procedures.

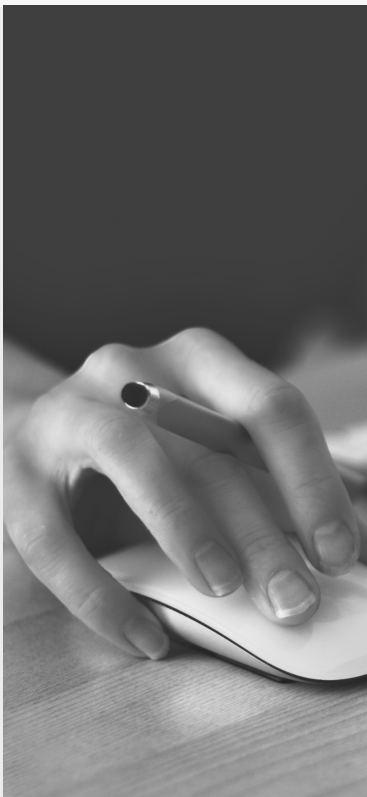
METHODOLOGY

A survey tool was developed comprised of 32 closed and open ended questions. All responses were anonymous.

The survey was shared via email with representatives of 27 multinational companies, including brands and retailers, inviting them to share it among their audit teams. We used a snowballing sampling technique. The survey ran from the 10th December 2018 to the 11th January 2019.

The survey was made available on two platforms: Google Forms and wjx.cn, the latter to facilitate participation of China-based teams. A total of 201 responses was collected, from which 185 were valid*.

Responses were analyzed using a combination of basic statistical techniques for closed questions; and coding for open ended questions.



*16 responses were excluded from the data analysis because all of the fields were left empty.



BACKGROUND

OVERCOMING BARRIERS IN SCREENING POTENTIAL VICTIMS OF LABOR EXPLOITATION

Social compliance auditing is one of the key approaches that companies use to examine working conditions within factories and other facilities in their supply chains. Audits are also used to assess whether a workplace is functioning according to local law, company policy and ethical protocols. This form of 'ethical auditing' is estimated to be worth US\$80 million a year, with sources suggesting that companies devote up to 80% of their ethical sourcing budget to auditing alone*. Within these audits, worker interviews are usually a critical component that highlights the voice of factory employees on their working conditions. This helps companies to determine whether exploitation exists in the workplace, to highlight areas for further examination, and to provide credible first-hand information on working conditions.

The United Nations University Institute on Computing and Society (UNU-CS) and The Mekong Club have been working together since January 2017 to analyze the barriers faced by front-line responders when screening potential victims of labor exploitation. A study conducted with 32 stakeholders in Thailand highlighted how time and language barriers are often the main problems, especially in areas with a high number of migrant workers.

In June 2018, the UNU-CS and The Mekong Club began focusing on how auditors screen workers during social compliance audits**. During three preliminary meetings held with representatives of six major corporations, we discussed current methods to interview workers and the frequency and quality of such interviews in uncovering indications of labor exploitation.

* "Oxfam and Burberry: Moving 'beyond audit' to impact" (2018). Oxfam. Available at <https://views-voices.oxfam.org.uk/2018/11/oxfam-and-burberry-moving-beyond-audit-to-impact/>.

** Through on-the ground observations during audits and stakeholder engagement in China and Hong Kong.



Time and language were highlighted as some of the main challenges faced by auditors when screening workers. Auditors often do not have enough time to interview a representative sample of workers during a full-day audit, particularly in large factories. When a small number of workers are interviewed, they fear reprisals from employers, and this discourages them from reporting unfair or unsafe working conditions. When an audit is conducted in a country where no local auditors are available, an external auditor who does not speak the local language might find it difficult to communicate with the workers. At the same time, as factories employ many migrant

workers, if there are no interpreters available, an auditor might be unable to communicate with these workers.

In order to better understand and assess auditors' experience with worker interviews during audits, we conducted a survey that aimed at collecting information on the following aspects of workers' interviews & technology:

- Issues faced by auditors;
- Frequency, inclusivity and privacy of worker interviews;
- Consistency of data collected and follow-up procedures;
- Auditor's perception of technology as a means to support their work.

"MY AUDIT TEAM FINDS IT VERY HARD TO SPEAK WITH MIGRANT WORKERS BECAUSE OF LANGUAGE BARRIER"

Senior Quality Assurance
Manager Multi-National
Company (Stakeholder
engagement group, June 2018)



"USING TECHNOLOGY IN
AUDITING CAN MAKE
EVALUATION MORE
OBJECTIVE AND EFFECTIVE"

SURVEY RESPONDENT

SURVEY FINDINGS

PART I: AUDITOR PROFILE

Figure 1. Question "What languages do you speak?" Question type: multiple choice (select many). Response rate: 98%

