Report on the ETI Impact Assessment 2006

Part 4: Research methodology

Institute of Development Studies

The ETI code of labour practice: Do workers really benefit?

part 4

Research methodology

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About the Report on the ETI Impact Assessment 2006

The Ethical Trading Initiative (ETI) is an alliance of companies, trade union and non-government organisations committed to improving working conditions in global supply chains. ETI company members require their suppliers to comply with the ETI Base Code, a code of labour practice based on international labour standards. After five years of operation, ETI wanted to assess:

- how its member companies were implementing the ETI Base Code;
- the impact of members' activities on workers in the supply chain;
- how the impact of members' work could be improved.

In 2003 ETI commissioned the Institute of Development Studies at the University of Sussex to conduct this assessment. The study was undertaken between 2003 and 2006 and this document is one of ten reports which, together, give the summary, complete findings, case studies and methodology of the study. The ten reports, published under the series title Report on the ETI Impact Assessment 2006, include the following:

The ETI code of labour practice: do workers really benefit?

Summary

Summary of an independent assessment for the Ethical Trading Initiative
This six-page document summarises the key findings and recommendations. It is available in print as well as online and is translated into Chinese, Spanish, French and Vietnamese.

Part 1

Main findings and recommendations from an independent assessment for the Ethical Trading Initiative
This is the report of the main findings with recommendations and good practice examples.

The detailed fieldwork comprised case studies in six countries and the findings are given in six documents that make up Part 2 of the report. These will interest readers who want more detailed information on labour issues and code impacts in these countries.

Part 2A Findings and recommendations from a case study in India (garments)
Part 2B Findings and recommendations from a case study in Vietnam (garments and footwear)
Part 2C Findings and recommendations from a case study in South Africa (fruit)
Part 2D Findings and recommendations from a case study in Costa Rica (bananas)
Part 2E Findings and recommendations from a case study in the UK (horticulture)
Part 2F Findings and recommendations from a scoping study in China

Part 3

How and where ETI member companies are implementing codes
This makes up Part 3 of the report series and describes the first phase study of ETI members' activities.

Part 4

Research methodology
This is for readers who want more detail on the research approach.

Each of the reports can be freely downloaded from www.ethicaltrade.org/d/impactreport and www.ids.ac.uk/

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Foreword

Over the last decade, an increasing number of companies have recognised that they have a responsibility for the rights and conditions of workers who produce the goods that they sell - even if those workers are employed by a factory or farm on the other side of the globe. Companies have typically responded by adopting voluntary codes of practice which stipulate minimum labour standards that they expect their suppliers to comply with. Many have invested considerable resources in monitoring compliance with their codes, and working with suppliers to improve conditions over time.

The Ethical Trading Initiative (ETI) is an alliance of companies, trade union and non-government organisations (NGOs) committed to improving working conditions in global supply chains. When they join ETI, companies commit to implementing the ETI Base Code – a code of practice based on international labour standards – in all or part of their supply chain. But how exactly have member companies put this commitment into practice? Has their work on implementing the Code actually made any difference to workers in their supply chains? How can the impact on workers be improved? In 2003 ETI commissioned us to undertake a study to answer these and other related questions.

About this document and who it is for

This document provides an overview of the methodology that was used for this study. It gives further information on the aims of the Impact Assessment, the analytical approach used, and how the case studies were carried out. It includes reflections on different aspects of the study. The main aim of this document is to share information on how this piece of work was carried out with others who have a more detailed interest in the study. It also provides an important tool for others who intend to carry out a similar study or impact assessment.

About the ETI Impact Assessment and IDS

The ETI Impact Assessment was initiated in 2003 - five years after ETI was established - to answer the questions outlined above. Based on assessing the ethical trade programmes of nearly 30 sourcing companies (retailers, brands and suppliers), and including in-depth case studies in five countries and three sectors, this has been the most comprehensive assessment of the impact of codes of labour practice to date.

The Institute of Development Studies (IDS) at Sussex is well-respected for its research and consultancy on international development. The research team has extensive experience and expertise in ethical trade, employment in export production and labour standards. For the case studies IDS worked in partnership with local researchers who spoke the relevant languages and had experience of labour issues in the industry in question.

The research findings are based on qualitative and quantitative information collected from all key stakeholder groups, including brands, retailers, agents and suppliers, factory and farm managers, trade union organisations at international and national levels, NGOs, and all types of workers (women as well as men, migrant and contract workers as well as permanent workers, and trade union worksite representatives).

About the ETI Impact Assessment reports

The findings and recommendations from the ETI Impact Assessment are written up in ten separate documents, all of which can be freely downloaded from www.ethicaltrade.org/d/impactreport/ and www.ids.ac.uk. The ten documents, each aimed at different audiences, are listed on the inside front cover of this report.

By offering these different ways of accessing the findings of our study we hope we are throwing a helpful searchlight on current ethical trade practice that will enable everyone involved to enhance their understanding and develop their practice in this challenging but worthwhile field.

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1 Background

1.1 About this document

This document provides an overview of the methodology that was used to guide the ETI Impact Assessment. It gives further information on the aims and objectives of the Impact Assessment, the analytical approach used, and how the case studies were carried out. It includes reflections on different aspects of the study. Our aim is to share information on how this piece of work was carried out with others and to provide an important tool for researchers who intend to carry out a similar study or impact assessment.

This chapter provides an overview of the ETI impact assessment. Chapter 2 examines the approach to impact assessment we used. Chapter 3 expands on how the impact assessment was carried out, while Chapter 4 provides an overview of the main fieldwork activities carried out in the case studies. Chapter 5 provides an overview of the main post-fieldwork activities. Chapter 6 wraps up the report with some reflections on the research methodology.

This document draws on two other documents, ETI's Terms of Reference for the impact assessment and Part 3 of the overall report (Part 3: How and where ETI member companies are implementing codes)[1], which should also be read for more detailed background information. At the risk of overlap and repetition, this report is written as a self-contained document.

1.2 Aims and objectives of the study

The primary aim of the ETI Impact Assessment, set out in the Terms of Reference, was:

- to assess positive and negative impacts of implementation of the ETI Base Code on the working conditions and lives of workers within the supply chains of member companies, and to identify how impacts can be improved.

The primary aim relates to the commitment made by companies upon becoming members of ETI, to adopt the ETI Base Code and to ensure that the labour standards contained in the ETI Base Code are implemented in stipulated parts of their supply chains.

The secondary aim was:

- to assess the impacts of implementation of the ETI Base Code on other individuals or groups, e.g. small producers, workers' families and local communities, and identify how the wider social and poverty impacts of code implementation can be improved.

The secondary aim relates to the interests of ETI as a tripartite organisation in understanding the broader social impacts of code implementation, and goes beyond the membership commitments made by companies when they join ETI. To address this secondary aim, impacts on workers and others were to be assessed in terms of poverty, empowerment and rights (including gender rights).

Within the broad framework of these aims, there were four specific objectives:

1. **Measuring impact** of implementation of the ETI Base Code on the lives of workers, their families and communities, and wider society.
2. **Improving impact** - identifying how the impact of implementation of the ETI Base Code could be improved
3. **Developing tools** for the ongoing monitoring and assessment of impact.
4. **Sharing learning** with those involved in implementing codes of labour practice.

These aims and objectives made clear that the focus of the study was solely on impact of implementation of the ETI Base Code, not assessing the role of the ETI working groups, or the impact of other codes.

