



BetterWork

Progress and Potential Indonesia

Better Work Indonesia Quick Facts



167 Factories



318,000 Workers



53% of the Garment Industry

Key highlights from an independent impact assessment of the Better Work programme

Independent research carried out by Tufts University finds Better Work creates positive results through its unique approach

Working with garment factory workers and managers, along with engaging all industry players, leads to improved workplace conditions, better factory performance and greater well-being among workers and their families. Beyond establishing the programme's effectiveness, taking stock of multi-year research results from across country contexts reveals key implications for businesses and policy makers.

Empowering women drives success

Worker-management committees intended to facilitate problem solving are more effective when females hold equal representation. Training line supervisors, especially women, can increase productivity by **22%**.

Improving working conditions is an investment, not a cost

Factories where workers report better working conditions, where compliance is higher and where supervisors are well equipped for their jobs are more productive and more profitable.

To address non-compliant supply chains, all actors need to take action

Impact assessment results show with hard data how certain sourcing practices of international apparel brands create inherent challenges in achieving decent work in supplier factories. At the same time, supply chain leaders have great potential to reinforce sustainable business models.

MEASURING IMPACT

Better Work is a partnership between the UN's International Labour Organization, and the International Finance Corporation, a member of the World Bank Group. The programme works to improve working conditions and promote competitiveness in global garment supply chains. As a result of their participation in Better Work, factories have improved compliance with ILO core labour standards and national legislation covering compensation, contracts, occupational safety and health and working time.

To further understand the impact of its work, Better Work commissioned Tufts University in 2009 to conduct an independent impact assessment. Tufts' multi-disciplinary research team has gathered and analysed nearly 15,000 survey responses from garment workers and 2,000 responses from factory managers in Haiti, Jordan, Indonesia, Nicaragua and Vietnam to do this. The analysis of these responses represents a unique and in-depth evaluation of Better Work's effectiveness in changing workers' lives and boosting factory competitiveness.



Key highlights from Better Work Indonesia

Impact assessment results from Indonesia suggest significant progress has been made, with potential for further improvement

WORKING CONDITIONS

Workers achieve greater job stability

In a sign of increasing job stability for workers, responses from impact assessment surveys show a near doubling of the proportion of workers who say they hold an unlimited time contract, rather than a short-term or probationary contract.

Workers show increased willingness to take serious concerns to trade unions

For example, while workplace sexual harassment is a concern for workers in Indonesia, through participation with Better Work they are increasingly empowered to combat the issue. Over time in the programme, workers are increasingly likely to take this concern to their trade union representative, indicating they are more aware of their rights and channels to exercise them.

Worker-reported pay increases

By ensuring compliance with paying wages according to law and as promised in workers' contracts, Better Work is driving an increase in what workers report as their take-home earnings, in constant terms.

COMPETITIVENESS

Training line supervisors, particularly women, pays off in better working relationships and higher productivity

When trainees believe they can improve their skills, and they have support of their managers, Supervisory Skills Training is demonstrated to lead to more balanced production lines, better workplace relations and higher productivity. Training female supervisors in particular was shown to result in a **22%** increase in productivity.

Firm competitiveness increases by eliminating harmful and counterproductive workplace abuses

Beyond infringing on basic rights of workers, the presence of verbal abuse in a factory setting reduces productivity. Better Work research shows the most successful firms are those that recognize the frequent prevalence of such abuse in the sector and act to eliminate them in their workplace. Workers in Indonesia report a steady reduction in concerns about shouting and verbal abuse the longer their factory is enrolled in Better Work.

BEYOND THE FACTORY

Access to healthcare services improves

Through its assessment and advisory work to ensure greater compliance with existing laws, Better Work Indonesia has enabled expanded access to pregnancy-related healthcare. More workers report through impact assessment surveys that they have access to this kind of healthcare, a vital service for many young women working long hours in the garment sector.

Better working conditions can increase education opportunities for workers' children

In Indonesia, nearly 90% of children of workers in Better Work factories are enrolled in school. Workers whose factories participate in Better Work report further slight increases in this schooling rate for boys, indicating that securing better conditions at the workplace can spillover to improving the lives of workers' families.



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