



Potential Solutions to improve visibility within the supply chain

Fashion's Forgotten Workers - From Risk to Resilience with Tech-Enabled Solutions Webinar

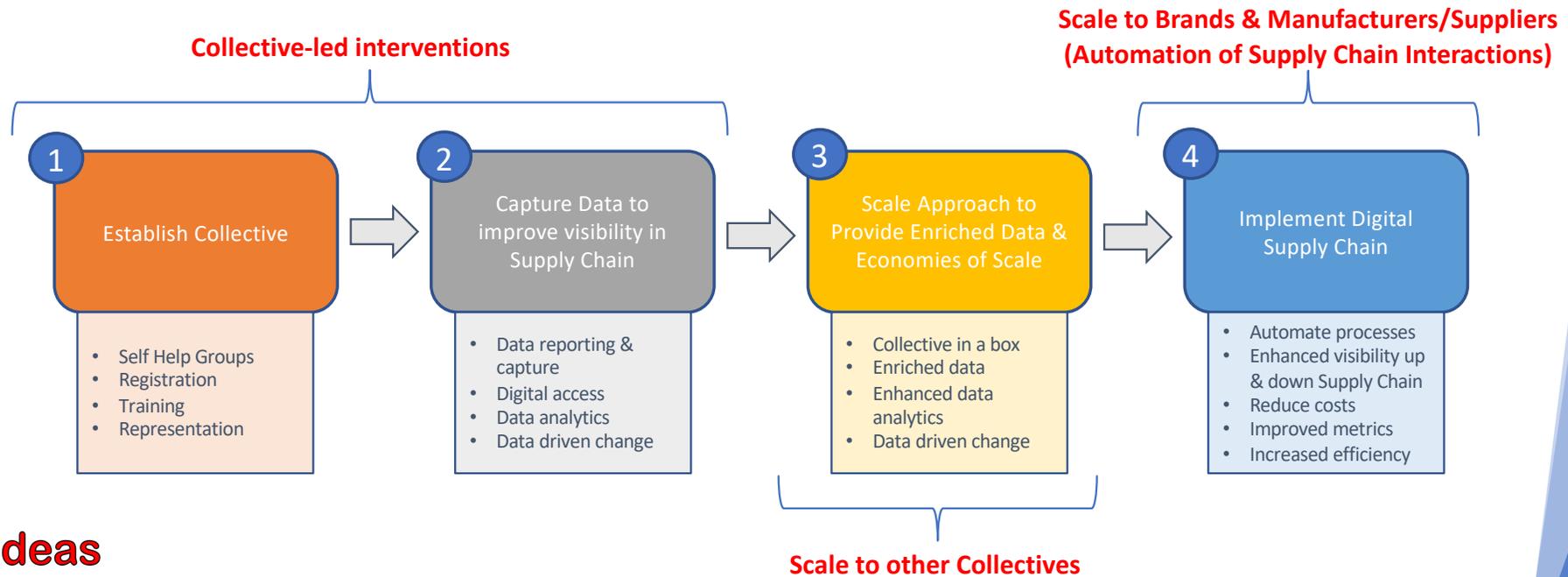
Nick Spencer & Team, 26th July 2021

Introduction

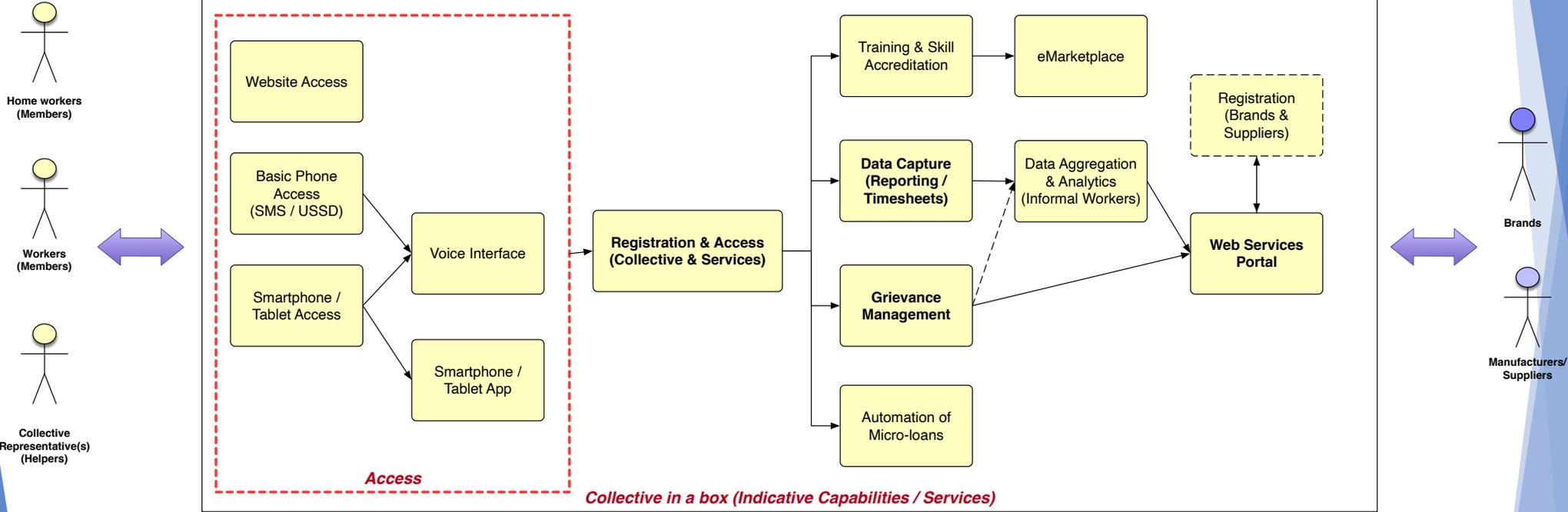
- ▶ Project looked at ways of improving visibility within the supply chain through the use of technology with a view to improving working conditions and reducing vulnerability for informal workers, particularly homeworkers
 - ▶ Ideally this would provide visibility up the supply chain as well as down the supply chain
 - ▶ This could start at a basic level and over time create a more interactive approach to supply chain management
- ▶ With informal workers being unorganized, unrecognized and lacking representation or support within the supply chain, and with access to technology and levels of literacy (including digital and financial literacy) being low
 - ▶ The requirements for both non-technical and technical interventions needed to be explored.
- ▶ Whilst the research focused on the apparel sector in India – the proposed approach is equally applicable to other sectors and to other countries

