PROJECT BRIEF

Technology-enabled worker feedback in the time of COVID-19

This research brief discusses the numerous ways in which the COVID-19 pandemic has increased the risk of labour exploitation and human rights violations within global supply chains. It examines the role that technology can play in supplementing traditional social compliance auditing procedures, as lock-downs and travel restrictions have limited the ability for frontline responders to conduct on-site inspections that assess working conditions. In response to these considerations and in collaboration with our partner multinational corporations, we introduce the technical modifications that have been made to our mobile solution Apprise Audit to enable the remote collection of worker feedback. This is followed by a discussion of opportunities and challenges related to these adaptations and the implications for social auditing in a post-COVID world.

COVID-19 Has Increased the Risks of Forced Labour & Human Trafficking

The COVID-19 pandemic has brought about devastating, uneven impacts on the global economy and the world of work. The far-reaching implications of this crisis have broadly increased the risks of human trafficking and labour exploitation, especially amongst those in precarious employment and immigration circumstances. Migrant labourers and workers in the informal economy have borne a disproportionate burden of these adverse consequences, with widespread job losses and closure of regular migration channels exacerbating many of their underlying vulnerabilities. The most recent estimates from the International Labour Organization project that in the final quarter of 2020, 245 million full time equivalent jobs will be lost, with a massive effect on informal and low-wage employment in developing and emerging economies [1]. This will add to the enormous pool of low-wage workers that is in oversupply relative to available employment opportunities, further driving the race to the bottom and increasing susceptibility to exploitation [2].

For those still employed, strains on wages and labour standards have had particularly negative impacts on women and low-paid workers. Many workers who already were informally employed with an irregular migration status, often do not report violations and abuses to authorities for fear of losing their jobs and being deported. Without any other options in sight, individuals may be willing to undertake riskier border crossings, accept exploitative or hazardous work, or borrow larger amounts of money to finance labour placements. Criminal enterprises may consequently help facilitate people smuggling and trafficking in persons, taking advantage of “push” factors that are compelling people with greater impetus to seek opportunities outside of their home countries and communities. The immediate shocks and sustained economic downturn are likely to fuel irregular migration as part of this trend, given that the domestic labour markets of large origin countries of migrants have been deeply affected and may take longer to begin recovery.

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Impact of COVID-19 on Supply Chains

Since the emergence of the pandemic in early 2020, global supply chains have collapsed and countless factories have closed or slashed their operations, leaving hundreds of millions of workers suddenly unemployed or with greatly reduced incomes. As the crisis continues, more factories are in jeopardy of closure due to raw material shortages, reduced order volumes, and public health concerns [3]. According to recent ILO estimates, nearly 292 million jobs in manufacturing supply chains worldwide are deemed high-risk and another 63 million deemed medium-risk due to the COVID-19 related drop in consumer demand [4]. Factories that scaled back production as a result of cancelled orders have reportedly terminated employees without paying wages, and are coercing workers to resign [5].

In other sectors, an unprecedented surge in demand has led to rapid supply chain restructuring and around the clock production, with factories applying downward pressure on workers to meet orders [6]. There have been extensive reports of forced labour in the production of masks [7] and gloves [8] where abusive labour conditions are rampant and virus protection measures have proven inadequate. Demand for hand sanitizer is also driving human rights violations in supply chains as its main ingredient ethanol is distilled from sugarcane, a crop whose cultivation is synonymous with debt bondage and modern slavery [9]. Demand for hand sanitizer has also led to a spike in sales of toys as parents attempt to keep their kids entertained and this could raise the risk of forced labour being used to meet the rising demand.

Safeguarding the rights of vulnerable employees is more critical than ever before, yet at a time of such heightened risks of forced labour and exploitation, the capability to do so has been gravely threatened. Unscrupulous employers, recruiters and traffickers have potential to act with impunity as rapidly changing contexts leave supply chain inspection and enforcement efforts struggling to keep pace. The reduced scrutiny as a result of disruptions to human rights due diligence and social compliance auditing leaves workers at greater risk of mistreatment. The ability of government agencies, labour inspectorates and private auditors to conduct routine workplace inspections has been impacted by travel restrictions and lockdown measures. Diversion of public resources towards other functions mitigating the impacts of COVID-19 and department specific budget cuts have resulted in a reduction in operating capacity for investigating allegations of labour abuse and monitoring suppliers. Insufficient oversight means worker voices are not being adequately captured and those entrapped in exploitative work situations are unable to report their circumstances and seek access to justice.

Technology Enhanced Auditing

As a result of COVID-19, companies have had to either postpone due diligence audits or introduce forms of remote auditing where possible for the collection, analysis, and transmission of relevant data. With practical barriers making it impossible for auditors to conduct on-site inspections, companies are in need of insights that can enable them to understand conditions, meet their reporting obligations and uphold labour standards. As such, lockdowns and travel restrictions have accelerated the development, acceptance, and deployment of technology-facilitated remote interventions to assess products, processes, and working conditions in factories [10].

