Market systems and job quality

12 Dec 2017



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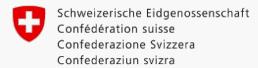
> The ILO Lab: Better markets, better jobs

Objective

Global knowledge generation initiative that promotes use of the market systems approach to address decent work.

How are we doing this?

Collaborating with field projects and conducting research to develop practical practitioner examples and guidance. Flagship publications, briefs, studies, gamification.



Swiss Confederation

www.ilo.org/thelab @ILOtheLab



> And we are finding that...

- Agriculture sectors covered quite extensively.
- Less comprehensive knowledge on addressing working conditions in non-ag sectors where decent work deficits are different from those on the farm.
- Increasing demand for off-farm work as a result of rapid urbanisation in developing countries.
- Practitioners craving evidence that shows (how) a market systems approach can address working conditions.
- So, what do we know about market systems and job quality, and what can we do about it as donors and practitioners?







Using a Market Systems Approach to Improve Job Quality: Evidence and Impacts

Research conducted by Raksha Vasudevan & Ben Fowler of MarketShare Associates (MSA)



> What is job quality?



Methodology

Initial list of 100+ MSD/'MSD-esque' projects

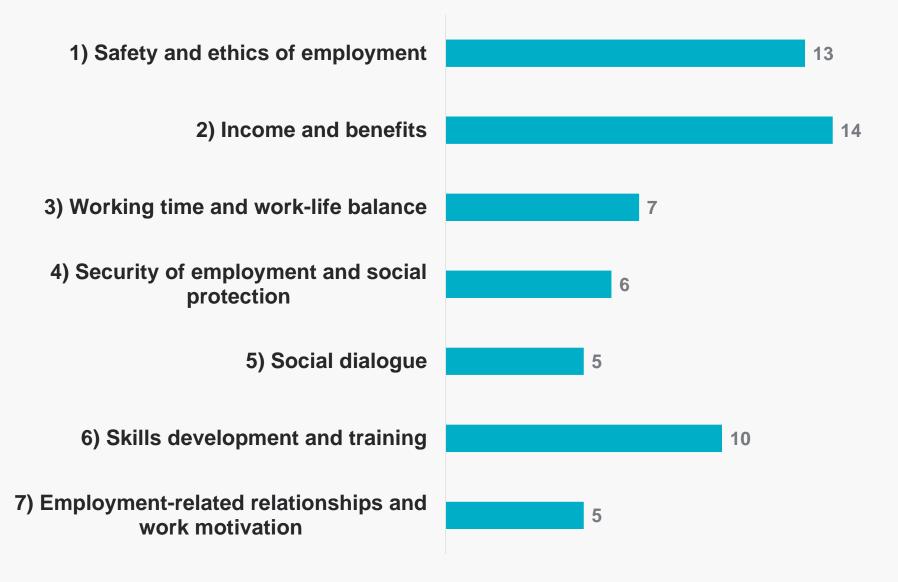
18 selected for further review

Criteria:

- 1. Applying the principles of a MSD approach
- 2. Focused on working conditions beyond job creation & income improvement
- 3. Sector diversity

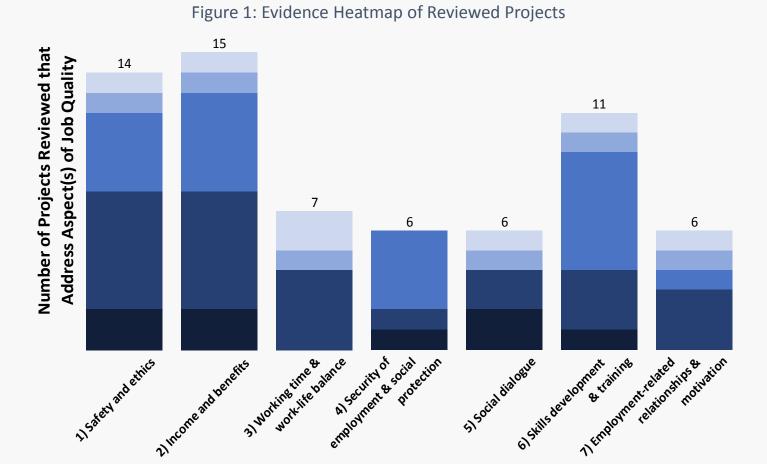
^{*}not specific to a particular project

MSD projects addressing different working conditions



> What have the impacts been?

