# Chapter 0 - Management System, Transparency and Traceability



Fact-sheet – What is a homeworker and how to manage?



# What is the objective?

What are homeworkers and what precautions need to be taken related to them?

**Definition:** A homeworker is a person who performs labor (work) for someone other than him or herself from his or her place of living. This person typically is paid a fixed rate and the facility for which he or she produces is not the final customer.

The main objective is to understand how to manage homeworking in the supply chain.

- To understand the special risks that homeworkers face and how these are related to social compliance;
- To familiarize management with the social policies and procedures related to homeworking.



#### How to achieve the objective?

Understand the risks: what are the risks associated with homeworkers when it comes to maintaining social compliance?

- 1- Terms of employment might not be clear homeworkers should be entitled to the same benefits that workers at a facility are entitled to, including maternity leave. These benefits and similar aspects are often overlooked or omitted from homeworker contracts. To avoid this:
  - **a.** Define clear legal terms of employment containing at minimum the payment rate, payment date, conditions of payment (if quality criteria are taken into consideration in the payment and validity of the agreement);
  - **b.** Include in the agreement an adapted policy which forbids the use of child, bonded, forced labor and provide clear guidance on working hours limitation.
- **2- Limited ability to assess risk** since homeworkers are not directly supervised by another person in their home, there is a risk that children or forced, bonded or slave labor could be involved in the production. *To avoid this:* 
  - a. Ensure the amount they are required to produce can be produced by one person;
  - **b.** Make visits to homeworkers to assess the conditions.
- **3-** Access to anonymous grievance mechanisms at a facility, workers can typically access an anonymous grievance channel, but homeworkers may face difficulties to have an anonymous grievance channel unless they are provided with an anonymous SMS or mobile hotline.
- **4- Difficulty verifying working hours and payment of wages** homeworkers may be responsible for keeping track of their own working time, this creates a challenge when a 3<sup>rd</sup> party needs to verify that the records are accurate. *To avoid this:* 
  - **a.** Try using a mobile platform for workers to virtually record their working hours.
- **5- Risk of precarious employment** homeworkers ought to have the same rights to regular employment than workers at a facility. *To avoid this:* 
  - **a.** Ensure that regular employment is included in the terms of employment.



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- **6- Limited oversight for safety** a homeworker may not have a system to record accidents, and they may not be equipped with an emergency response plan or first aid kit should an accident occur. **To avoid this:** 
  - a. Provide the appropriate Personal Protective Equipment (PPE) when needed.
- \*\* Just because there are risks associated with homeworkers does not mean that it is a poor practice to be avoided unless the customer states that use of homeworkers is not allowed.





### **Common non-compliances**

- No formal contracts with homeworkers;
- Homeworkers are not provided with the standard benefits they are entitled to;
- Lack of complete and accurate working hours, payroll and production records for homeworkers.



#### **Good practices**

- Conduct Trainings on Occupational Health & Safety: conduct a health and safety training for the operations done by homeworkers;
- Conduct Regular Trainings on Grievance Mechanisms: homeworkers may feel isolated and may be less likely to speak up with an issue or suggestion, continuously reminding them that they have access to grievance mechanisms may help promote worker engagement and prevent issues.