

AIM[®]

AIM-PROGRESS Task Force



Case Studies / Discussion Points



Case Studies – Forced Labour

Which of These are Examples of Forced Labor? Why?

1. Employee needs money to pay for his wife's operation. He offers to work "for free" in exchange for an advance of payment.
2. When employee is hired, the Human Resources Manager takes possession of the employee's passport, birth certificate, and other personal papers and tells the employee the Company will retain the paperwork until the employee has completed at least six months of employment.
3. It takes 8 hours, with breaks, to cap 1,000 bottles. Employee is told that he cannot take a break until 1,000 bottles are capped.

Case Studies – Forced Labour

1. Employee needs money to pay for his wife's operation. He offers to work "for free" in exchange for an advance of payment. ***This is a violation of the Forced Labor Policy because the employee is working to repay an advance payment.***
2. When employee is hired, the Human Resources Manager takes possession of the employee's passport, birth certificate, and other personal papers and tells the employee the Company will retain the paperwork until the employee has completed at least six months of employment. ***This is a violation of the Forced Labor Policy because it is restricting the employee's movement.***
3. It takes 8 hours, with breaks, to cap 1,000 bottles. Employee is told that he cannot take a break until 1,000 bottles are capped. ***This is a violation of the Forced Labor Policy because it is restricting an employee's movement in order to increase productivity.***

Case Study – Wages and Benefits (2)

- A facility employs a large number of casual workers. The pay of these workers is calculated on a daily basis yet they are paid at the end of each week. From looking at records it can be seen that many of the casual workers have been working in the facility on a continuous basis for years, yet do not have an employment contract. Through interviews it is also established that the casual workers do not get holiday pay nor do they get sick pay, they only get paid for the days they work. Some work on the production line in the factory, and there are others in many different departments.
- **For Discussion:**
 1. What other issues may exist as a result of the long term use of casual workers? Where else may the facility have issues in terms of meeting customer code requirements?
 2. What should management do to rectify the situation so as to avoid abuse of casual labour?
 3. Have you any best practices or examples of how casual labour has been formalized in your own facilities?

Discussion– Working Hours (1)

1. During an assessment auditors find that many workers believe that overtime is compulsory and they can not refuse it for any reason.
2. However the auditors also found that workers did sign for overtime on a sheet which was prepared whenever overtime was needed.
3. This was usually prepared towards the end of the day and circulated to workers so they could stay on for a few hours. Whilst workers said they liked to get overtime as it increased their pay, they could not do it all the time without notice.
4. They also said some workers had been punished for refusing overtime through their supervisor refusing to give them overtime in the future.

What was management's view on this issue?

- Management said that if workers have to go home then they can, but that often overtime is needed due to workers mistakes, machine breakdowns or power failure which they cannot control. They need to keep their customers happy and to do that need to meet deadlines. They always pay overtime at premium rates.

For Discussion:

1. What measures could management take to ensure overtime is voluntary, but workers understand the need for flexibility?
2. How could management generate more goodwill amongst the workers so they understand the importance of completion of orders to deadlines?

Discussion– Working Hours (2)

1. An assessment was undertaken at a printing company. During a review of the payroll and time record the audit team found that some months previously there had been very high working hours.
2. In more recent months the amount of overtime in the records appeared to have decreased. Company policies had a limit on the number of working hours, and the general manager was trying to control overtime to reduce costs.
3. When interviewing workers some said that they still worked the same number of hours but they were now paid in cash at the end of working on a Saturday or Sunday, but they thought they did not earn quite as much.
4. They were pleased to be working overtime and said they needed the money, but were often very tired.

What was management's view on this issue?

- There were a number of opinions. The production manager said he often needed to approve overtime at the last minute due to problems with machines, and as a result some workers worked for many hours each week, especially some of the more skilled personnel. HR management said they were trying to get working hours under control. On further investigation it appeared the Saturday hours were being paid from a separate budget so as to appear to keep working hours down, and also hide excess hours.

Case Study – Child Labour (1)

- The minimum age for work in a country is 15 years. An employee brings her 10 year old child to work because the school is closed and there is no one to take care of her at home. During the day, the child busies herself with playing in the facility gardens, sleeping in the canteen. Bored of all of this the child walks on to the work floor and sits next to her mothers' work station. They talk while the mother goes about her work of placing bottles in front of the bottler capping machine and the child too occasionally helps her mother place bottles in front of a bottle capping machine. In the evening, the shift ends and the employee and her child go back home.

For Discussion:

1. What can be the hazards of this scenario?
2. Have you ever faced such a situation in the facility? What was the solution?

Case Study – Child Labour (2)

- The manager of a facility in a third world country encourages women to be independent and to promote his ideology he hires a lot of women employees in his facility. At any given time at least 60% of his total workforce comprises of women. The women also reported that they are treated very well at the facility. However, they also reported that once a woman becomes pregnant the employment relationship is terminated. The employer confirmed this and reported that feels that it is ok for women to gain exposure to the world, however, once they get pregnant all their time must be devoted towards bringing up the next generation.
- **For Discussion:**
 1. Do you agree with the managers' thoughts?
 2. If not, what is wrong in this case?
 3. What can be the plausible solutions to this issue?