1.3 Impact Assessment process

Before we began the Impact Assessment, ETI took one year to set the study up. A member of the ETI

1 Both of these documents can be freely downloaded from www.ethicaltrade.org/d/impactreport

Secretariat (Man-Kwun Chan, Head of Communications and Research) was designated to steer the study. An Impact Assessment Steering Group (IASG) was set up to oversee and guide the Impact Assessment. This Group was composed of company, NGO and trade union members of ETI. The IASG drafted terms of reference, consulted all parties within ETI, undertook an external consultation, and reached agreement on a clear set of aims and objectives.

ETI published the agreed Terms of Reference and put out a request for research organisations to tender to carry out the Impact Assessment. IDS was selected to conduct the study based on its expertise in this area.

The research team received helpful guidance throughout the study from Man-Kwun Chan and the IASG. Their support, for which we were grateful, was restricted to overall guidance and discussion of methodology and practical issues. The IDS research team retained their independence in terms of final decisions at all stages of the process. The IDS Team alone was responsible for the analysis of findings, drawing up of conclusions and recommendations to ETI. The views presented in this report are those of the IDS Team alone. They do not represent the views of ETI or any of its constituent members.

1.4 Timetable

The initial plan was to complete the Impact Assessment over a period of two years. However delays in the start of the final case study extended this to three years (see below). The key stages in the process included:

Phase 1

August to December 2003, with ETI members in the UK - analysis of how ETI company members were implementing their codes of labour practice;

Phase 2

January 2004 to April 2005, case studies in five sourcing countries. Interim presentation on findings to ETI (excluding UK case study) May 2005.

Phase 3

May 2005 to June 2006, in the UK. Comparative analysis of case studies, synthesis of findings, writing of report and delivery of draft report to ETI.

2 The approach to the Impact Assessment

2.1 ETI Base Code

When they join ETI, companies commit to implementing the ETI Base Code as a minimum within their own company code. The ETI Base Code is thus meant to be common to all ETI member company codes, but in reality it takes the form of separate company codes, which also have differences of wording. The company codes are then transmitted through the value chains of ETI member companies (and many suppliers may be unaware of the common role of the ETI Base Code itself). In this document, we refer to all ETI member company codes using the generic term 'ETI Base Code'. The key principles of the ETI Base Code are summarised in Box 1. Further information can be obtained on the ETI website: www.ethicaltrade.org.

Box 1: Principles of the ETI Base Code

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is practiced
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed

These provisions are based on internationally-agreed labour standards set by the International Labour Organisation (ILO), and on other relevant international standards. Employers are also expected to comply with national and other applicable law.

2.2 Definitions of impact assessment

The approach to impact assessment developed in this study drew on Roche (1999)[2]. He defined it as:

"…the systematic analysis of the lasting or significant changes - positive or negative, intended or unintended - in people's lives brought about by a given action or series of actions". This compares a situation with an intervention (ie, a policy or action) to that which would have occurred without the intervention.

There are two methodological approaches which inform impact assessment:

Proving impact

Collecting and identifying evidence on outcomes, for example to facilitate the upward accountability of a project to a donor (or downward accountability to beneficiaries). This puts emphasis on objective and accurate measurement of the impacts of a policy intervention. It often involves a top-down approach carried out over a long time frame. It commonly involves a longitudinal study involving a baseline survey, with an intervention and a control group, and a repeat survey at a later stage. The aim is to measure the differential impact resulting from the intervention between the two periods.

Improving impact

This involves understanding the process relating to an intervention with the aim of identifying likely improvement (even as the impact assessment itself is being undertaken). It does not involve a control group or longitudinal two-stage assessment. It relies on recall, and evaluation based on triangulation of a wide range of data and information sources to assess impact. It accepts a degree of subjectivity, takes a more bottom-up approach, and can be carried out over a shorter time period. An important aim is to acquire learning that facilitates improvement.

In designing the Impact Assessment it was important to determine which of the two main approaches to adopt. In this study our focus was on an ***improving*** approach to impact of the ETI Base Code on workers - which we prefer to term a ***learning approach***. This approach fits closely with ETI's goals as a learning organisation. We did not have the resources or time to undertake a two-stage study. Nor could we undertake

2 Roche, C. (1999) *Impact Assessment for Development Agencies, Learning to Value Change*. Oxfam, Oxford.

a representative sample of the whole ETI company supply base given the number of countries and suppliers involved. A learning approach allowed us to assess impact, weigh up the role of the ETI Base Code in relation to other influences on change for workers, and explore learning in terms of positive and negative effects and challenges.

An important issue in impact assessment is attribution. To what extent had change taken place as a result of implementation of the ETI Base Code, or was it the result of other factors? This is a greater challenge in a proving approach, which relies on isolating the effect of a particular invention in order to measure impact. A learning approach puts less emphasis on attribution, accepting a degree of complexity in causal processes, and a degree of subjectivity in assessing outcomes. It puts more focus on improving the impact in the context of co-existing influences. Situating the ETI Base Code in relation to these other factors was thus important as a means of assessing how it could better contribute to the improvement of employment conditions, and enhance learning for ETI and its constituent members[3].

2.3 Value Chain to Impact Mapping

The main focus of the study was the impact on workers of the ETI Base Code implemented by ETI member companies along their value chains. We used 'Value Chain to Impact Mapping' as the analytical framework to guide the Impact Assessment. A global value chain approach provides a way of analysing linkages between global brands and retailers to workers in their supply base. A value chain "describes the full range of activities that are required to bring a product from its conception, through its design, its sourced raw materials and intermediate inputs, its marketing, its distribution and its support to the final consumer" [4]. A value chain approach allowed us to trace the linkages, and assess impact[5].

The way in which a company code of labour practice is mediated through a value chain can be affected by a number of factors. These include: the type of management approach used to implement the code; the sector and country context; the relationship between an ETI company and its suppliers; the type of labour at the production end of the chain; and the relationship with various actors and institutions linked to the value chain (e.g. trade unions and NGOs).

Value Chain to Impact Mapping, as a methodology guiding the Impact Assessment, took place at five different levels which are outlined in Box 2.

Box 2: The five levels of a Value Chain to Impact Mapping (VC-IM)

LEVEL 1: Mapping ETI members

Mapped ETI and its member organisations in relation to implementation of the ETI Base Code. Included assessing the perspectives of different members, points of agreement and difference between (and within) groups, and how groups influenced each other.

LEVEL 2: Mapping ETI member company management approaches

Involved developing a framework for mapping the procedures and operations through which member companies operationalise the Base Code within their own organisations and transmit it to suppliers.

Box 2 continued on next page

3 Barrientos, S. (2005) *Impact Assessment and Labour: Developing a Learning Approach*, Journal of International Development, Volume 17, pp. 259-270

4 Kaplinsky, R. (2000) *Spreading the Gains from Globalisation: what can be learned from value chain analysis?* IDS Working Paper (110). p. 13

5 Nadvi, K. and Barrientos, S. (2003) *Industrial clusters and poverty alleviation: mapping links and developing a methodology for poverty and social impact assessment of industrial cluster initiatives.* UNIDO, Vienna

Box 2: The five levels of a Value Chain to Impact Mapping (VC-IM) continued

LEVEL 3: Mapping mediation of the Base Code by suppliers

Assessed the response of different suppliers to ETI company management approaches, in terms of operationalisation of the code in relation to workers. Also included assessing the role of related local organisations such as government, trade associations, trade unions and NGOs in this process.