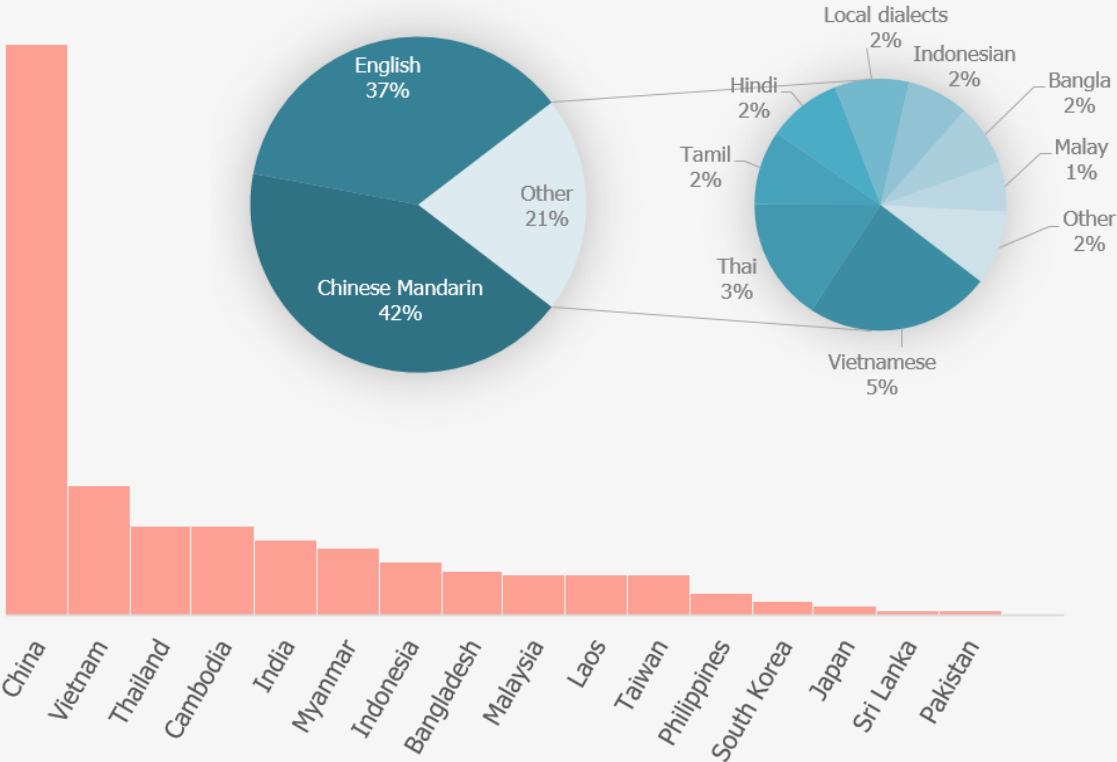
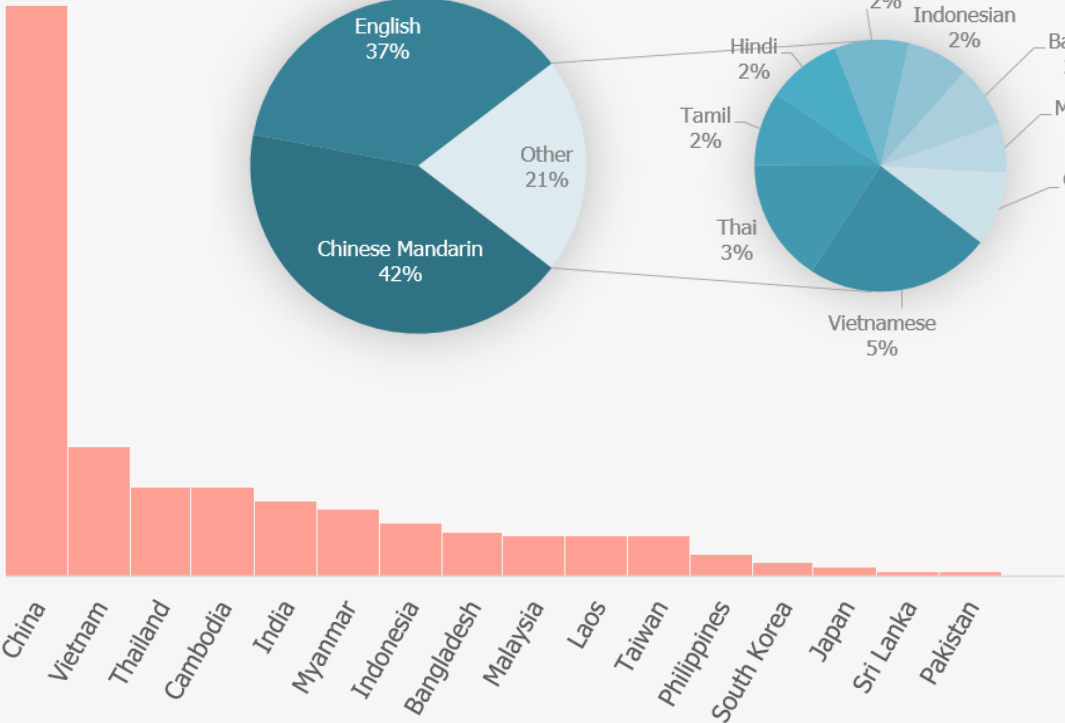


Figure 2. Question "In which country or countries do you conduct audits?" Question type: multiple choice (select many). Response rate: 100%



AUDITORS WHO TOOK PART IN THE SURVEY SPEAK A TOTAL OF 21 LANGUAGES AND CONDUCT SOCIAL AUDITS IN 16 COUNTRIES IN THE ASIA-PACIFIC REGION.

