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# Principles of Monitoring

Fair Labor Association

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# Principles of Monitoring

## **Abstract**

Codes of conduct designed by the Fair Labor Association and accepted for implementation by companies that are members of the coalition represented by the FLA.

## **Keywords**

association, audits, bonded, business, Catherwood, child, children, codes, code, compliance, conduct, contractors, cornell, corporate, employment, enforcement, external, factories, fair, global, globalization, ilr, implementation, inspection, international, labor, labour, law, legislation, licensees, monitoring, NGO, noncompliance, organization, organisation, portal, principles, sanctions, standards, suppliers, training, university, visits, work, workers, working, workplace



## PRINCIPLES OF MONITORING

### I. OBLIGATIONS OF COMPANIES<sup>1</sup>

#### A. Establish Clear Standards

- Establish and articulate clear, written workplace standards<sup>2</sup>
- Formally convey those standards to Company factories as well as to licensees, contractors and suppliers
- Receive written certifications, on a regular basis, from Company factories as well as contractors and suppliers that standards are being met, and that employees have been informed about the standards
- Obtain written agreement of Company factories and contractors and suppliers to submit to periodic inspections and audits, including by accredited external monitors, for compliance with the workplace standards

#### B. Create An Informed Workplace

Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis

#### C. Develop An Information Database

- Develop a questionnaire to verify and quantify compliance with the workplace standards

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<sup>1</sup> It is recognized that implementation by companies of internal monitoring programs might vary depending upon the extent of their resources but that any internal monitoring program adopted by a Company would be consistent with these Principles of Monitoring. If companies do not have the resources to implement some of these Principles as part of an internal monitoring program, they may delegate the implementation of such Principles to an accredited independent external monitor.

<sup>2</sup> Adoption of the Workplace Code of Conduct would satisfy the requirement to establish and articulate clear written standards. Accordingly, all references to the “workplace standards” and the “standards” throughout this document could be replaced with a reference to the Workplace Code of Conduct.

- Require Company factories and contractors and suppliers to complete and submit the questionnaire to the Company on a regular basis

D. Establish Program to Train Company Monitors

Provide training on a regular basis to Company monitors about the workplace standards and applicable local and international law, as well as about effective monitoring practices, so as to enable Company monitors to be able to assess compliance with the standards

E. Conduct Periodic Visits and Audits

- Have trained Company monitors conduct periodic announced and unannounced visits to an appropriate sampling of Company factories and facilities of contractors and suppliers to assess compliance with the workplace standards
- Have Company monitors conduct periodic audits of production records and practices and of wage, hour, payroll and other employee records and practices of Company factories and contractors and suppliers

F. Provide Employees With Opportunity to Report Noncompliance

Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so

G. Establish Relationships with Labor, Human Rights, Religious or Other Local Institutions

- Consult regularly with human rights, labor, religious or other leading local institutions that are likely to have the trust of workers and knowledge of local conditions and utilize, where companies deem necessary, such local institutions to facilitate communication with Company employees and employees of contractors and suppliers in the reporting of noncompliance with the workplace standards
- Consult periodically with legally constituted unions representing employees at the worksite regarding the monitoring process and utilize, where companies deem appropriate, the input of such unions
- Assure that implementation of monitoring is consistent with applicable collective bargaining agreements

H. Establish Means of Remediation

- Work with Company factories and contractors and suppliers to correct instances of noncompliance with the workplace standards promptly as they are discovered and to take steps to ensure that such instances do not recur
- Condition future business with contractors and suppliers upon compliance with the standards

## **II. OBLIGATIONS OF INDEPENDENT EXTERNAL MONITORS**

### **A. Maintain Standards of Independence**

Demonstrate satisfaction of the independence criteria of the FLA. Prior to entering into a contractual agreement with the FLA to conduct independent external monitoring, disclose to the FLA any possible conflicts of interest with the selected Facility to be monitored and the applicable Participating Company or College or University Licensee.

### **B. Conduct Independent External Monitoring in Accordance with FLA Methodology and Procedures**

Conduct an independent external monitoring visit of the selected Facility in accordance with FLA methodology and procedures, including, but not limited to, the following:

- Gathering information from local knowledgeable sources
- Conducting confidential interviews of factory workers
- Interviewing factory management
- Conducting a visual inspection of the factory
- Reviewing personnel, payroll and timekeeping records

### **C. Evaluate Compliance with the FLA Workplace Code of Conduct**

Synthesize, cross-check and verify information gathered in the monitoring process from all relevant sources in order to conduct an objective and impartial evaluation of compliance with the FLA Workplace Code of Conduct.

### **D. Report Findings of Noncompliance in a Timely Fashion**

Report instances or situations of noncompliance to the FLA and the applicable Participating Company or College or University Licensee in a timely fashion, using the reporting document prescribed by the FLA.

### **E. Maintain Accountability for Findings**

Maintain accountability for information gathered from the monitoring process, to be made available to the FLA upon request.