LEVEL 4: Assessing impact on labour practices and working conditions

The immediate point of impact was the effect of the Base Code on labour practices and working conditions. This included impacts related to specific provisions of the Base Code and impacts at a broader level, such as compliance with national law and formalisation of employment relations. Also involved assessment of the effects of different management approaches on impacts on workers. Worker participation was essential for assessing whether impacts had been positive or negative, and how improvements could be made, making sure all categories of workers were included. Also important was cross-checking information through interviews with trade union representatives (both at workplace and local or national levels) and other relevant bodies.

LEVEL 5: Assessing poverty impacts

The final level of the impact assessment related to the implications of the Base Code for the poverty and well-being of workers and their households. This started to be picked up in worker interviews, but needed to be followed up by in-depth interviews with individual workers and other members of their households. These were supplemented by interviews with local government officials, NGOs, trade unions, community associations and related organisations to assess the wider social impacts.

The first phase of the ETI impact assessment focused on the first two levels above. The findings of the first phase are presented in Part 3 of the overall report (Part 3: How and where ETI member companies are implementing codes). The second phase focused on Levels 3 to 5. The main findings from the second phase are contained in Part 1: Main findings and recommendations, while the more detailed findings from each of the Phase 2 case studies are presented in Part 2 of the overall report.

2.4 Management approaches to ETI Base Code - Levels 1 and 2

A key area of the research, which guided analysis at all levels of the value chain, was the management approaches adopted for code implementation, both by different ETI member companies, as well as by their suppliers further down the value chain. During Phase 1 we developed a 'Management Approaches Framework' to analyse the different approaches taken by member companies in implementing the Base Code. The framework categorised company approaches based on:

- **what** their code included (content and scope);
- **who** was responsible for managing ethical trade issues within the company;
- **when** and **where** they planned to roll out the code (how code activities were prioritised), and;
- **how** they implemented the code (the range of code implementation activities).

Code implementation activities were the main aspect for analysis at each stage of the value chain. These activities can be grouped into four categories, as shown in Figure 2.1.

During Phase 1 we mapped out the management approaches ETI company members adopted in relation to their suppliers, as described in detail in Part 3 of the overall report. During Phase 2 we examined how these were received by their suppliers, as well as exploring the management approaches suppliers themselves used in relation to their own

workers and in relation to lower tiers of the value chain. We then analysed the linkages between different types of management approach (and different code implementation activities) and impacts for workers and their households.

Figure 2.1
Code implementation activities

Communication and learning

- Internal communication with all parts of company
- Communication with suppliers and workers
- Communication/learning activities with external actors and institutions
- Knowledge management (e.g. database development and maintenance)

Capacity building

- Development of guidelines for assessors and suppliers
- Internal training programmes
- External training programmes with suppliers and workers
- Projects in partnership with local actors and institutions

Monitoring compliance

- First and third party assessments
- Worker interviews
- Decision-making on corrective actions
- Verification of assessments
- Follow-up work to check for corrective actions

Integration with core business

- Consideration of ethical sourcing in purchasing and pricing decisions
- Code compliance as a contractual obligation
- Delisting for refusal to work towards compliance
- Prior assessment of new suppliers

2.5 Mapping mediation of the Base Code by suppliers - Level 3

Examining how the Base Code was mediated between ETI member companies and workers in the value chains was an important aspect of the study. A number of factors affect how the Base Code is mediated, which were examined in selected case studies. These included:

- legal and social context of country
- commercial context of sector
- stakeholders working in sector (particularly trade unions and NGOs)
- type of value chain and linkages between suppliers and ETI companies
- codes being used by other agents in the chain (e.g. importers, exporters, etc)
- management approaches used by ETI members and their agents for code implementation

We were particularly interested in the following questions:

- relationship between the ETI Base Code and national law;
- deviations from the ETI Base Code in ETI company and agent codes;
- the effect of value chain linkages on mediation of the ETI Base Code;

- how the Base Code was applied in terms of management approach of agents/suppliers (as above).
- the role of trade unions, NGOs or any other groups in implementing and monitoring the Base Code;
- what monitoring and verification activities were in place;
- the perspectives of all actors (suppliers, agents, trade unions and NGOs) on the impact of the Base Code on workers.

We were also interested in how far down the value chain the Base Code applied - was it just first tier suppliers, was there any mechanism for transmitting it to lower tier suppliers, and how was this done?

2.6 Assessing impacts on labour practices and working conditions - Level 4

The ETI Base Code is made up of nine principles (see Box 1 on page 8), which formed a common framework against which we were assessing impact on workers. A key objective of the study was to assess whether application of the Base Code had led to positive or negative effects from the perspective of workers themselves. This was assessed through a combination of research methods. The study drew on participatory methods to ensure workers perspectives were captured. It was also essential that we assessed the extent to which the Base Code had improved conditions for different types of workers. Therefore particular attention was paid to interviewing and capturing the views of all categories of workers, especially categories such as casuals, migrants, contract workers and homeworkers, and all groups of workers including women and ethnic minorities.

2.7 Assessing poverty impacts - Level 5

In order to assess impact on poverty, we needed to:

(a) choose a definition of poverty which was clear and simple, but related to workers' rights and empowerment;

(b) find a way of linking the Base Code principles to such a definition of poverty.

We used a multi-dimensional view of poverty relevant to workers' lives, based on a synthesis of three components of poverty and well-being:

A income and security;

B physical and social well-being;

C empowerment.

This approach drew on the work of Professor Amartya Sen. His analysis of people's 'capabilities' and 'functionings' has been influential in promoting a multi-dimensional view of poverty. This extends beyond a narrow focus on income alone, and views well-being as a broader state in which a person is healthy, confident and socially engaged. For example, while income is of utmost importance, earning a good income may be of little use to a worker being poisoned by toxic chemicals. Equally, the ability to move out of poverty is partly conditioned by the level of empowerment – the extent to which workers and members of their households have the capability and social networks to affect their situation.

This multi-dimensional approach to poverty has linkages to the ETI Base Code. Figure 2.2 groups the different provisions of the Base Code in relation to each dimension of poverty/well-being, although there is not necessarily a one-to-one linkage and each Code provision can impact on more than one of the three dimensions. There may also be linkages between different elements of the Base Code (e.g. living wages and working hours)[6].

6 The Base Code also includes reference to national law, stipulating that compliance should be with whichever standard is higher, and this was taken into consideration during the case studies.

Figure 2.2
Linking the ETI Base Code and poverty

Dimensions of poverty/well-being	Relevant provisions of the ETI Base Code
A Income and employment security	**1** Employment is freely chosen
	5 Living wages are paid
	6 Working hours are not excessive
	8 Regular employment is provided
B Physical and social well-being	**3** Working conditions are safe and hygienic
	4 Child labour shall not be used
	9 No harsh or inhumane treatment
C Empowerment	**2** Freedom of association and right to collective bargaining
	7 No discrimination

2.8 Confidentiality of information

An important aspect of the research approach was the principle of confidentiality of information. From the outset, it was recognised that the success of the study would depend on trust being generated between the researchers, workers and managers within member companies and their supplying companies. It was recognised that many potential informants would not be willing to release information unless they felt confident that the information given would remain confidential. In particular, workers were unlikely to talk freely unless they were confident that information given in research interviews would not get back to their employers. Similarly, suppliers were unlikely to talk freely if they felt that there was a risk that information given in interviews would somehow get back to their buyers.

It was therefore a condition of the research contract with ETI that no information which was attributable to a particular individual or company would be made available beyond the immediate research team and the ETI Secretariat. All individual members of the research team were required to sign a confidentiality agreement to that effect as part of their research contract.