1 in every 3 audits are in China, which explains why 42% of auditors speak Chinese Mandarin. The majority of audits undertaken by respondents are conducted within the Greater Mekong Sub-region. There are a wide variety of languages spoken by auditors.

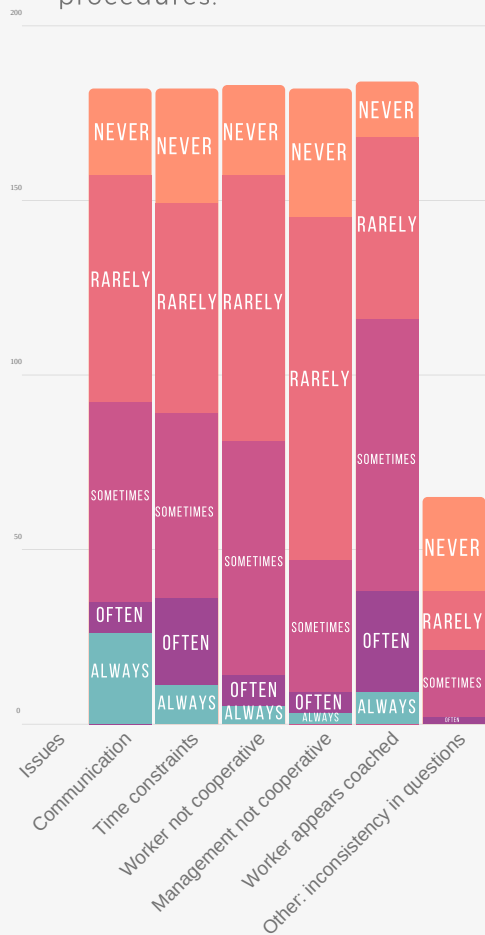
PART II: WORKER INTERVIEWS

ISSUES DURING INTERVIEWS

WHAT ISSUES DO AUDITORS FACE WHEN INTERVIEWING WORKERS?

We aimed to understand how auditors conduct workers' interviews as part of social compliance audits. The questions referred to:

- issues faced by auditors during interviews;
- frequency, duration, inclusivity and privacy of interviews;
- accuracy and consistency of information collection;
- consistency of follow-up procedures.



LANGUAGE BARRIERS

Half of the auditors face communication problems. Language barriers are a critical issue in countries hosting a high number of migrant workers, such as Malaysia and Thailand, particularly knowing that 44% of respondents speak one language, 55% speak two languages and a much lower percentage (5%) speak three or more languages - including English. Auditors working in countries with low overseas migrant workers rate do not encounter such issues.

TIME CONSTRAINTS

If an interview takes an average of 10-15 minutes (figure 5) and an audit 6-7 hours, we wanted to understand whether auditors felt that there was enough time to interview workers in a satisfactory way. Almost half of respondents indicated that they face time constraints.

COOPERATIVE WORKERS AND MANAGEMENT

Auditors are more likely to encounter uncooperative workers (36%) than management (21%). However, auditors found that uncooperative workers and management were the least common issue faced.

COACHED WORKERS

40% of auditors suggested that sometimes workers appear coached in their responses. This was the most recurrent issue raised by auditors.

INCONSISTENCY IN QUESTIONS

We asked auditors what other issues they had faced during interviews and 3% of auditors mentioned the lack of consistent guidance on which questions to ask during interviews.

Figure 3. Question "How often do you encounter these problems when interviewing workers?"
Question type: multiple choice (one per option + "Other" open text). Response rate: 100%



WHAT HAPPENS WHEN AUDITORS FACE PROBLEMS DURING WORKER INTERVIEWS?



Figure 4. Question "What happens when you have these problems when interviewing workers?". Question type: open text (long). Response rate: 77%. 23% of answers were not applicable/not answered.

77% of respondents elaborated on what measures they use to overcome the issues highlighted in figure 3. 28% of respondents said that they would still try to get as much information as possible despite the problem. 33% would focus on encouraging workers, making them more comfortable and reassuring them of interview confidentiality. 34% would select other workers or "move on". Only 4% would solve communication problems by using a translation service.

"IF WORKERS APPEARED TO BE COACHED, [I] MAY TRY TO BUILD UP THE TRUST WITH SOME SOFT SKILLS"

Survey respondent

FREQUENCY & DURATION OF INTERVIEWS

ARE WORKER INTERVIEWS FREQUENT ENOUGH TO GET A DEPICTION OF THE WORKPLACE CONDITIONS?



