

Better Work, a unique partnership programme of the International Labour Organization (ILO) and the International Finance Corporation (IFC), brings together government, employers, workers and international buyers to improve labour standards compliance and competitiveness in global supply chains.

Better Work enhances working conditions through rigorous factory assessments, leadingedge advisory and training services, and increased engagement with and cooperation among stakeholders. The results for business are:

- lower costs associated with reduced worker turnover, improved productivity and fewer factory audits,
- greater access to global supply chains,
- enhanced reputation.

Using STAR, Better Work's information management system, enterprises can share reliable compliance information with their buyers. This in turn allows buyers to reduce their own auditing and redirect resources toward fixing problems, and to focus on sustainable solutions. For businesses. fewer and better-quality audits reduce costs and risk in supply chains.

THE RESULTS FROM BETTER FACTORIES CAMBODIA

Better Factories Cambodia (BFC), the flagship ILO project that led to the development of Better Work, has played a major role in establishing Cambodia as a source of ethically produced apparel goods. BFC has been able to measure improvements in:

- Reduction in auditing: Many buyers have eliminated their own social auditing of factories as they have gained confidence in the capacity of the programme to deliver quality information through the assessment and advisory process. Over 2,500 factory assessments have been conducted by BFC since 2001. Since 2006, the number of buyers that have stopped their own social audits grew from 6 to 31.
- Growth of the industry: The global restructuring of apparel production after the end of the Multi-Fiber Arrangement in 2004 resulted in significant losses for many apparel producing countries. The opposite occurred in Cambodia, as BFC helped to create a niche for the country in the global apparel supply chain as an ethical sourcing location. In addition, factories that showed a higher level of compliance were in general more resilient than other factories during the financial crisis of 2008–2009.
- Employment growth: From 100,000 workers in 2000 to over 300,000 in 2009.
- Strong participation of buyers: As of 2010, 37 international buyers participate in the programme.
- Enterprise-level capacity building: Over 9,000 participant training days have been delivered since 2004.





TOWARD MORE EFFECTIVE INDUSTRIAL RELATIONS

Better Work also contributes to the development of structures and processes leading to more effective labour-management relations.

At the sectoral level, Better Work's Project Advisory Committees (PACs) bring ministries of labour and trade together with industry and trade unions to advance social dialogue with the aim of improving working conditions and competitiveness.

At the factory level, non-compliance issues are addressed through the creation of Performance Improvement Consultative Committees (PICCs), which comprise an equal number of management and worker representatives. These committees oversee factory improvement plans and provide a forum for management and workers to share responsibility for developing solutions to issues ranging from productivity to health and safety and human resource management systems.

ADDING VALUE WITH TRAINING

Better Work provides a 4-day Supervisory Skills Training designed to give supervisors a deep understanding of key leadership and supervision concepts, equipping them to play those roles firmly and effectively. The supervisory skills training implemented in Cambodia is proving to be highly effective in changing behaviours and boosting productivity and quality. A survey of 1,800 supervisors, managers and staff showed that the programme improved relations between workers and supervisors and increased productivity. Some of the benefits that were noted include increased morale and motivation, better staff/management and supervisor/manager relations, and enhanced communication and cooperation across departments.

In addition to Supervisory Skills Training, Better Work offers courses on topics such as: Human Resources Induction Training, Negotiation Skills, and Workers' Rights & Responsibilities. These courses, as well as others in the Better Work catalogue, can have substantial impacts on effective management practices, workplace conditions and productivity.

WHAT BUYERS AND EMPLOYERS ARE SAYING ABOUT BETTER WORK

"Compliance with national labour law lies at the heart of labour and social improvement in a globalizing world. Better Work offers on the ground help to employers to comply...Through compliance, employers are able to improve their economic performance and access to global markets."

Brent Wilton Deputy Secretary-General International Organisation of Employers

Michael Kobori

"Better Work represents a significant breakthrough in raising labour standards... We believe it will be invaluable as it strives to improve working conditions for people making our products."

Vice President
Supply Chain Social and Environmental Sustainability