All information made available beyond the research team and the ETI Secretariat - including to ETI members - was therefore only to be presented in aggregate form, or by use of code names or pseudonyms if a specific company or individual needed to be referred to.

These conditions were made clear to all individuals and companies who were invited to take part in the study.

3 How the Impact Assessment was carried out

3.1 Phase 1 - ETI company members' activities

Phase 1 of the impact assessment focused on Levels 1 and 2 of the Value Chain to Impact Mapping (see Box 2 in section 2.3). It examined the perspectives of ETI members, and the different management approaches to implementation of the Base Code adopted by ETI companies. This part of the study was based on interviews with representatives of ETI's three caucuses (companies, trade unions and NGOs), analysis of company members' annual reports to the ETI Board and an email survey of ETI company members. This phase enabled us to develop activity profiles for ETI member companies, assess the scale and scope of code implementation and management approaches to it. Full details of the Phase 1 methodology and findings are given in Part 3: How and where ETI member companies are implementing codes.

3.2 Case study selection for Phase 2

Phase 2 concentrated on Levels 3 to 5 of the Value Chain to Impact Mapping. Here the focus was at the supplier level, assessing the positive and negative impacts of the Base Code on the well-being of workers and their households.

During Phase 1 we calculated that ETI companies sourced from over 20,000 suppliers spread across more than 100 countries. Given the large number of suppliers, it was obviously not possible to conduct an in-depth assessment of impacts at all these supplier sites. Moreover, the geographical spread of suppliers and the number of other variables that could affect impact meant that it was also not feasible to study a representative sample of this supply base. Instead, the method adopted was to carefully select case studies through which we could compare the impact of different management approaches to code implementation in a variety of selected value chain, sector and country contexts. As case studies, these presented comparative snapshots of impact in selected value chains and sectors. However, they do not present a representative sample of the sector or country, or of all ETI company value chains or ETI companies.

Three sets of criteria were established for the selection of the contrasting case study countries, sectors and sourcing companies:

A Country criteria

We chose countries where there was significant sourcing and code monitoring by a range of companies, and where sourcing and monitoring were predicted to continue; and we selected a cross-section of countries with contrasting legislative and social contexts[7].

B Sector criteria

The case studies covered a balance of food and general merchandise sectors, and different types of value chain.

C Sourcing company criteria

We conducted case studies in the value chains of a cross-section of member companies with contrasting management approaches. Member companies were only included if they had been a member of ETI, and/or implementing the ETI Base Code criteria, for a significant length of time.

The selection of the case study countries and sectors was made in consultation with the Impact Assessment Steering Group and other ETI members and Secretariat staff. This involved drawing up a matrix based on the criteria summarised above. Detailed discussion took place on various choices to see which best met the study objectives at the same time as being practicable.

Originally four **country** studies were planned. As the research progressed, it was felt that greater learning would be acquired by substituting the final country study with two **company** studies. The latter were selected on the basis of the Phase 1 analysis of management approaches, selecting companies that had interesting approaches to code implementation which might inform learning on good practice.

7 We also took into consideration whether there were past or current ETI projects or other similar code/impact assessment projects in the country which could contaminate our findings.

Final agreement was reached on the following countries and sectors, for the reasons given:

Country study 1 - South Africa fruit

One of two main sourcing countries in Africa, (the other being Kenya which was rejected on the basis of being over-researched); baseline data available from previous research; could assess cross-sectoral effects from WIETA[8].

Country study 2 - India garments

Important sourcing country for several companies and would continue to be; complex value chains including homeworkers.

Country study 3 - Vietnam garments and footwear

Important sourcing country for several companies and would continue to be post-Multi-Fibre Arrangement (MFA); political context contrasted with other case studies; baseline data from previous research.

Company study 1 - Costa Rica bananas

Important supplier member of ETI with a pro-active management approach and strategy on its code of labour practice.

Company study 2 - UK horticulture

Major sourcing country with high level of monitoring activity; important to acknowledge relevance of ETI Base Code in 'developed' as well as 'developing' countries; an ETI company with a proactive management approach to its first tier suppliers.

Scoping study - China garments

Major sourcing country, but full case study not undertaken on grounds of complexity of working there due to political constraints and absence of free trade unions. Instead decided to undertake a preliminary scoping based on interviews with key organisations and individuals, in order to evaluate feasibility of undertaking full impact assessment in China at a later stage[9].

3.3 Research team

In each country IDS worked with local research collaborators. They were selected on the basis of their research experience and impartiality; knowledge of the sector; ability to engage with suppliers and workers; and understanding of ethical trade. The full research team involved in the ETI Impact Assessment was composed of:

IDS, Sussex

Dr Stephanie Ware Barrientos, Research Fellow and Coordinator

Sally Smith, Research Officer

Professor Naila Kabeer, Research Fellow

Dr Khalid Nadvi, Research Fellow

Lindsey Napier, Research Assistant (part-time)

Sarah Best, Research Assistant, (part-time)

South Africa

Professor Andrienetta Kritzinger, University of Stellenbosch

Hester Rossouw, University of Stellenbosch

India

Dr Atul Sood, Jawaharlal Nehru University, New Delhi

Dr Kanchan Mathur, Institute of Development Studies, Jaipur

Savi Mull (Research Assistant)

Vietnam

Dr Nguyen Thang, Vietnam Institute of Economics, Hanoi

Tran Thi Van Anh, Centre for Gender and Family Studies, Hanoi

Costa Rica

Augusto Aceytuno, Commission for the Verification of Codes of Conduct (COVERCO), Guatemala

8 WIETA (Wine Industry and Agriculture Ethical Trading Association) is a South African multi-stakeholder initiative that developed out of the ETI pilot programme in the wine industry of the Western Cape.

9 This will involve drawing up an application for further funding to do so.

China scoping study

Professor Jude Howell, London School of Economics

Advisors

Diana Auret, DMA Consultants, South Africa

Dave Spooner, International Federation of Workers' Education Associations, UK

3.4 Outputs from country and company case studies

Each case study research team:

- undertook research in the selected sector in line with these research guidelines;
- produced a provisional report of the findings;
- held a stakeholder workshop in the country to further assess sectoral impact of the ETI Base Code (these were only held for the country studies, not the company studies)
- produced a final report of the findings for the IDS research team (a summary of each case study is contained in Part 2 of the full report).

3.5 Key research questions

As mentioned, the research methodology employed was a 'Value Chain to Impact Mapping'. Within each case study, we compared different types of value chain within which the Base Code was being transmitted, and different management approaches used by companies (buyers and suppliers) for code implementation. This provided the basis for comparison within each case study of the different impacts on workers, what works better where, and how to improve impact.

While this provided the broad framework, the case studies also needed to be guided by a more specific set of research questions that would be common across all the case studies. This was felt to be particularly useful/important because (a) the nature of the research was quite open-ended and exploratory, and so open to being steered onto interesting side-tracks; and (b) the research approach and methodology would need to be adapted to suit different sector and country contexts. Having a core check list of key research questions helped to ensure that the research ends were common, even if the means varied to some extent between case studies. These questions are summarized in Box 4.

Box 4
Key research questions

Management approaches

1. How is the ETI Base Code being implemented[10] ? How is it being mediated at each level of the supply chain, from ETI member company to worker? Consider activities in each of the following categories: (a) communication and learning, (b) monitoring and verification, (c) capacity building, and (d) integration with core business.
2. What are the similarities and differences in management approaches between different types of value chain?
3. If a supplier is supplying more than one ETI member company, how does the supplier perceive the differences in the way that ETI companies are 'implementing' the ETI Base Code?