An overwhelming majority (99%) of auditors always interviews workers, with only 1% interviewing workers occasionally.

When asked how long does an interview with one worker typically take, almost half of the auditors (41%) answered that it takes between 10 and 15 minutes. Only 8% of auditors indicated that they take less than 5 minutes to interview one worker. 68% of auditors takes more than 10 minutes per individual interview, in which 8% take more than 20 minutes.

THE MAJORITY OF AUDITORS (65%) TAKES MORE THAN 10 MINUTES TO INTERVIEW ONE WORKER

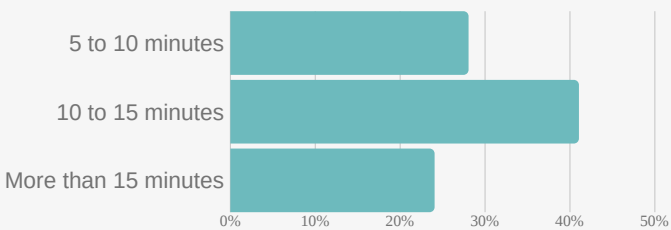


Figure 5. Question "How long does an interview (one worker) typically take (in minutes)?" Question type: open text (short). The answers were coded in time intervals to match auditors' responses. Response rate: 100%

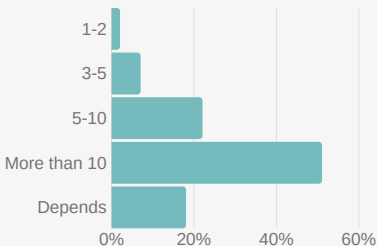
INCLUSIVITY OF SELECTION PROCESS

IS THE SELECTION PROCESS FOR WORKERS' INTERVIEWS INCLUSIVE?

HOW MANY WORKERS DOES AN AUDITOR INTERVIEW PER AUDIT?

Most survey respondents indicated that they interview on average 10 workers per audit. However, this number represents a small portion of the actual workforce, especially considering the size of factories.

Figure 6. Question "How many workers do you usually interview during one audit?" Question type: open text (short). The answers were coded in intervals to match auditors' responses. Response rate: 100%



WHO DO AUDITORS SELECT FOR WORKER INTERVIEWS?

When asked who they select for interviews, auditors mostly indicated factory workers (27%), warehouse staff (25%) and third-party contractors (23%). Other selected answers included office staff (20%), management team (2%), security (2%) and union representatives (1%).

DO AUDITORS CONSIDER THE WORKERS' ABILITY TO SPEAK YOUR LANGUAGE?

71% of auditors indicated selecting workers on the basis of speaking their language. This is particularly true for audits conducted in Mainland China.

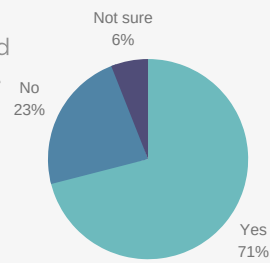


Figure 7. Question "Do you consider the workers' ability to speak your language when selecting them for interview?" Question type: multiple choice (select one). Response rate: 100%

WHICH CRITERIA DO AUDITORS USE TO SELECT WORKERS?

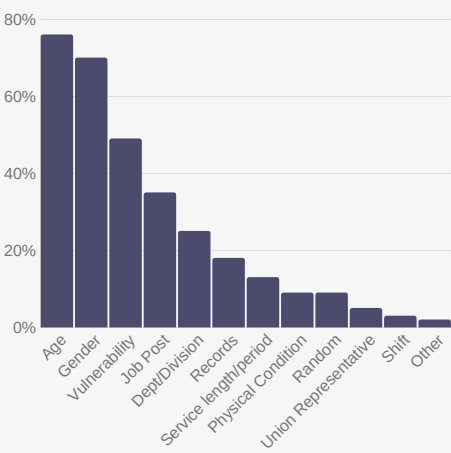


Figure 8. Question "How are the workers selected?" Question type: open text (long). Response rate: 98%

The most frequent criteria indicated to select workers for interviews were age (76%), gender (70%) and vulnerability (49%).

Within the vulnerability criteria, auditors mentioned selecting workers by ethnicity (25%), young looking workers (22%), and pregnant workers (11%). Only 7% of the auditors explicitly mentioned selecting migrant workers.

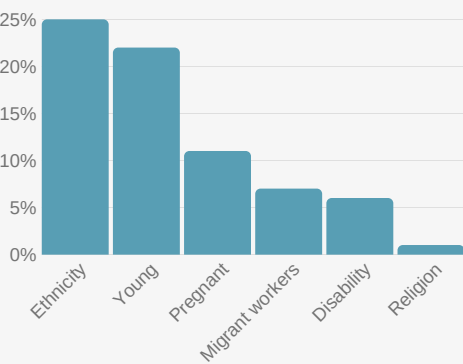


Figure 9. Question "How are the workers selected?". Breakdown of the Vulnerability cluster.

