

Supply Chain Transparency from the Ground Up: Scaling the LaborVoices SmartLine Platform in Bangladesh

San Francisco, United States Dhaka, Bangladesh

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Year Founded:

2010

Organization type:

for profit

Project Stage:

Scaling

Budget:

\$500,000 - \$1 million

Website:


<http://www.laborvoices.com>

Twitter:

<https://twitter.com/LaborVoices>

Facebook:

<https://www.facebook.com/LaborVoices>

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Project Summary

Elevator Pitch

Concise Summary: Help us pitch this solution! Provide an explanation within 3-4 short sentences.

LaborVoices is building a "TripAdvisor" for workers in developing countries, helping them find the top-rated factories in their area to work for, all through their mobile phones. Our platform also enables companies to buy from fair factories, using data derived from workers' own voices.

WHAT IF - Inspiration: Write one sentence that describes a way that your project dares to ask, "WHAT IF?"

What if factory workers in developing countries could vote with their feet to avoid labor abuses throughout their entire working lives?

About Project

Problem: What problem is this project trying to address?

Traditional, top-down corporate monitoring, such as audits and hotlines, only provide a narrow glimpse into factory conditions, and are often reactionary. These mechanisms are neither preventative nor scalable, and fail to respond to worker or community needs. At the same time, workers want information about their rights, what working conditions they should expect, how to deal with labor violations, and how to find the best workplaces.

Solution: What is the proposed solution? Please be specific!

LaborVoices leverages a data-driven, technology-based approach to advance transparency in global labor markets. We crowdsource intelligence from workers via mobile phones to create a real-time feedback loop among workers, brands, suppliers, and local communities. We turn valuable data back around to workers to educate them on their rights, how to handle violations, and where to find the best places to work. We go beyond the "snapshot-in-time" annual audits and the "latest and loudest" hotlines. Engaged and informed workers, asked the right questions, are the best source for detecting and addressing workplace conditions. We're active in 11 countries across 4 continents, with brand customers in apparel, agriculture, and technology.

Awards

LaborVoices has earned awards and recognition from Echoing Green, Ashoka, and the Purpose Economy 100 Asia Pioneers for its revolutionary approach to transforming the supply chain industry.

Impact: How does it Work

Example: Walk us through a specific example(s) of how this solution makes a difference; include its primary activities.

Our work with a major garment supplier in Bangladesh over the past year stands out in particular. We engaged thousands of factory workers to anonymously report on wages, overtime, sanitation, food quality, and sexual harassment via our SmartLine platform. We were able to highlight some positive things: most workers reported being paid on time and trained effectively. On the negative side, many found the factory's bathrooms unusable, the food inedible, and verbal abuse pervasive. We worked with the supplier to shape effective corrective measures, resulting in a 60% decline in verbal abuse, a 75% increase in acceptable sanitary conditions, a 32% increase in worker satisfaction, and a 43% decline in resignation rates.

Impact: What is the impact of the work to date? Also describe the projected future impact for the coming years.

The company has operated its SmartLine™ system successfully in Bangladesh since 2013. The SmartLine has given suppliers and brands improved visibility into their Bangladeshi factories, identifying previously unknown workplace concerns including verbal abuse, sexual harassment, poor sanitary conditions, and overtime violations. The SmartLine is already a trusted source among Bangladeshi workers, as demonstrated by the 35%+ average participation rate. LaborVoices has demonstrated industry-leading user engagement in Bangladesh, far outstripping—by 14 to 1—comparable mobile-survey and hotline initiatives. We are on track to have 5% of the workers across 100+ factories use the SmartLine, reaching a 4% penetration rate of the Bangladesh apparel sector. We're planning randomized controlled trials starting in 2016 to rigorously measure our impact on workers and employers.

Spread Strategies: Moving forward, what are the main strategies for scaling impact?

The LaborVoices SmartLine engages workers as long-term users, turning actionable insights back to the workers, themselves. The SmartLine will allow workers to tap into the knowledge of other workers within their respective industries, helping them avoid abusive working conditions, and identify the best workplaces in their areas, seeding industry-wide transformation. Using this granular worker-sourced labor market information, factory workers can avoid and prevent the worst forms of labor abuses, including human trafficking, child labor, and sexual harassment.