10 When referring to 'code implementation' or 'implementation of the ETI Base Code', we are referring to the range of activities occurring at all levels in the supply chain that fall within the four categories of activities in the Management Approaches Framework (see Section 2.4 above, and the Phase 1 report).

Measuring impact

1. What changes have been made to working practices since the Base Code was introduced to the site? (a) in relation to each of nine Base Code principles; (b) in relation to national law; and (c) other employment-related changes, e.g. accommodation.
2. Have there been other changes which are likely to influence the longer term effectiveness and impact of codes? Consider changes in: (a) supplier/employer attitudes to workers/labour conditions; (b) worker awareness of labour rights; (c) worker-management communication and collective bargaining with trade unions; (d) awareness and interest of relevant local NGOs, government bodies and trade associations to address labour problems.
3. Why have these changes occurred? To what extent are they due to implementation of the ETI Base Code? What are the other key factors that are influencing change?
4. What impact have these changes had on the overall well-being of workers?
5. What impact have these changes had on workers' families and local communities?
6. *Within* each workplace, what are the similarities and differences in the way that different types of worker have been affected by changes in working practices that have occurred? What has led to these differences?
7. What are the differences between workplaces, in terms of the type and extent of changes in working practices that have taken place? To what extent can these differences be explained by different type of value chain and the different management approaches of ETI companies?
8. 8. Has code implementation had any broader impacts? Consider: (a) what impact has code implementation had on smallholders and/or homeworkers? (b) has code implementation had any impact on the number and types of jobs available? (c) has the emergence of codes had any effect on the number and type of suppliers supplying ETI member companies?

Improving impact

1. How can the impact of codes on the well-being of workers and their households and communities be improved? What can each of the following actors do to improve impact: workers, supervisors, workplace managers, exporters, agents, local trade union organisations, local NGOs, importers, ETI members, and ETI?

4 Fieldwork activities

This chapter describes in more detail the fieldwork activities carried out in the five case studies (not including the China scoping study - see Part 2F of the overall report for information on how the China study was conducted). Despite the slightly different focus of the company studies as compared to the country studies, the research methods and tools used for the two types of study were broadly the same.

Nevertheless, there were several significant ways in which the company studies differed from the country studies:

- The company studies only looked at one ETI member company, and therefore only one type of value chain and one retailer/brand code management approach
- Research was conducted at fewer supplier sites - 2-3 sites as opposed to the 6 sites in the country studies
- Formal pre-field workshops and training were not held
- Post-fieldwork stakeholder workshops were also not held.

Further explanation of how the company studies differed from the country studies is given in the relevant sections below.

4.1 Key steps: an overview

A combination of research methods were used at different points of the study. These combined qualitative, quantitative and participatory tools in the following broad stages. The local research teams made the final decision on what combination of tools to use, and how they used each one.

A **Mapping the value chains** linking selected ETI members with suppliers in the case study countries (including all agents, traders, exporters etc). **Semi-structured interviews** with each level of supplier (in the UK and case study countries) allowed us to map out the linkages between companies, their suppliers and the management approaches at each level.

B **Mapping of local organisations** with links to ethical trade in that country and sector and **preliminary stakeholder analysis**. This included government officials, trade associations, exporters/agents, national trade unions, national NGOs and other relevant bodies.

C **Key informant interviews** with the most knowledgeable members of those organisations. These helped us to understand the legal, economic and social context, and their perspectives on the impact of the ETI Base Code. Key informant interviews were also carried out on the selected sites that formed part of the study, especially with trade union representatives if the site was unionised.

D **Semi-structured interviews** with a purposive sample of **suppliers at the packing and/or production levels**. These helped us to assess changes that had taken place as a result of implementation of the Base Code, and the linkages with sourcing company (and own company) management approaches. They also provided quantitative information on working conditions (e.g. wages, hours and contracts).

E **Short questionnaire** with a purposive sample of **workers**, based on a spread of gender, ethnicity, type of work (e.g. assembly, packing), and category of employment (e.g. permanent, casual, homeworker, etc). This provided quantitative information. The workers then took part in **focus group discussions**, using participatory tools to engage them in assessment of the impact of codes on themselves and their households. They were asked about their knowledge of labour codes, to recall changes that had taken place in their working conditions and if they knew why they occurred, and discuss how these changes could be improved.

F **In-depth interviews** with household members of **selected workers** to explore further how changes identified as resulting from the Base Code impacted at the household and community levels. From this we were better able to assess the impact of the Base Code on the poverty and well-being of workers and their households.

Fieldwork activities

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4.2 Pre-fieldwork workshop and training

A pre-fieldwork workshop was held at the start of each country case study, involving all the local research team plus members of the IDS team and Diana Auret. This included a day in the 'field' (i.e. in a factory, packhouse or farm) to pilot research instruments. The workshop/training lasted five days, and involved:

- Overview of project by IDS research team members.
- Briefing on ETI Base Code clauses in some detail and comparison with national law.
- Stakeholder mapping and preliminary stakeholder analysis.
- Mapping of possible influences on changes, including timeline (e.g. change in legislation, political events, other codes etc).
- Preliminary value chain mapping, based on information from the UK, linking up to sector value chain.
- Development of semi-structured interview (SSI) and focus group discussion (FGD) schedules, including selection of appropriate indicators.
- Selection of and training on participatory methods appropriate for the fieldwork.
- Piloting of research instruments and adjustment according to findings.
- Discussion of processing, analysis and report outline.
- Agreement of planning schedule and deliverables.

We did not hold formal pre-field workshops for the company case studies, since in both cases the field work was led by a core member of the IDS research team (Sally Smith).

4.3 Key informant interviews

The local research teams conducted key informant interviews, some jointly with IDS, with representatives of all relevant organisations in each of the following groups:

- trade associations and industry bodies
- trade unions
- NGOs and community organisations
- government (relevant departments/ministries)
- researchers or other professionals with knowledge of the issues.

These key informant interviews took place at a sectoral level, but also on sites selected for in-depth research (especially of trade union representatives, if unionised, and supervisors) and at a local community level where appropriate.

4.4 Mapping and selecting comparative value chains

In each country case study we traced impacts along two or three retailer/brand companies' chains, contrasting different management approaches and different types of value chain.

Mapping different management approaches

From the Phase 1 research we had a profile of the management approach that each ETI member company used for implementing their code. These profiles were built on during the fieldwork, using information from key informant and supplier interviews, and the management approaches of suppliers in the case study chains (i.e. agents, exporters, producers etc) were also mapped.

Mapping different types of value chain

The IDS research team did an initial mapping of the value chains from the UK to the case study sector/country, including key agents, importers, exporters and traders in the chain, by interviewing companies in the UK side of the chain. This mapping was then continued using semi-structured interviews at the local level, involving local buying offices, agents, exporters, traders and the like.

The aim was to select two to three contrasting chains (based on the management approaches and the type of value chains) and carry out research at each inter-linked node along the chain. Hence in any one of the comparative chains we wanted to carry out in-depth interviews with the linked (1) agent/exporter (2) a selected factory/packhouse (3) a selected supplier or subcontractor to that factory/packhouse (4) a further factory, subcontractor or group of homeworkers (depending on the type of chain). In total we conducted in-depth research at six packing/production sites in each country case study.