Physical appearance, such as injuries, fatigue, unappropriated clothing or distress, was taken into consideration by 9% of respondents. Other criteria included job post (35%), department (25%) and information found in records (18%).



PRIVACY OF WORKER INTERVIEWS

HOW AND WHERE DO WORKER INTERVIEWS TAKE PLACE?

ONLY 12% OF AUDITORS EXCLUSIVELY CONDUCT INDIVIDUAL INTERVIEWS, WHILE 85% INTERVIEW EITHER IN GROUPS OR INDIVIDUALLY.

Considering the time constraints highlighted in earlier work, as well as the aim to be representative in the workers sampled, we asked if auditors interview workers in groups to increase sample size or individually to increase privacy.

Our analysis showed that 93% of the auditors that confirmed interviewing more than 10 workers per audit do so in either group interviews or individually. Auditors mentioned interviewing workers in a private room (99%), at their work station (61%). Dormitories (38%), outside the factory (22%) and during the workers' meal break (22%).

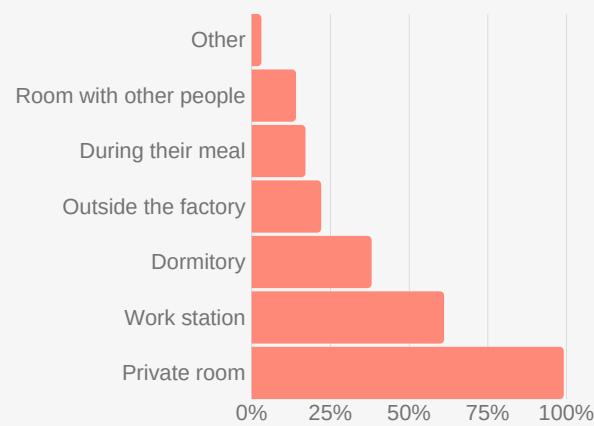


Figure 10. Question "Where do you usually interview them [workers]?" Question type: multiple choice (select many). Response rate: 100%

CONSISTENCY OF INFORMATION COLLECTION

HOW CONSISTENT IS THE INFORMATION COLLECTED BY AUDITORS DURING WORKER INTERVIEWS?

WHAT INFORMATION IS COLLECTED DURING WORKER INTERVIEWS?

Almost every answer to this question (99%) indicated that auditors collect information on working conditions, with 34% of replies also mentioning collecting demographic information such as workers' date of birth, age and length of employment.

Within the 99% replies on working conditions, 92% auditors specified that the information collected focused on workers' conditions such as working hours (71%), wages (67%) and benefits (40%), and 38% mentioned collecting information on workplace conditions such as health and safety (27%), environment and working culture (19%) and facility management (12%). Only 10% indicated they collect information on grievance mechanisms.



Figure 12. Question "What information is collected?". Workplace conditions cluster.

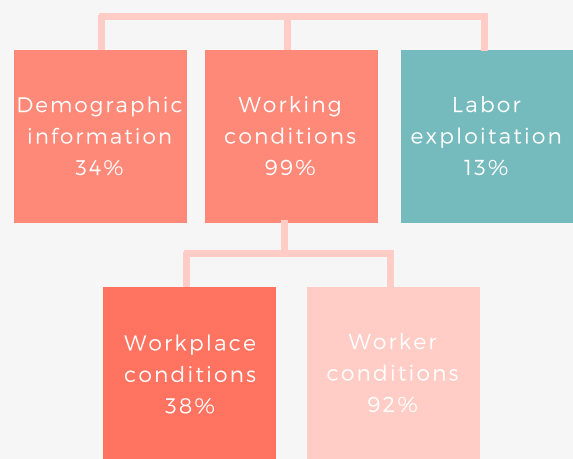


Figure 11. Question "What information is collected?". Question type: open text (long). Response rate: 98%

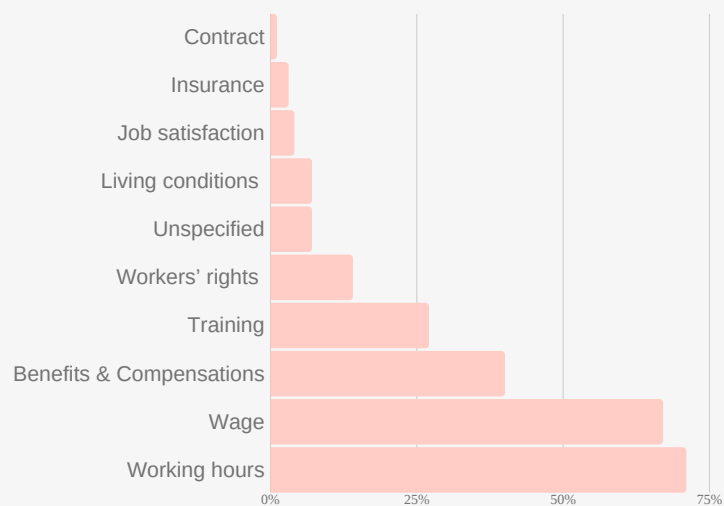


Figure 13. Question "What information is collected?". Worker conditions cluster.



