5. Ensuring Good Practice in Human Resources Management

Tool 1: Sample Strategies for Managing Risk and Promoting Good Practice in the On-Site Management of Migrant Workers

This Tool spells out some of the most common compliance violations that Verité sees in the on-site management of migrant workers. In some cases, these violations come about as a result of the outsourcing of management functions to labor brokers. In other cases, the violations may stem from choices made by managers at the facility itself. Either way, there are clear steps that can be taken to mitigate the risk of such compliance violations, and to promote good practice in the management of migrant workers in company facilities. This Tool matches those good practices and management controls with the compliance risks that they help to address.

Post-Arrival Requirements & Documents Processing			
RISKS	GOOD PRACTICE TO MANAGE RISKS		
Passports are withheld.Workers are required to sign to additional	☑ There are procedures to record, track and document the post- arrival legal requirements for migrant workers.		
terms, agreements, waivers.	☑ There is a clear policy (communicated to labor brokers) that		
Overcharging on documents processing fees.	prohibits the company or brokers from holding original copies of workers' passports.		
	☑ There are means to verify brokers' compliance on recruitment fees and expenses paid by foreign contract workers:		
	→ Develop a non-reprisal policy;		
	→ Determine methodology (e.g., pre-departure verification, upon arrival);		
	→ Develop tools for verification (interview tools); and		
	→ Document all proceedings and supporting documents.		

On-Boarding & Training			
RISKS	GOOD PRACTICE TO MANAGE RISKS		
✓ Inconsistent messaging.	☑ The orientation covers the following, at the minimum:		
Training and communication may not be consistent with company policies and procedures.	 → Company profile, policies & procedures; → Legal rights & other protections provided by the company's & buyer's codes of conduct; 		
Orientation and training are conducted by you Management Representative (not just by Brokers).	 → Legal requirements; → Worker feedback & communication; → Discipline, termination and repatriation; → Dormitory regulations; and → Mechanisms for workers to report violations of company's policies and ethical standards by company staff or broker. 		
	☑ There are clear procedures for workers' on-the-job training.		
	☑ There is objective evaluation of workers' understanding of and training effectiveness.		
	There are standard, measurable, and objective indicators and tools for skills training evaluation.		
	✓ All trainers speak the migrant workers' native language.		

W	Wages and Benefits				
RISKS		GC	GOOD PRACTICE TO MANAGE RISKS		
×	Underpayment, delayed payments. Brokers could have access to workers' bank accounts resulting in:		The company's wages and benefits comply with legal requirements and are consistent with terms and conditions in employment the contract.		
×	 → Forced savings; or → Illegal deductions. Workers could be uninformed or misinformed about wage rates and deductions. 	V	There are policies on: → Limited access to workers bank accounts; → Prohibition of deposits and forced savings; and → Bonuses, allowances, and deductions.		
×	No pay slips provided.	V	Workers are only paid directly, at regular intervals, on-time, and in accordance with national law.		
×	Workers are ill-informed about the terms or the full amount of the loans or deductions.	V	Clear and transparent information are provided about hours worked, wage rates and legal deductions, if the latter are made.		
×	Workers are induced or encouraged to make loans at usurious interest rates.	V	Wage deductions are appropriate and stay within legal limits. They are calculated with transparency and with worker		
×	Automatic deductions for loan payments are made against workers' salary.	nich ling	knowledge and consent.		
×	The facility or the broker provides loans which has unreasonable terms of payments, leading workers to work longer hours to earn and pay off loans.		If wage advances and loans are provided to workers, the terms are such that these can be repaid within a reasonable amount of time, and workers make out of pocket loan payments themselves, and receipts are always provided.		
		V	The company or the broker (1) provides smaller loans that amount to no more than one to three months' base wages, (2) charges very low or no interest on the loan, and (3) establishes short installment/financing periods.		