However, in-depth fieldwork could only be carried out at levels where the Base Code had been operationalised by ETI companies or their suppliers. It was not possible to carry out an impact assessment at levels of the value chain where we knew the ETI Base Code had not been implemented. In this situation, most worksites selected were from the first or second tier of supply.

Preliminary selection of the comparative value chains was undertaken by the IDS team prior to starting the fieldwork. However, the selection was refined following initial key informant interviews at the local level (see next section).

With respect to the company case studies, each focused on the activities of a single member company, so we were only mapping one ETI company management approach and one type of value chain in each case. Each of the company studies involved in-depth research at two to three packing/production sites.

4.5 Selecting suppliers

Having selected the value chains, the process for selecting suppliers at each level of the chain was complex and required close consultation with the IDS team. A potential selection of suppliers was made from the UK end, using the initial mapping. Discussion was then held with research collaborators to finalise selection at the supplier end (usually following some key informant interviews with agents/exporters and other industry actors). Factors taken into account when choosing suppliers along each chain included:

- type and number of ETI companies being supplied
- size of supplier
- length of time supplying ETI companies
- stability of relationship
- length of time applying ETI Base Code via an ETI member company
- management approach to code implementation (if known)
- type of ownership (Vietnam in particular).

Interviews took place down the value chain as far as the code had been implemented, with executive interviews at the higher levels and in-depth research (including employer and worker interviews) at the packing/production levels. Key informant interviews took place below that level, for comparison purposes, but it did not make sense to carry out intensive interviews where the Base Code had not been applied for a period of time (approximately two years+), and we could not assess impact. Access below the first or second tier was also problematic.

4.6 Supplier selection, agreement to participate and confidentiality

We wanted to take all possible steps to ensure that suppliers were provided anonymity. Therefore, in the case of the country studies, at each step in the value chain mapping we asked the relevant sourcing company (i.e. retailer, importer, agent, etc) for a list of all their suppliers, and then the research team would purposively select one or two suppliers to follow-up at the next level. We asked the sourcing company to contact all the suppliers on their list, informing them about the study and that they might be contacted by the research team. Alternatively, we requested permission for the research team to contact their suppliers and give their name as a reference.

If the sourcing company did not agree to provide a full list of suppliers, they were asked for at least a

cross-section (based on the criteria listed above). The methodology section of the case study reports describes the selection process used in each case study. We had concerns, despite these procedures, that ETI companies in some of the country studies were aware of the participating suppliers. Sometimes this occurred because the suppliers informed their buyers, which was their prerogative.

In the two company studies, the ETI companies were aware of their participating suppliers, but in those cases we were focusing specifically on individual ETI company value chains. Here, agreement was reached with the relevant companies (i.e. both ETI member companies and suppliers) regarding the terms of participation and confidentiality. In both cases the participating ETI companies asked to be named. However the view of the research team was to retain the same principle of anonymity throughout the study.

This 'cascading' process allowed us to include a range of ETI companies and suppliers in each case study (in terms of management approaches and value chain characteristics) at the same time as ensuring maximum possible confidentiality. We were aware that at lower levels of the value chain companies were likely to know which of their suppliers were selected (especially in an integrated chain), but we had to ensure that we ourselves never named participating companies or agents.

We found that suppliers were more resistant to participate in the study than we had anticipated. Access was sought through the value chain. Participating ETI brands and retailers gave us a list of suppliers from which we selected. Suppliers were informed that their identity would not be revealed in any of the findings, which would be aggregated, and we would respect confidentiality. However, many suppliers were wary of participating (possibly for fear that information would get back to their buyers), and some refused. We were aware that participation in the study was also time intensive for suppliers, which also contributed to their resistance. But it was felt better to engage with willing suppliers, who would provide access to quality information, than coerced suppliers which would result in less in-depth or reliable information.

We thus had concerns that there was a selection bias in the sample, both in terms of the list of suppliers we obtained from ETI companies, and the suppliers agreeing to participate. But the advantage of this approach was our ability to trace linkages back through the value chain.

We knew from the outset that we would be unable to conduct the impact assessment at lower tiers of the value chain, if suppliers were not implementing codes at that level. We had hoped to carry out key informant interviews further down, but in the event we were usually unable to obtain contact details or gain access to these suppliers.

4.7 Selecting workers

Once packing/production level suppliers had been selected, we then needed to go through a process of selecting workers. This was done either by requesting a list of employees from each supplier and drawing a purposive sample, or by selecting from the workers present on the day of the visit to the worksite[11]. In either case, the sample aimed to reflect the employment profile of the worksite and ensure a cross-section of each category of employment (i.e. permanent, temporary, contract worker etc) and gender/ethnic balance. It was essential that the research team selected workers, and NOT management, and management did not receive advance notice of who might be selected.

On each site (factory, packhouse or farm), a minimum of two and a maximum of four worker focus group discussions (FGDs) were held. Each FGD included six to ten workers. In each case study approximately 100 workers were included (half in the case of the company case studies). In total 418 workers were included in the study.

11 While the former is preferable methodologically, the latter was sometimes the only practicable option.

Table 4.1
Example sampling frame for selecting workers

		Value chain A			Value chain B			
		Supplier 1	Supplier 2	Supplier 3	Supplier 1	Supplier 2	Supplier 3	Total
A. Category/ job	Male							
	Female							
B. Category/ job	Male							
	Female							
C. Category/ job	Male							
	Female							
Total								**100-120**

Note: this simplified framework is based on comparing two value chains only.

On each site there was a minimum of one 'women only' FGDs (to ensure that women workers were fully able to voice their views), and one either 'male only' or 'mixed sex' FGD (depending on the profile of the workforce). This was to ensure gender issues were adequately addressed. Each FGD aimed to include workers from similar categories of employment, with common working experiences (e.g. cutting, washing or sewing). Particular attention was paid to seeking the views of non-permanent workers, especially those who had been working at the company for a number of years (even if on an irregular basis), and were therefore in a position to reflect on changes. Knowledge of the numbers, jobs, type of contracts and length of service of workers was therefore important for each site so that focus groups reflected the composition of the workforce. It was not always possible to interview a spread of workers across these criteria on every site, but the case study sample aimed to include all types of workers across the sites of any one value chain.

4.8 Research tools and methods

Once supplier sites had been selected, interviews took place using a combination of research tools. Draft interview schedules and questionnaires were developed by the IDS research team for each case study, to be finalised in consultation with the local research collaborators during the pre-field workshop. In brief these included:

Company data sheet

A form for obtaining basic quantitative information on the company and its labour force was given to management to complete either before or after the

employer interviews, and prior to the worker interviews.

Employer semi-structured interview (SSI) schedules.

The information required from the employer perspective was fairly extensive and could therefore be obtained from a number of sources, including senior management/owners, production managers and/or human resource personnel, depending on the organisational structure and preference of each worksite. These interviews were based on a semi-structured schedule, though could be administered in a free-flowing format. They were important for assessing the different management approaches to code implementation (as transmitted from higher up the value chain, and as operating in that company), and for assessing in a measurable form the specific impact of the ETI Base Code within the company, compared to other factors leading to changes in employment conditions (attribution). Wherever possible researchers asked the employer for access to written records documenting changes, to verify and obtain more accurate data (such as wage slips for the period prior to code implementation and at the time of the study, accidents records, etc). All information given by employers needed to be triangulated with information from workers and from trade union representatives in unionised companies.