INDICATORS OF LABOR EXPLOITATION*

We were interested to know if the indicators of labor exploitation are used as a reference for auditors during interviews, more specifically whether auditors proactively and consistency search for signs of exploitation, such as deception, threats and violence, withholding of wages and identification documents.

ON AVERAGE, ONLY 13% OF AUDITORS ASK INFORMATION REGARDING LABOR EXPLOITATION.

Although 67% of auditors collect information regarding withholding of wages, the remaining indicators are rarely discussed in worker interviews.

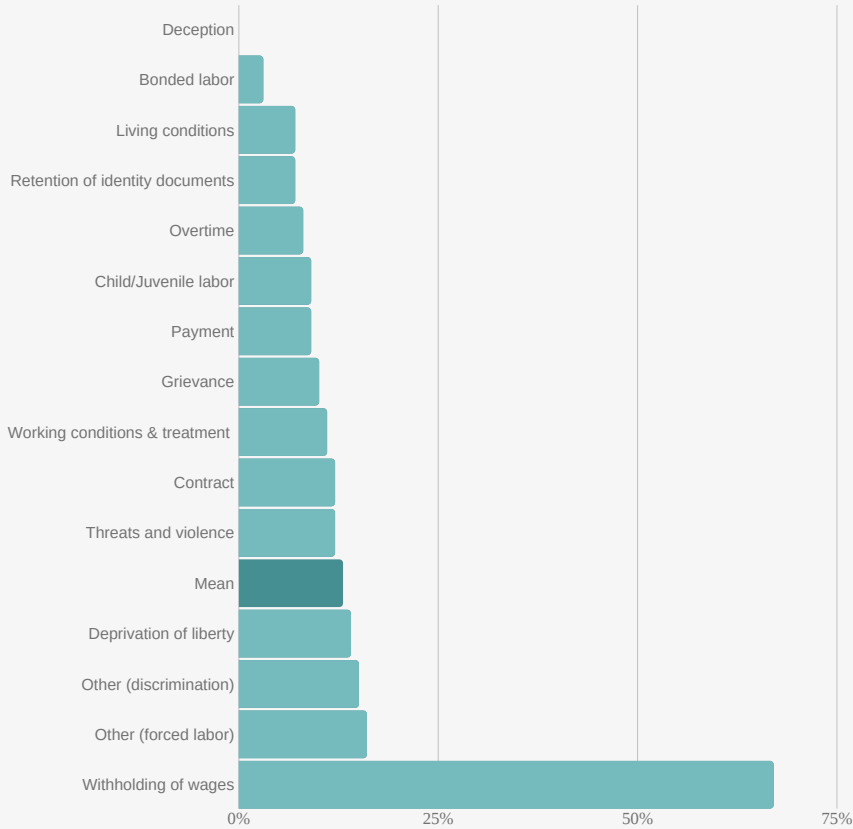


Figure 14. Question "What information is collected?". Indicators of labor exploitation cluster.

*The categories are adapted from the International Labor Organization (ILO) indicators of forced labor. Available at: https://www.ilo.org/wcmsp5/groups/public/@ed_norm/@declaration/documents/publication/wcms_203832.pdf.

CONSISTENCY OF FOLLOW-UP

HOW ARE INDICATIONS OF EXPLOITATION FOLLOWED-UP?

Almost all respondents taking the survey (91%) received training on how to select cases for further investigation while auditing.

HOW DO YOU DECIDE WHETHER A CASE WARRANTS FURTHER INVESTIGATION?

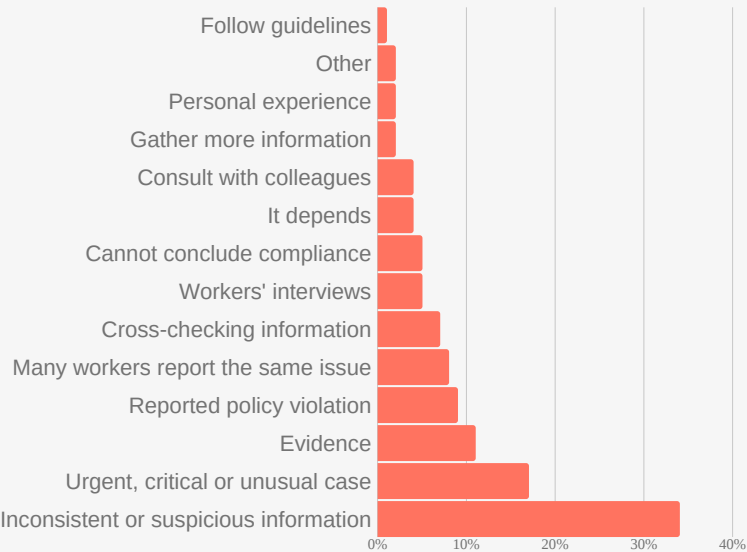


Figure 15. Question "How do you decide whether a case warrants further investigation?". Question type: open text (long). Response rate: 90%.

