

## Tool 2: Evaluating the Effectiveness of Grievance Mechanisms

The design of grievance mechanisms is a tailored process that depends importantly on many factors, including the composition of the workforce, the size of the facility, the nature of the work and work schedules. Because of these and other complexities, Verité offers here not prescriptive guidance for designing grievance mechanisms, but rather a set of questions that can be used as a self-assessment to determine whether your existing grievance mechanisms are adequate and effective and whether or how to improve them.

### A RATIONALE AND POLICY STATEMENT

The establishment of effective grievance mechanisms begins at the top, with policy statements that articulate the corporate value derived by the company from observing grievance procedures in the workplace.

Such statements should reference any relevant legal standards, as well as any client code of conduct requirements.

Companies can ask themselves the following questions in formulating policy statements on grievance mechanisms:

- What is the company's commitment statement regarding the establishment of grievance procedures?
- Which of the company's other ethical standards are relevant to grievance mechanisms?
- Are there any relevant customer requirements?
- What are the relevant legal standards?

The written policy should state a commitment to provide a venue for workers to be heard, for complaints to be acted upon and for management to provide feedback on the status of complaints. It should include assurance of non-reprisal and confidentiality, and an appeal system for unfavorably resolved complaints or disciplinary actions.

### DESIGNING EFFECTIVE GRIEVANCE MECHANISMS

The following issues should be considered in the design of effective grievance mechanisms.

#### Regular Communication

- Does the company have clear communications channels that encourage workers to report violations or issues of concern?
- Is there a venue in which management and workers can discuss issues of interest to workers, and elicit their feedback? Some venues that management may use to conduct meetings or discussions with migrant workers are:
  - Regular monthly meetings and worker assemblies;
  - Orientation sessions, upon commencement of employment;
  - Worker education trainings, to update and refresh worker awareness of company policies; and
  - Regular dormitory meetings, conducted by a human resources representative or the company's labor broker coordinator.

#### Access

- Can migrant workers directly access the company's grievance channels?
- Can migrant workers give feedback or report grievances to the company without having to go through the labor broker's channels?
- Do the grievance procedures of both the company and the labor broker allow migrant workers to seek assistance from their embassies?

## Confidentiality

- Do the grievance procedures provide a mechanism that ensures the confidentiality of worker submits the grievance? For example:
  - Is there a secure hotline that is handled by an objective party and can be used to report grievances privately and confidentially, including those relating to unethical management practices, without threat of reprisal?
  - Is there a suggestion box located in a secure location that workers are comfortable using? Are the suggestions evaluated and processed regularly by human resources? Is each suggestion addressed directly, responded to properly through a confidential verification/investigation process?
  - Are there other options that the company can explore to provide for confidential and private reporting, i.e., company intranet or email?

## Protection for Whistleblowers

Protection specifically for whistleblowers -- persons who report or make disclosures about unethical or improper conduct by an employee or officer of a company -- is an important element of any grievance mechanism system. The questions below will help you to evaluate whether your company has the requirements necessary to ensure whistleblower protection:

- Is there a written company policy regarding the protection of whistleblowers?
- Does the company provide workers with a way to confidentially report suspected ethical misconduct and that protects them from retaliation or other consequences?
- Does the company have an established process for workers to anonymously report suspected violations of business conduct standards in order to prevent possible retaliation?
- Does the company provide workers and external stakeholders with written information on how to report ethical or legal concerns?
- Do workers understand how the grievance process works, and how whistleblowers are protected?
- Is there a system of recording and documenting of employee reports of business ethics violations?

## In Focus

### Some Elements of Effective Grievance Mechanism Approaches

- *The company maintains a telephone hotline that allows employees to anonymously report ethical misconduct.*
- *The company has a web-based system that allows employees to anonymously report ethical misconduct.*
- *The company contracts an independent third party to manage the company's grievance reporting.*
- *The company has detailed procedures in place to protect whistleblower identity as part of the grievance investigation process.*

## Nonreprisal

- Do the company's grievance procedures clearly provide a mechanism that protects workers from reprisal?

## Resolution and Redress

- Do the company's grievance procedures provide a mechanism for immediate grievance resolution?
- Is there a clear procedure for management follow-up of reported grievances? Is this procedure clearly communicated to workers?



- Is the status of management's response to reported grievances communicated back to the worker who submitted the grievance?

## Capacity

- Does the company orient and train its supervisors and managers on the handling of worker grievances?
- Does the staff assigned to receive and handle workers' grievances speak the languages of the workers?
- Where translators are present, are there functions and availability to assist with grievances clearly communicated to all workers? Are the translators trained to handle grievances?

## Transparency and Documentation

- Does the company communicate its grievance policy and procedures to all workers?
- Are grievance proceedings, including any follow-up actions, properly documented and filed?

Evaluating the effectiveness of your grievance mechanisms against the above set of questions can be a good first step toward making necessary improvements to protect your company and your workforce from legal and ethical violations, and to make for a more well-functioning workplace.