Sustainability

Financial Sustainability Plan: What is this solution's plan to ensure financial sustainability?

We have already profitably gathered information from workers, and delivered useful intelligence to companies about their supply chains. We are now investing in two big steps to global scalability. First, by seeding worker facing portals in early 2016, we will reach workers en masse, outside of factories. Second, we are selling subscription access to this intelligence for companies, suppliers, and other stakeholders.

Marketplace: Who else is addressing the problem outlined here? How does the proposed project differ from these approaches?

There are several other technology providers, non-profits, data companies, social audit firms, such as Good World Solutions, Babajob, and Souktel, that attempt to address supply chain transparency and accountability. However, most other players still rely heavily on self-reported data, third party data, or snapshot mobile surveys. Instead, we use long-term crowdsourced data directly from workers. We also provide this data in real-time so brands, suppliers, factory staff, and workers themselves can all see information quickly and easily. This is a key differentiator from our competitors.

Team


Founding Story

In 2008, I was in the US State Department, working on labor rights for South Asia and the Middle East. With a background in physics, and anticorruption advocacy, I came to these issues with a transparency and technology perspective. Workers in South Asia were complaining to me about being blacklisted for standing up for their rights. At the same time, companies were complaining to me about the lack of visibility they have in their supply chains. While I was visiting South Asia, I noticed that most workers have mobile phones. It became obvious to me that someone should use these phones to help workers help each other avoid abusive workplaces, and to help companies monitor their supply chains.

Team

With 10 full-time people, 5 in the US, and 5 deployed overseas, we're focusing on building great user experience for our users, and scaling worldwide for our customers. We have software developers, serial social entrepreneurs, folks with experience in the mobile tech for international development, labor and human trafficking. Now, we are actively building out our team to include more talent in software, finance, project management and product development.

File attachments:

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Value Chain: Where does your work fit into the apparel value chain? [check all that apply]

Raw Materials, Manufacturing.

Your Role: What is your relationship to the apparel industry? [check all that apply]

Corporate Staff.

Target Population: What stakeholder groups do you engage or empower in your work? [check all that apply]

Auditors, Brands, Corporations, Farmer or Farmer Associations, Factory Workers, Factory Owners, Policymakers, Retailers - Department Store, Retailers - Mass-merchandise Chain, Retailers - Discount Chain, Sourcing Manager / Supply Chain Manager, Supplier - contractor, Supplier - subcontractor, Technologists, Women.

● Intervention Focus: What are you trying to achieve / influence? [check all that apply]

Access to Essential Services (i.e. Healthcare and Education), Access to Social Protection Services (i.e. Insurance, Pension, etc.), Accountability, Environmentally Sustainable Practices, Labor Rights (i.e. Collective Bargaining, etc.), Gender Equality, Anti-forced Labor or Anti-Human Trafficking, Physical Working Conditions, Transparency.

Lever for Change: Select up to 3 ways your work is helping to transform the industry.

Data, Standards, Technology.

Is your project targeted at solving any of the following key barriers?

Hidden from View: Conditions in Forests, Farms, and Factories are Only Visible to a Select Few, Sustainability is Not Yet in the DNA: Fast Fashion's Current Model Disincentivizes Value-Driven Economies.

Does your project utilize any of the innovative design principles below?

Activate Local Know-how for Driving Solutions: Build Opportunities for Workers to Become Leaders. Disrupt Business as Usual: Target Key Players

Who Can Influence the Bottom Line, Transform the Chain into a Web: Link Unlikely Sectors that Open New Pathways to Sustainability.

Innovation Inspiration: When you first conceived of your project, did you think of it as applicable to the apparel industry?

yes

If you answered "no" to the previous question, which industry was your project originally aimed at transforming?

● **Replicating in the Apparel Industry: If your project didn't initially target the apparel industry, how are you specifically tailoring it to do so now?**

Are you nurturing or inspiring others to be changemakers? If so, how?

Through our various networks, Echoing Green, Ashoka, and others, we get a steady stream of folks that approach us for advice.

● **Tell us about the partnerships that enhance your approach. How have you collaborated with others in the industry to increase your impact?**

Yes - we partner with the Fair Labor Association, USAID, the ILO, and C&A Foundation to help scale our platform.

Source URL: <https://www.changemakers.com/fabricofchange/entries/supply-chain-transparency-ground>