Roadmap to improve visibility and to develop resiliency

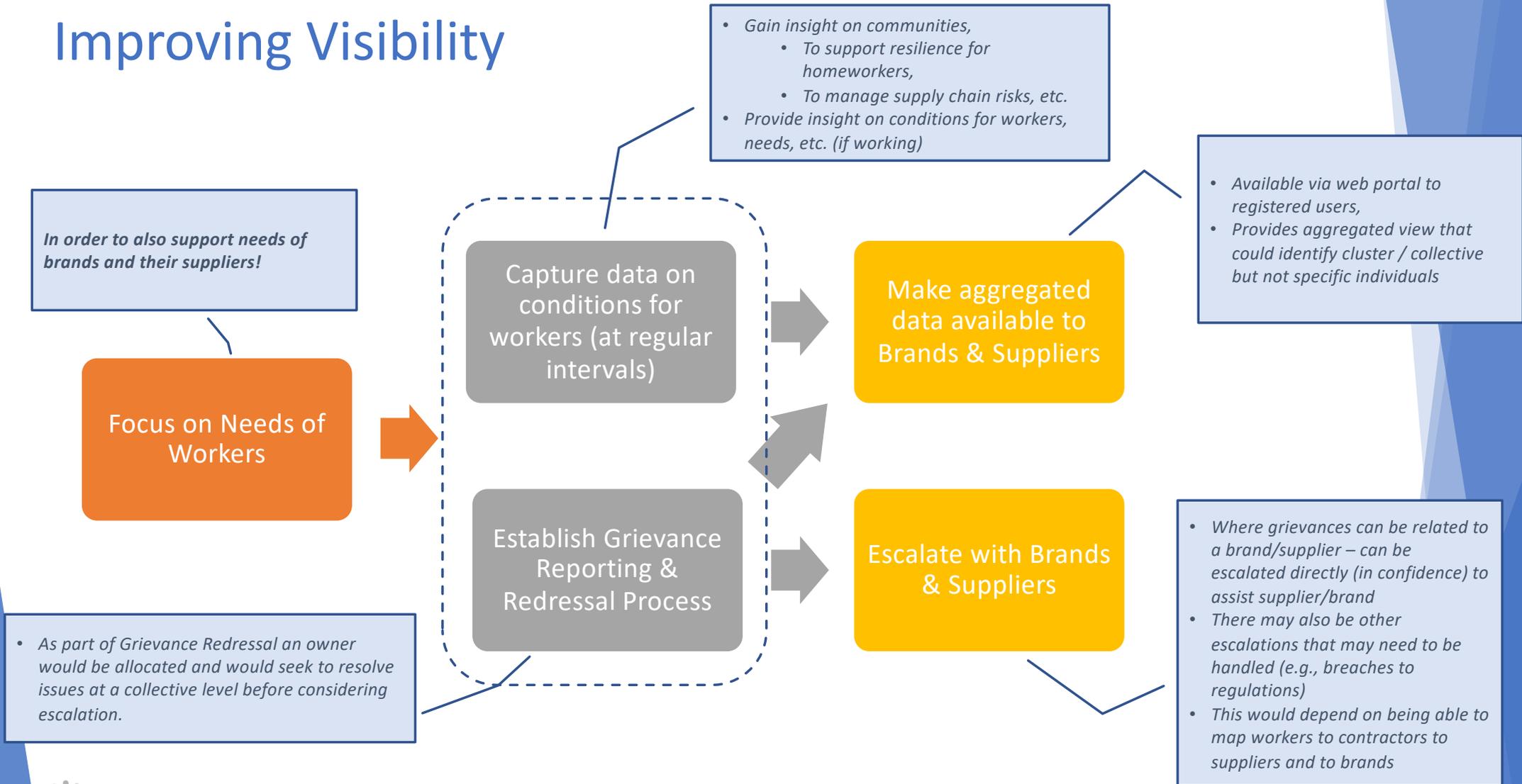
- Starting point is seen to be to support and empower home-based and other workers through a membership-based organisation (Collective) which
 - Helps members to understand their rights, provides support to access government schemes, provides training and upskilling, etc.
 - Represents them to other supply chain actors to press for recognition, greater visibility and better working conditions, as appropriate
- Training could include health (including preventative, curative and referral services in the context of the pandemic) and nutrition, digital literacy, understanding of supply chain configuration and practices etc.
- The Collective can also
 - Facilitate the introduction of tools to improve visibility and accountability within the supply chain
 - Facilitate the access to and use of tools by members/workers
 - Provide the necessary training and awareness to make the adoption of tools more likely to succeed