Remote auditing is a form of technology enhanced auditing defined as “employing technologies for the purposes of audit data collection, recording, sharing and analysis” [11]. Effective application of information and communication technology (ICT) for auditing and assessment purposes ensures that “controls are in place to avoid abuses that could compromise the integrity of the audit” and it “supports the principles of safety and sustainability” [12]. ICTs and frontier technologies such as artificial intelligence and satellite imaging, have potential to enhance the monitoring and evaluation of Voluntary Sustainability Standards used by companies to improve their social and environmental impact [13]. An important consideration is that remote auditing does not simply conceive new ways to collect data, but rather is linked to accountability mechanisms so that when grievances and issues are identified, actionable steps towards remediation are taken.

Apprise Audit

In December 2018, the United Nations University Institute in Macau, in partnership with the Mekong Club, launched Apprise Audit, a worker voice tool that facilitates data collection and analysis on working conditions in global supply chains.
Apprise Audit is a multi-language mobile phone app that is downloaded on the phone of an auditor and used to interview workers through an audio questionnaire. The question lists within the application were developed and refined through consultation with a broad cross-section of stakeholders including auditors, workers, brand representative and human trafficking experts.

Apprise Audit enables auditors to undertake a series of consecutive worker interviews, with the results summarized across all interviews within a session in order to enhance the anonymity of worker responses. The app collates findings, highlighting indicators of vulnerability that were identified in any of the interviews, to inform auditors’ on-site inspections. This tech-enabled solution has been used by multinational corporations in their supply chains for the past two years throughout various South and South-East Asian countries.

Depending on the restrictions within and between certain countries, some auditors were still able to visit factories and brands requested support to understand how COVID-19 related measures were being implemented. In response, we developed and subsequently translated a number of questions that enquire about availability of hand sanitizers, compliance with social distancing, restrictions on movement, and reduction of hourly pay rate.

Introducing Apprise Audit Remote

Further responding to inputs from our private sector partners, we sought to extend the functionality of Apprise Audit to facilitate remote data collection for circumstances where an auditor was unable to be physically present on site.

This modality relies exclusively on self-reported, direct worker feedback. To enable this, a brand sends a QR code (with instructions for use in the form of a text-free comic) to any factory that they are looking to inspect (see below). Factory management then prints and posts the sheet in a surveillance-free environment, where workers have the opportunity to access their mobile devices and answer the questionnaire in a confidential setting. By scanning the QR code or inputting the link provided on the sheet, workers navigate directly to a web-based version of Apprise Audit. They can then complete the questionnaire themselves and the results are subsequently uploaded into the brand’s existing account within Apprise Audit’s content management system.

Opportunities and Drawbacks

One of the most significant advantages of this adaptation is that it allows brands to gain insight into what is happening on the ground in their suppliers’ factories at a time when the risk of exploitation is acutely magnified, and auditors can’t be present. Direct worker feedback can also assist brands in monitoring the impact and effectiveness of any measures taken to mitigate COVID-19 risks and maintain compliance with occupational health guidelines. The rapidly evolving circumstances that have been characteristic since the onset of the pandemic means that new pressures or conditions that workers face can change in a short amount of time. Standard intervals between more comprehensive audits may no longer be timely enough and worker feedback can be crucial to triage and determine if a factory with compliance issues should be prioritized for inspection.
Technology-enabled direct worker feedback can collect data at a much larger scale and at a fraction of the cost when compared against standard auditing procedures. Aggregated results can be viewed instantaneously by relevant decision makers, who can then use this information to determine next steps. Worker feedback is critical when suppliers are trying to understand common trends and priorities across multiple factories that are geographically dispersed.

There are some things that virtual audits are great for – initial stages of onboarding of new factories, document checks, and some components of site inspections such as presence of health and safety equipment and completion of improvements to the site itself. These may be particularly useful to continue, even after COVID-19 has subsided. Virtual audits could be used to support more data gathering; however they cannot entirely replace in person audits, particularly for worker interviews due to challenges such as power dynamics and the risk of coercion.

Moreover, not all workers will have access to a mobile device, and if there is no wireless internet provided within the factory, connectivity issues for workers relying on personal data plans may reduce response rates.

Although technology greatly raises the threshold for scalable data collection, it simultaneously runs the risk of simply gathering a larger volume of low-quality information. Brands should consider hybrid models that bring together aspects of remote auditing, worker voice tools, and traditional audit procedures to maximize flexibility, triangulation of information, and scale of impact [14].

Conclusion

In response to evolving circumstances related to COVID-19, we have been working with our partner multinational corporations to help them understand working conditions in their supply chains in light of disruptions to social auditing. The pandemic has accelerated the uptake and innovation of digital technologies, and new methods of social compliance auditing are likely to emerge in response to the changing conditions of the pandemic. Ongoing discussions and problem solving with brand representatives and auditors will eventually culminate in an impact assessment of Apprise Audit Remote, where insights garnered through the piloting and implementation of this new modality will inform future policy recommendations for key stakeholders.

References