Observation

A tour of the worksite was used to cross-check changes in infrastructure reported by management (e.g. separate toilets for men and women, potable water, fire exits etc). A 'participatory transect walk' undertaken in the company of one or two workers or supervisors was also used as an opportunity to discuss additional issues.

Worker questionnaires

Workers were first interviewed using a fairly short, structured questionnaire to obtain demographic information and basic quantitative information about working conditions. Some closed attitudinal questions relating to change could also be included to provide background information for the FGD.

Focus group discussions

The main aim of the FGDs was to assess workers' perception of changes - what changes had occurred, were they positive or negative, did they lead to any unintended outcomes? They were also important for probing areas of the Base Code that were more difficult to assess through management interviews and the structured questionnaire, such as freedom of association, harsh treatment and discrimination. It was also important to explore workers' knowledge of codes, whether they attributed change to codes, and what improvements they would like to see. The FGDs lasted one and a half to three hours each and involved the use of participatory tools (such as ranking tools, role play, time lines and mapping). In the event, workers in many FGDs were unaware of codes or their impact. Information from FGDs was still useful in triangulating management information on changes that had been made because of codes. On some sites (particularly in India) the research team noted that workers did not feel free to talk openly. This was addressed by cross checking information during household interviews. On one site where lack of access to contract workers was deemed to be a problem, off-site interviews were organised through a trade union.

Access to homeworkers.

We knew from the outset that the ETI Base Code was not applied to most homeworkers. We had hoped to carry out key informant interviews at this level. However no suppliers would give us information or access to homeworkers in their value chain, and such interviews were not possible.

Household interviews.

Given available resources, only one or two workers could be selected from each site for further in-depth household interviews. Workers were selected to reflect a cross-section of worker categories (permanent and non-permanent) and gender across all the sites included in the study. These interviews were conducted in the house of the worker, and included discussion with other members of their household and local community members if available. The main aims of the household interviews were to:

1 triangulate information given in the FGD and assess whether the workers were able to provide all information freely;

2 explore additional issues that time restrictions limited discussion of in the FGDs (such as living wage and employer-provided accommodation);

3 assess impact of changes on the poverty and well-being of workers and their household;

4 discuss indirect and community impacts (e.g. change in the provision of a crèche or social facilities, changes in availability of employment, etc).

Access to workers' households was limited in some circumstances, particularly where workers were migrant and their households were far away. In these circumstances household information was acquired through the FGDs. Household level interviews were useful for assessing impact in some circumstances. Where workers were unaware of codes or their impact in the workplace, identifying impact at household level was limited.

4.9 Coding suppliers and workers

To enhance confidentiality, each research team developed a coding system that allowed all information to be anonymised. For example, each participating supplier was given a code (e.g. Supplier A, B, C etc) and workers were also given a code, based on the following characteristics:

- supplier (e.g. A, B, C etc)
- gender (M or F)
- category of work (e.g. p for permanent, s for seasonal, etc)
- number (consecutive number for each worker in the case study)

So, for example, a female permanent employee of Supplier B would be identified as: **BFp16**.

Note on confidentiality of data:

No individual feedback was given to suppliers, with the exception of the company case studies. Our principle throughout the research was that all findings would be aggregated and anonymised, in order to avoid individual workers or suppliers being identified. Feedback through an anonymised report was presented at the in-country workshops and at special sessions with the suppliers in the company studies.

5 Post-fieldwork activities

5.1 Data analysis

The following is a summary of the key stages in analysis of the data obtained. All analysis was undertaken with reference to the key research questions given in Box 4 in section 3.5 .

A. Analysis of individual worksite reports

For each worksite a summary report was produced which included:

1. description of management approaches of buyers and own company in relation to codes on that individual worksite;
2. impacts of code on workers on that worksite, including a breakdown by ETI Base Code principle;
3. impacts beyond the worksite, e.g. at household or community level;
4. suggestions for improvement and ongoing monitoring.

B. Value chain analysis

Worksite reports were then grouped and analysed according to their interlinked positions along the selected value chains. For example, producers and subcontractors linked to Value Chain A were grouped and analysed together; producers and subcontractors in Value Chain B were grouped and analysed together etc. This analysis was linked up with any exporter/agent interviews in that chain, and with information obtained from UK importers/agents and the ETI member for the chain. (The IDS team assisted where necessary with the analysis of downstream linkages.) In a number of cases, due to complexity of value chains and multiple overlap between buyers and suppliers, it was not possible to differentiate types of value chains to the extent we had anticipated it would be possible.

C. Analysis of gender and worker category issues

Worker data were also aggregated and analysed by gender and worker category (and possibly job), to examine whether there were any specific gender issues that came out across the value chains, and how far codes were extending to more vulnerable workers within each site or value chain.

D. Worker profile

An overall profile of the sample was provided using data from Excel/SPSS (e.g. number of workers, number in each category, language, gender, average age, etc).

E. Analysis of key informant interviews

Analysis of key informant interviews was undertaken in order to:

1. contextualise the information from the value chain studies;
2. triangulate information from the value chain studies; and
3. provide stakeholder views on how code implementation could be improved and how impacts could be monitored in an ongoing way.

5.2 Country workshops

For the country case studies, each country team organised a stakeholder workshop as part of the research process. In the case of the two company studies, this was done through more informal feedback discussions with key stakeholders and participants. This was both to gain feedback on preliminary findings and inform the final report. **The workshop and workshop report focused particularly on 'how to improve', and 'how to monitor and assess impact'**, in order to enhance learning and feed back to the higher level analysis of policy recommendations.

5.3 Final case study reports

A reporting structure for all of the case studies was agreed at the beginning of the fieldwork. Following completion of the fieldwork, a detailed report on each of the case studies was prepared by the local research teams (by Sally Smith in the case of the two company studies) and submitted to the IDS research team. The detailed case study reports were used for

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Post-fieldwork activities

the comparative analysis of the case study findings and preparation of the combined findings (Part 1 of this report series). A summary version of each full case study report was then written for inclusion in Part 2 of this report series.

6 Some reflections on the methodology

The Value Chain to Impact Mapping methodology proved to have a number of advantages as well as limitations. We also encountered certain challenges in the course of the research.

6.1 Advantages and disadvantages of the methodology

The Value Chain to Impact Mapping approach allowed us to trace the ETI Base Code through the value chain of companies and make linkages between different aspects of the commercial context and code implementation. This would not have been possible using other methodologies. We were aware that there was bias in the sample, and that it was difficult to ensure confidentiality (although the research team never identified participant suppliers to buyers, and always tried to aggregate findings to protect anonymity). However, we still felt that the findings were pertinent and issues came up in all the studies that helped assess impact and aided learning.

6.2 Attribution

An important challenge in any impact assessment is attribution - has change come about as a result of the intervention (i.e. the ETI Base Code), or some other factor (e.g. better enforcement of legislation)? Therefore it was not enough simply to know that a change had taken place, we needed to assess whether and to what extent company codes of labour practice (incorporating the ETI Base code) contributed to this. Attribution in this study was assessed through the use of recall by suppliers and workers, as well as other local key informants. However, many suppliers and key informants in the case studies were unaware of ETI or that specific companies were ETI members (although this was not the case in the UK company study). They were aware of codes of labour practice in general, but could not necessarily differentiate the effect of ETI member company codes (with some exceptions). Therefore attribution at the level of ETI companies alone was difficult. However, through key informant and related interviews, we were able to assess the contribution of ETI companies to the process of code implementation.