- Largely positive
- Evidence on impacts remains largely anecdotal



> How impact has been achieved

Select the 'right' sectors to target

SCOPE Indonesia

Work at multiple levels of the system, on both demand and supply sides

LEVE Haiti

Build the business case for job quality

ACIP Colombia

Work with government institutions to change the rules around 'decent work'

EcoVecindarios

Adaptive management built into project design (and a supportive donor)

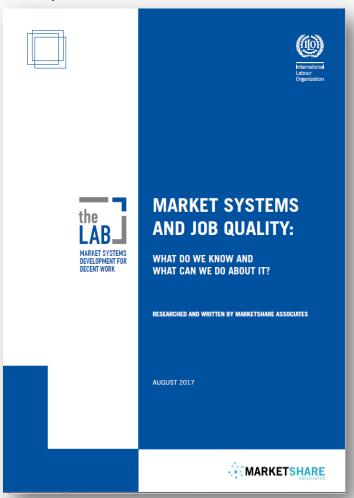
EELY Pakistan

Lessons learned for MSD programs & donors

- Think about job quality in project design
- Don't assume that higher income is always the priority prioritize specific working conditions (not all)
- Allow flexibility around sector & strategy
- Communicate the business case once established
- Integrate measuring (different aspects of) job quality into MRM systems – including monitoring for potential negative consequences

> Want more information?

Full report available on the ILO website



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BIF Burma (Myanmar) Job Quality Webinar

Sebastien Moineau BIF Team Leader – Myanmar

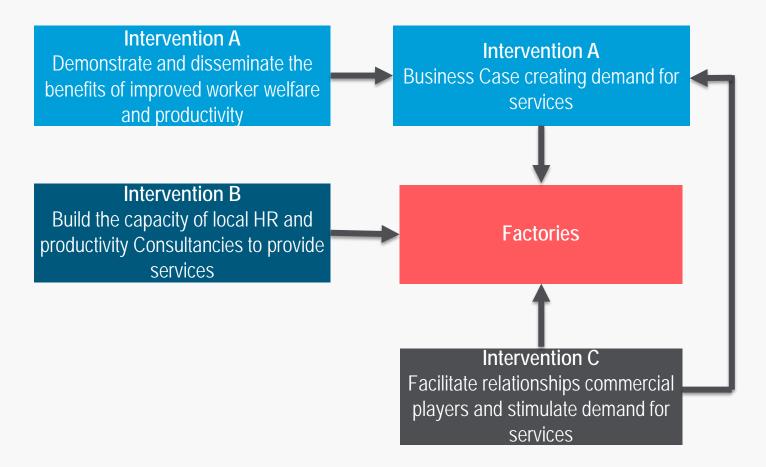
12th December 2017, Yangon

Our vision

The vision for the Myanmar garment market is to increase the number of high quality jobs for poor workers in an industry that understands and can demonstrate the link between better worker welfare and more successful business.

Summary of our garment strategy

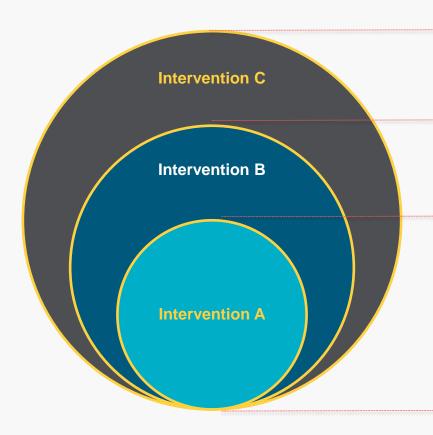






Summary of our garment results





Facilitate relationships between factories, buyers and industry association and changed industry stance on child labour possibly influencing 400 factories

Influenced and build the capacity of six HR & productivity consultancies and create a new supporting function to improve working condition of 5,300 workers in 19 factories

Demonstrate and disseminate business case the benefits of improved worker welfare through productivity and directly improving the welfare of 7,700 workers in 13 factories



> Key Performance Indicators

PRODU	ICTIVITY		HUMAN RESSOURCES
Productivity of work	ers (eight-hour shift)	•	Absenteeism
Efficiency		•	Turnover
Defect/Repair		•	Planned leave
Efficiency		•	Age verification and remediation
Cut-to-ship lose		•	Pay structure
Ship-to-order ratio		•	Dehumanisation
WORKER	WELFARE		PROFITABILITY
Take home pay		•	Increase in sales
Job satisfaction		•	Increase in net profit
Well being			

> Learning points

- Introduction of minimum wage September 2015
- Sensitivity of job quality to shocks
- Capturing job quality data through expansion
- Capacity/interest of scale agents to capture job quality
- Role of management, business associations, Gov., buyers and consumers in improving job quality (e.g.: international labour conventions, ETI, BSCI and other schemes)
- Expectations that private sector development project will necessary have an employment effect
- Can a business case approach improve job quality?

> Thank you and best wishes for 2018!



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Report link: Improving profitability & worker welfare in Myanmar garment factories

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Thank you for joining the webinar Please post your questions in the Chat box

Please fill in our quick online survey:

> Webinar survey

Read the ILO Lab report:

Market systems and job quality: What do we know and what can we do about it?

A recording of this webinar will be available shortly:

> BEAM Exchange webinars



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