Deposits			
RISKS	GOOD PRACTICE TO MANAGE RISKS		
Workers could be required to lodge deposits before taking up employment, and during employment.	☑ There is a policy prohibiting deposits of any kind when workers take up employment, or at any time during their employment.		

Document Retention			
RISKS		GC	OOD PRACTICE TO MANAGE RISKS
×	Workers are required to surrender their passports and other key documents to the broker or employer.	V	There is a policy prohibiting the withholding of passports, or against requiring workers to surrender their passports to the company or to the broker for safekeeping and other purposes.
×	Passports are taken without the workers' full and informed consent.	$\overline{\mathbf{V}}$	The company or the broker keeps the workers passports only upon the workers' express consent.
×	Passports are taken from workers for safekeeping, and workers are made to sign a waiver indicating their consent.		Supplier conducts a post-arrival audit – to verify if workers' passports are in the workers' possession. A management representative is present at the airport/terminal
×	Workers are required to post a bond, or pay a deposit in order to retrieve passports.	2	to meet new workers, to ensure that passports are not confiscated.
×	Workers are misinformed about their right to secure their own documents.	V	A periodic audit is conducted in the brokers' office premises, and in the workers' dormitories to ensure that passports are not
×	Workers are not provided means to secure their own documents.		being withheld from workers, and that workers are provided means to secure their own travel and other personal documents.



Dormitory and Housing			
RIS	SKS	GC	OOD PRACTICE TO MANAGE RISKS
×	Underpayment, delayed payments. It is logistically difficult or impossible for	V	There is a policy stating that workers are free to enter and leave their living quarters at all times.
	workers to secure their housing accommodations themselves.	$\overline{\checkmark}$	The company does not require foreign workers to live in company-provided housing, unless required by law.
×	Brokers or employers require workers to stay	$\overline{\checkmark}$	Workers are free to secure their own housing accommodations.
	in broker-controlled or company-controlled housing facilities.	✓	The company does not require or assign workers to live in dormitories or housing facilities that have unreasonable policies
×	Curfews are implemented in the dormitories,		which curtail the workers' freedom of movement.
	and workers are unable to enter or leave the premises freely.	V	Security personnel manning the dormitory gates are clearly instructed on their duties, their presence should not limit or
×	There are penalties for staying out, or for not		impede the workers ability to enter or leave the premises.
	returning to the dormitory or housing facility at a designated time. Gates are closed at	V	Living quarters are kept safe, clean and hygienic, with adequate personal space and privacy.
×	designated times. Security personnel are instructed to restrict workers from leaving or entering the dormitory or housing facility		Company-provided living quarters have working payphones available for the use of residents at any time. These phones ideally are placed in private locations, and workers are advised of several different easily accessible locations

W	Worker Feedback and Communication			
RIS	SKS	GOOD PRACTICE TO MANAGE RISKS		
×	Workers have limited direct access to company.	See the <u>Grievance Mechanisms section of this Fair Hiring Toolkit.</u>		
×	The translators are not trained to handle workers' grievances.			
×	There is no immediate resolution and feedback.			
×	Workers are afraid to report abuses by brokers for fear of reprisals.			

Humane Treatment			
RIS	SKS	GC	OOD PRACTICE TO MANAGE RISKS
×	No due process. Punitive deductions are used as a disciplinary measure.	V	Develop clearly defined and standard rules and regulations, and clearly communicate to all workers, supervisors, managers, and brokers.
×	There are penalties for early contract termination.	V	 Ensure the following in your disciplinary measures: → Progressive disciplinary actions (for example: verbal warning; written warning; suspension; termination); → Clearly indicated step-by-step implementation procedures for discipline and termination (reasonable notice); → An impartial, objective appeal procedures; → No punitive fines and deductions; → No physically abusive or humiliating discipline and termination practices.
		V	Provide workers who are under investigation with a translator who is selected or vetted by the worker.
		V	Train all managers and supervisors in positive management



	techniques.
V	Develop a system for recording, tracking and documenting discipline and termination procedures.