When asked how they decide whether a case warrants further investigation, auditors said that it is when information received is unclear, inconsistent or suspicious (34%), the case seems unusual or critical (17%) and on the basis of collected evidence (11%). Only 5% describe using worker interviews to inform follow-up and only 8% describe investigating further if many workers complained and reported the same issue.

WHAT HAPPENS IF A WORKER NEEDS ASSISTANCE?

There was high variability in the types of assistance described by auditors. 41% of respondents replied that they would further the investigation when a worker is identified as vulnerable and requires assistance, in which 4% would increase the sample size of workers interviewed. 25% would report the issue to supervisors or managers, 15% would make sure that the person stays protected and the information shared is kept confidential, and 12% would try to find a solution with the person affected. Only 6% stated clearly that they include such information in the audit report.

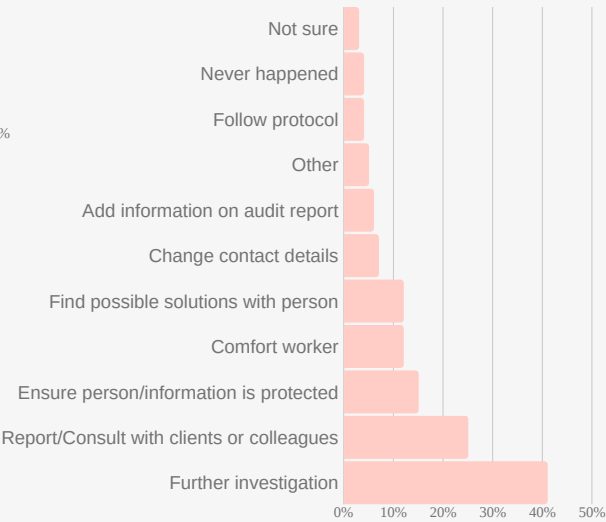


Figure 16. Question "What happens if a person is identified as 'vulnerable' and requires further assistance?". Question type: open text (long). Response rate: 87%

PART III: PERCEPTION OF TECHNOLOGY

HOW DO AUDITORS PERCEIVE THAT TECHNOLOGY CAN BE USED FOR THEIR WORK?

MOST AUDITORS (98%) THINK THAT TECHNOLOGY CAN BE USEFUL FOR THEIR JOBS AS WELL AS TO HELP THEM ASSESS WORKERS' CONDITIONS DURING AUDITS (92%).

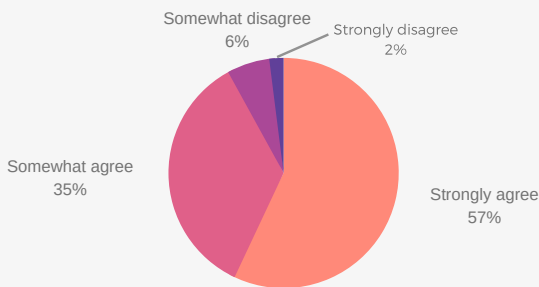


Figure 17. Question "Do you think that technology can be useful to help to assess workers' conditions?". Question type: multiple selection (select one). Response rate: 99%

75% of respondents elaborated on the role of technology in assessing working conditions. Out of the 5% of auditors that gave a negative response, two themes arose:

- technology is not always the best option (4%);
- technology causes problems (1%).

Themes from positive responses include:

- ability to search and check information (30%);
- technology makes evaluation of working conditions more effective, transparent and objective (22%);
- technology is convenient and useful (15%);
- technology is time-saving (11%);
- technology empowers workers (6%).

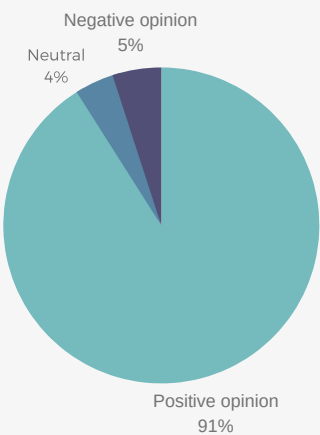


Figure 18. Question "Why do you have this opinion on the role of technology in assessing working conditions?". Question type: open text (long). Response rate: 75%



CONCLUSION



This report has presented the findings from a survey completed by 185 auditors currently working in Asia. It has highlighted the importance that auditors place on speaking with workers to understand working conditions in factories, in order to unmask labor exploitation within supply chains. Given the limited amount of time that auditors have to undertake a comprehensive social compliance audit, this report has drawn attention to the tension that exists between time available to interview workers, and the quality of their responses. If workers are interviewed in groups, more voices can be heard in a fixed amount of time. However, group dynamics and fear of intimidation from peers, may reduce the accuracy of responses that are offered. If workers are interviewed individually, less voices can be heard in that same fixed amount of time. A smaller sample size has the added concern that vocal workers could be identified by factory staff. Compounding this, auditors described fears of workers appearing coached in how to respond to their questions as the most frequent concern that they face.

