

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
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Passports are withheld. <input checked="" type="checkbox"/> Workers are required to sign to additional terms, agreements, waivers. <input checked="" type="checkbox"/> Overcharging on documents processing fees. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> There are procedures to record, track and document the post-arrival legal requirements for migrant workers. <input checked="" type="checkbox"/> There is a clear policy (communicated to labor brokers) that prohibits the company or brokers from holding original copies of workers' passports. <input checked="" type="checkbox"/> There are means to verify brokers' compliance on recruitment fees and expenses paid by foreign contract workers: <ul style="list-style-type: none"> → 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
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Inconsistent messaging. <input checked="" type="checkbox"/> Training and communication may not be consistent with company policies and procedures. <input checked="" type="checkbox"/> Orientation and training are conducted by your Management Representative (not just by Brokers). 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The orientation covers the following, at the minimum: <ul style="list-style-type: none"> → Company profile, policies & procedures; → Legal rights & other protections provided by the company's & buyer's codes of conduct; → 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. <input checked="" type="checkbox"/> There are clear procedures for workers' on-the-job training. <input checked="" type="checkbox"/> There is objective evaluation of workers' understanding of and training effectiveness. <input checked="" type="checkbox"/> There are standard, measurable, and objective indicators and tools for skills training evaluation. <input checked="" type="checkbox"/> All trainers speak the migrant workers' native language.

Wages and Benefits

RISKS	GOOD PRACTICE TO MANAGE RISKS
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Underpayment, delayed payments. <input checked="" type="checkbox"/> Brokers could have access to workers' bank accounts resulting in: <ul style="list-style-type: none"> → Forced savings; or → Illegal deductions. <input checked="" type="checkbox"/> Workers could be uninformed or misinformed about wage rates and deductions. <input checked="" type="checkbox"/> No pay slips provided. <input checked="" type="checkbox"/> Workers are ill-informed about the terms or the full amount of the loans or deductions. <input checked="" type="checkbox"/> Workers are induced or encouraged to make loans at usurious interest rates. <input checked="" type="checkbox"/> Automatic deductions for loan payments are made against workers' salary. <input checked="" type="checkbox"/> 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. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The company's wages and benefits comply with legal requirements and are consistent with terms and conditions in employment the contract. <input checked="" type="checkbox"/> There are policies on: <ul style="list-style-type: none"> → Limited access to workers bank accounts; → Prohibition of deposits and forced savings; and → Bonuses, allowances, and deductions. <input checked="" type="checkbox"/> Workers are only paid directly, at regular intervals, on-time, and in accordance with national law. <input checked="" type="checkbox"/> Clear and transparent information are provided about hours worked, wage rates and legal deductions, if the latter are made. <input checked="" type="checkbox"/> Wage deductions are appropriate and stay within legal limits. They are calculated with transparency and with worker knowledge and consent. <input checked="" type="checkbox"/> 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. <input checked="" type="checkbox"/> 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
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Workers could be required to lodge deposits before taking up employment, and during employment. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> There is a policy prohibiting deposits of any kind when workers take up employment, or at any time during their employment.

Document Retention

RISKS	GOOD PRACTICE TO MANAGE RISKS
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Workers are required to surrender their passports and other key documents to the broker or employer. <input checked="" type="checkbox"/> Passports are taken without the workers' full and informed consent. <input checked="" type="checkbox"/> Passports are taken from workers for safekeeping, and workers are made to sign a waiver indicating their consent. <input checked="" type="checkbox"/> Workers are required to post a bond, or pay a deposit in order to retrieve passports. <input checked="" type="checkbox"/> Workers are misinformed about their right to secure their own documents. <input checked="" type="checkbox"/> Workers are not provided means to secure their own documents. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> 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. <input checked="" type="checkbox"/> The company or the broker keeps the workers passports only upon the workers' express consent. <input checked="" type="checkbox"/> Supplier conducts a post-arrival audit – to verify if workers' passports are in the workers' possession. <input checked="" type="checkbox"/> A management representative is present at the airport/terminal to meet new workers, to ensure that passports are not confiscated. <input checked="" type="checkbox"/> A periodic audit is conducted in the brokers' office premises, and in the workers' dormitories to ensure that passports are not being withheld from workers, and that workers are provided means to secure their own travel and other personal documents.



Dormitory and Housing

RISKS	GOOD PRACTICE TO MANAGE RISKS
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Underpayment, delayed payments. <input checked="" type="checkbox"/> It is logistically difficult or impossible for workers to secure their housing accommodations themselves. <input checked="" type="checkbox"/> Brokers or employers require workers to stay in broker-controlled or company-controlled housing facilities. <input checked="" type="checkbox"/> Curfews are implemented in the dormitories, and workers are unable to enter or leave the premises freely. <input checked="" type="checkbox"/> There are penalties for staying out, or for not returning to the dormitory or housing facility at a designated time. Gates are closed at designated times. <input checked="" type="checkbox"/> Security personnel are instructed to restrict workers from leaving or entering the dormitory or housing facility 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> There is a policy stating that workers are free to enter and leave their living quarters at all times. <input checked="" type="checkbox"/> The company does not require foreign workers to live in company-provided housing, unless required by law. <input checked="" type="checkbox"/> Workers are free to secure their own housing accommodations. <input checked="" type="checkbox"/> The company does not require or assign workers to live in dormitories or housing facilities that have unreasonable policies which curtail the workers' freedom of movement. <input checked="" type="checkbox"/> Security personnel manning the dormitory gates are clearly instructed on their duties, their presence should not limit or impede the workers ability to enter or leave the premises. <input checked="" type="checkbox"/> Living quarters are kept safe, clean and hygienic, with adequate personal space and privacy. <input checked="" type="checkbox"/> 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

Worker Feedback and Communication

RISKS	GOOD PRACTICE TO MANAGE RISKS
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Workers have limited direct access to company. <input checked="" type="checkbox"/> The translators are not trained to handle workers' grievances. <input checked="" type="checkbox"/> There is no immediate resolution and feedback. <input checked="" type="checkbox"/> Workers are afraid to report abuses by brokers for fear of reprisals. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> See the Grievance Mechanisms section of this Fair Hiring Toolkit.

Humane Treatment

RISKS	GOOD PRACTICE TO MANAGE RISKS
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> No due process. <input checked="" type="checkbox"/> Punitive deductions are used as a disciplinary measure. <input checked="" type="checkbox"/> There are penalties for early contract termination. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Develop clearly defined and standard rules and regulations, and clearly communicate to all workers, supervisors, managers, and brokers. <input checked="" type="checkbox"/> Ensure the following in your disciplinary measures: <ul style="list-style-type: none"> → 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. <input checked="" type="checkbox"/> Provide workers who are under investigation with a translator who is selected or vetted by the worker. <input checked="" type="checkbox"/> Train all managers and supervisors in positive management



techniques.

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