Indicative Capabilities

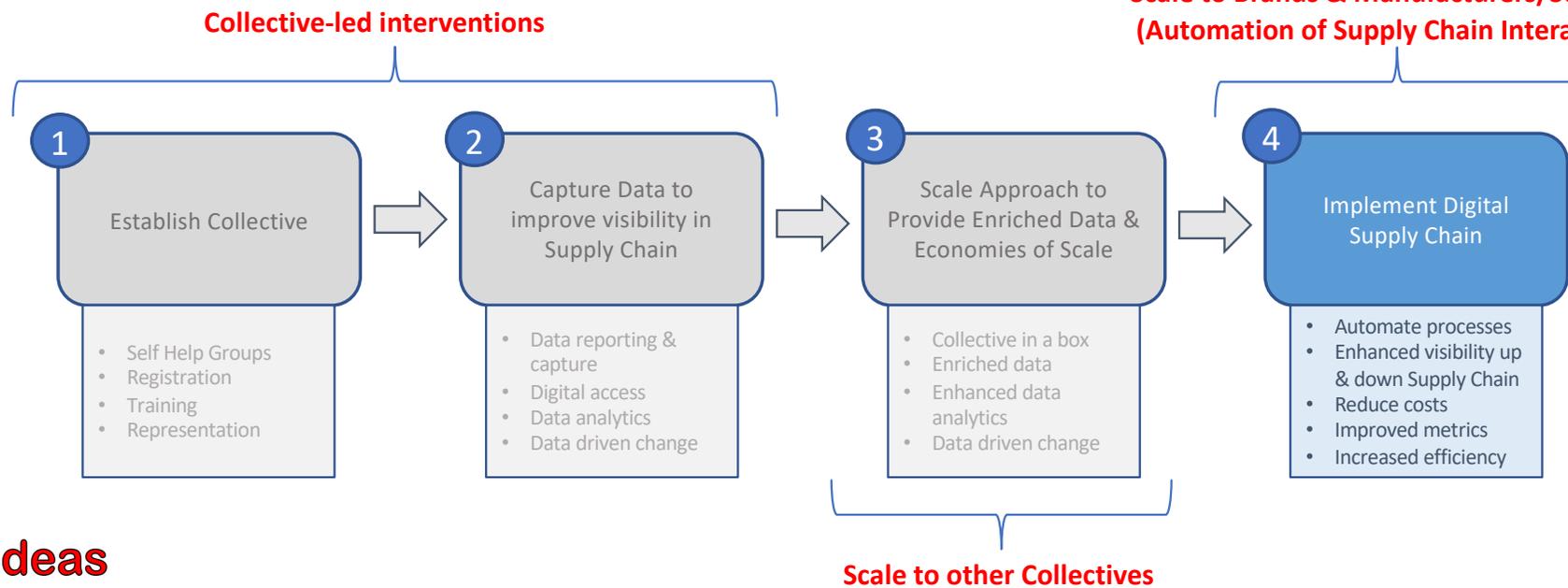


Improving Visibility



Digital Supply Chain

- “Digital Supply Chain” allows orders and then specific jobs (e.g., a pack of garments for finishing) to be tracked by checking them in and out at different stages of the supply chain including informal workers.
- It is based on two assumptions:
 - Informal workers are already registered on the system and are reporting conditions including work
 - The system has scaled to a point where multiple groups of workers are actively using the system
- Extends the system to include other supply chain actors (such as contractors) being registered on the system to enable them to track the receipt and distribution of work
- It would continue to support the same services (e.g., grievance reporting and redressal) but with more data around supply chain performance being captured
 - The system provides a more granular audit trail
- Could support additional features
 - Discovery of available work and specialist capabilities
 - Allows brands and suppliers to be able to communicate with workers
 - Automation of payments
- Adoption would probably need to be driven top-down



Digital Supply Chain

- ▶ The system aims to protect privacy and commercially sensitive interactions which are only accessible to authorized entities/people
- ▶ As it builds upon earlier interventions, this is probably a medium-long term proposition
 - ▶ It is most efficient when the majority of workers have access to smartphones to enable richer reporting & allow scanning items to check them in or out (although it is not dependent on this)
- ▶ The Digital Supply Chain system provides a new opportunity for supply chain actors to build something that is very transparent, robust, worker-friendly, and bottom-up that supports the industry
- ▶ It helps to bring in the visibility that
 - ▶ Reduces risks for brands
 - ▶ Helps to conserve resources
 - ▶ Helps to build a strong and resilient community of home-based and other workers.
- ▶ This could represent a positive story in providing a model in ethical supply that could also be adopted by others



Thank you!

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