Auditors also mentioned issues with language barriers, which impacted the sample of workers that auditors could meaningfully communicate with. Only 4% of auditors described the use of translation services to support their interviews, despite the fact that a diversified workforce is a reality that is facing many supply chains.

AUDITORS DESCRIBED THE POTENTIAL BENEFITS OF USING TECHNOLOGY WITHIN THEIR WORK AS ENABLING THEM TO CHECK INFORMATION, TO EVALUATE WORKING CONDITIONS TRANSPARENTLY AND OBJECTIVELY, TO OVERCOME LANGUAGE BARRIERS, AND TO SAVE TIME.

This report has also highlighted the need for technology to enhance worker voice in social compliance audits. A bespoke solution could be developed to support the privacy of workers, enabling multiple workers to be interviewed independently. By providing multi-lingual support, the solution could help auditors overcome the language barriers that they currently face and enable them to consistently collect the same information across site visits. If combined with intelligent support and adequate capacity building, this system could also suggest best practices to follow up on any indications of exploitation that are identified during social compliance audits.

POLICY RECOMMENDATIONS FOR WORKER INTERVIEWS IN SOCIAL COMPLIANCE AUDITS

- Ensure the privacy and confidentiality of worker interviews by not only prioritizing individual interviews over group interviews, but also selecting private onsite places for the interviews to take place.
- Ensure greater inclusivity and representativity of the workforce on the interview selection process.
- Proactively screen for indications of labor exploitation, particularly among workers from vulnerable populations, such as migrant workers, ethnic minorities, women and juvenile workers.
- Improve the consistency of methods for collecting information during worker interviews.
- Provide clear follow-up procedures to auditors and appropriate training in order to adequately deal with cases of vulnerable workers and situations of labor exploitation.

ABOUT US

THIS REPORT IS A JOINT EFFORT BY THE UNITED NATIONS UNIVERSITY INSTITUTE ON THE COMPUTING AND SOCIETY (UNU-CS) AND THE MEKONG CLUB



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The United Nations University Institute on Computing and Society (UNU-CS) is a research institute at the intersections of information and communication technology (ICT) and international development. UNU-CS conducts UN policy-relevant research and generates solutions, addressing key issues expressed in the UN 2030 Agenda for Sustainable Development through high-impact innovations and frontier technologies.

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The Mekong Club is Hong Kong anti-slavery non-profit with a focus on business engagement. The vision of the Mekong Club is to harness the power of the private sector to change business practices in a way that will significantly reduce modern slavery and to act as a catalyst for change, engaging and inspiring corporations to lead in the fight against this global crime. To date, the Mekong Club has delivered several innovative tools and works with companies from several sectors through a business association model.

For any questions, please contact us at apprise@unu.edu or visit <http://apprise.solutions>.

APPENDIX: SURVEY QUESTIONS

Q1: In which country or countries do you conduct audits? Select all that apply.

Q2: Which languages do you speak? Select all that apply.

Q3: Do you interview workers when conducting an audit?

Q4: Who do you interview? Select all that apply

Q5: Where do you usually interview them? Select all that apply

Q6: Do you usually interview workers individually or in groups?

Q7: How many workers do you usually interview during one audit?

Q8: How are the workers selected?
For example, do you consider diversity in age, gender, ethnicity when selecting who to interview.

Q9: Do you consider the workers' ability to speak your language when selecting them for interview?

Q10: How long does an interview (one worker) typically take (in minutes)?

Q11: What information is collected?

Q12: How is the information collected? Select all that apply.

Q13: Where is the information that is collected stored?

Q14: How do you decide whether a case warrants further investigation?

Q15: Did you receive training on how to select cases for further investigation?

Q16: What happens if a person is identified as 'vulnerable' and requires further assistance?

Q17: How often do you encounter these problems when interviewing workers? Please select the frequency of each problem encountered.

Q18: If other, please specify.

Q19: What happens when you have these problems when interviewing workers?

Q20: How long have you had a mobile phone?

Q21: Do you have access to the internet on your mobile phone?

Q22: If yes, how often do you access the internet on your mobile phone?

Q23: Do you ever use your mobile phone while at work?

Q24: Think back about the last 5 audits you made. How often did you have access to the internet on your mobile phone?

Q25: Which problems did you encounter when trying to access the internet on your mobile phone during audits?

Q26: Where do you have access to the internet when undertaking overseas audit trips? Select all that apply

Q27: Do you have permission to use your mobile phone in your workplace in audits? (select one)

Q28: Do you need to have a mobile phone for your work?

Q29: If yes, what do you use your mobile phone for? Please list any activities or purposes for the use of your mobile phone at work.

Q30: Do you think that technology can be useful in your job?

Q31: Do you think that technology could be useful to help in screening?

Q32: Why do you have this opinion about the role of technology in screening?

เราร่วมมือ ป้องกันภัยยาเสพติด

สถานประกอบการนี้ อยู่ภายใต้บังคับกฎหมาย ว่าด้วยการป้องกันและปราบปรามยาเสพติด

A factory in Thailand

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