6.3 Learning approach

To be sustainable, impact assessment should not just be a one-off activity conducted by independent researchers, but rather something that is embedded in the on-going work of those who are implementing codes. As part of this study, we had hoped to be able to develop simple guidelines for ETI companies, auditors, trade unions and NGOs on how to monitor and assess impact and facilitate improvement for workers on an ongoing basis (Objective 3 of the Impact Assessment Terms of Reference). With this in mind, during Phase 1 we developed an illustrative example to show how impact assessment could be effectively incorporated as an integral element of code implementation. This is reproduced in Appendix 1.

In the event, the implementation of the ETI Base Code proved to be far more complex at the level of workers than we had anticipated. Most workers in the study were unaware of codes and had little or no engagement in their implementation. Our findings also indicated that in order to improve the impact of codes, broad level changes need to be made to current "models" or approaches to code implementation. Thus developing detailed impact monitoring tools and indicators to "bolt on" to existing code implementation processes would not have been appropriate.

Instead, we focused our attention on pinpointing what needs to change in order to improve the impact of codes on workers. We developed a set of recommendations, including specific recommendations for different stakeholders, that focus on broader management approaches in the value chain to address workers' rights, increasing participation by workers and trade unions through multi-stakeholder collaboration within countries, and wider strategies for improvement at the level of ETI and related organisations (see Part 1 of this report series).

Nevertheless, where local multi-stakeholder approaches already exist (such as WIETA in South Africa), they could provide a vehicle for accumulating

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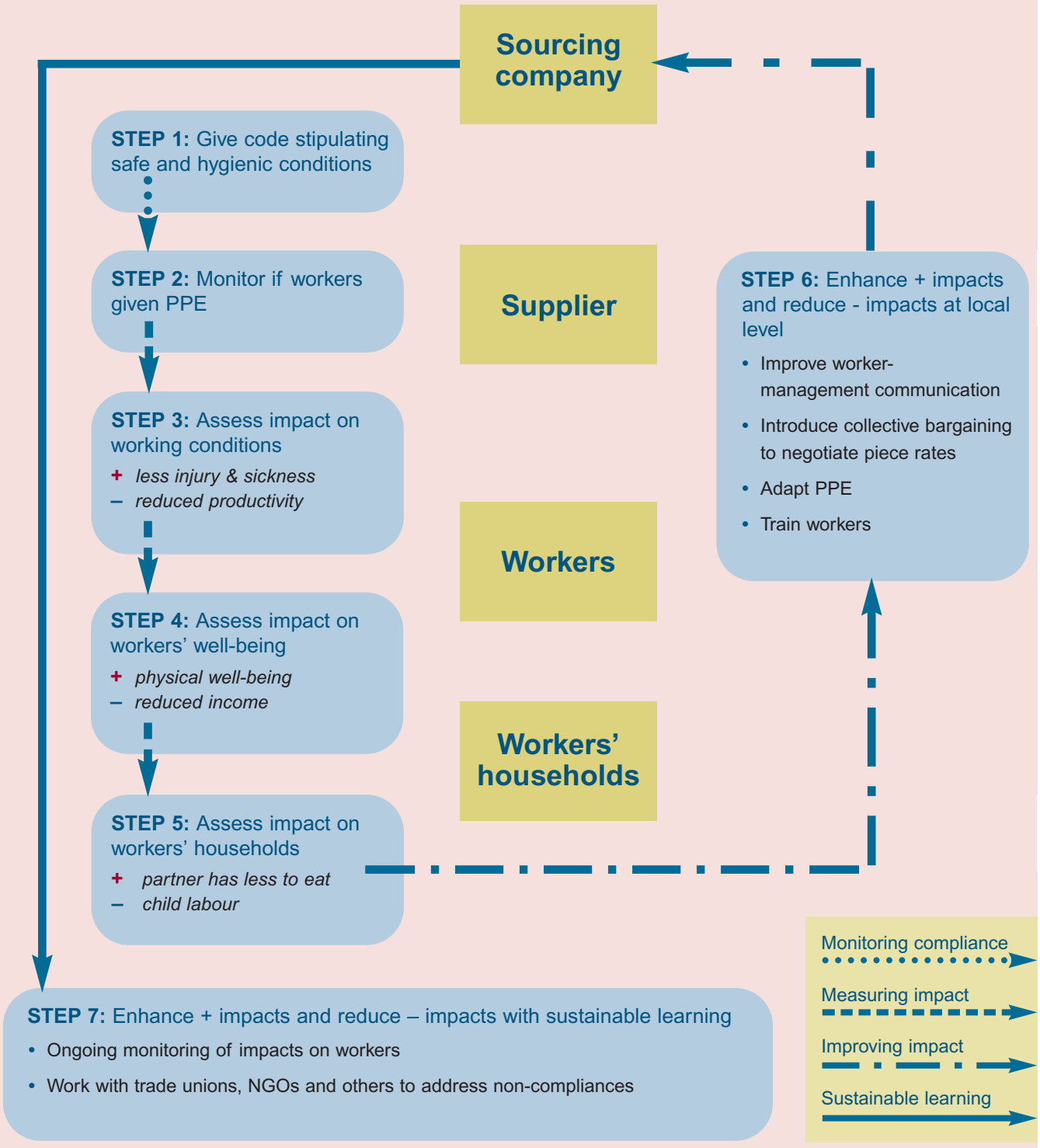
Reflections

anonymous baseline data and information across a wide number of suppliers in a sector. This could facilitate future impact assessment and more sustainable ongoing learning.

Appendix 1

Hypothetical example of a sustainable learning approach to impact assessment



a

Appendix

Step 1 Implementation of a sourcing company's code leads to a supplier increasing provision of personal protective equipment (PPE) for workers. This takes the form of provision of gloves to protect their hands fro injury or chemicals.

Step 2 Monitoring and verification in the form of a snap-shot assessment of the factory checks for adequate provision of PPE. The supplier is marked as compliant on presentation of evidence of the PPE.

Step 3 Impact assessment examines the effect of provision of PPE on workers in terms of income, physical and social well-being and empowerment. While gloves reduce the risk of injury, they may also slow down the speed at which workers perform tasks. This could be demonstrated through quantitative indicators: a fall in the number of injuries recorded in the health and safety register indicates a positive impact (+ plus); a fall in output per worker per day results in a fall in income for workers on piece rates, indicating a negative impact (- minus). There may also be a gender impact if women are more adversely affected than men, or vice versa. Suppliers and trade union representatives could collect this data.

Step 4 Step 3 alone does not tell us how workers themselves perceive the change (e.g. introduction of gloves). Workers may prefer less injury with a lower daily income (a net positive impact), or may prefer the risk of injury with a higher daily income (a net negative impact). This should be assessed through actively engaging workers in the process. It can be achieved by using simple qualitative and quantitative indicators, with workers or their representatives recording information on score cards.

Step 5 The wider poverty impacts are assessed through engagement of other members of the household (e.g. a reduced income to a male worker for example means his female partner has less to eat, or his children have to work). This information could be recorded in diaries kept by workers' households, and/or by local NGOs and trade unions.

Step 6 Positive impacts may be enhanced and negative impacts minimised through involving workers (and organisations that support them, e.g. trade unions, NGOs, government) in code implementation at the local level. Practical tools and processes need to be put in place to ensure that relevant information is collected and acted upon in order to make positive improvements.

Step 7 Sustainable learning would be achieved by linking impact monitoring at the local level to multi-stakeholder learning at the international level. This involves continual adaptation of code implementation and management approaches in a process that is responsive to the well being of workers.

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