



Better Work, a unique partnership programme of the International Labour Organization (ILO) and the International Finance Corporation (IFC), brings together government, employers, workers and international buyers to improve labour standards compliance and competitiveness in global supply chains.

WHY MEASURE IMPACT?

- To assess how Better Work affects workers' lives
- To continually improve programme services
- To evaluate the business case for compliance with labour standards

Better Work has the potential to significantly impact the lives of workers and their families, the performance of enterprises and the economic and social development of countries involved. Better Work's analysis uses an evidence-based approach to rolling out new country programmes and services. Ongoing and rigorous monitoring and evaluation, as well as impact measurement, ensures that Better Work remains focused on the efficient achievement of programme objectives.

TWO LEVELS OF ANALYSIS

Monitoring the Better Work Programme: To ensure effective operation and intended outcomes, Better Work uses rigorous tools for monitoring and evaluation in all programme countries. Key output assessment indicators include:

- Labour standards compliance rates at factory and industry levels
- Improvement in compliance over time
- Labour-audit costs saved
- Relationships with buyers

Impact Assessment on a Broader Scale: The programme has also developed a methodology for net impact analysis, which offers the ability to analyze the causal links between Better Work interventions and outcomes for both factories and workers. Key development indicators being tracked, including progress toward the Millenium Development Goals, include:

Economic Development

- Export growth by value and volume
- Employment
- Wages

Human Development

- Worker household income
- Worker remittances
- Educational attainment
- Mental, physical and reproductive health

HOW IS IMPACT ASSESSMENT BEING IMPLEMENTED?

A multidisciplinary team of leading academics* is heading the impact measurement effort. In certain Better Work programme countries, research will be conducted using a scientific methodology designed to isolate Better Work as the change variable. The ongoing assessment will look at both managers and workers to assess human development indicators and economic development indicators. In other countries, impact measurement will rely on analyzing year-to-year changes in factory performance or using more qualitative research methods.

In addition to collecting new information, research will use existing data from household and enterprise surveys, which allow additional opportunities to verify the impact of the programme. Qualitative research will supplement these efforts and seek to explain how and why factories change their human resource practices in ways that promote improved compliance with labour standards.

POSITIVE IMPACTS: THE BETTER FACTORIES CAMBODIA EXAMPLE

The impact of Better Factories Cambodia, the precursor programme to Better Work, has been very significant, both in terms of the industry's competitiveness and improved compliance with labour standards. Exports to the US, Cambodia's major export destination, have grown by 151% in value between 2001 and 2008. Over 160,000 new jobs were created during the same period. Compliance rates for freedom of association in participating factories increased 14% reaching nearly 90%. Over 90% of factories are now paying correct wages and overtime rates, and granting maternity leave and paid annual leave, an increase in compliance of 37%. Nearly 4 out of 5 factories are ensuring overtime is voluntary and workers are receiving paid sick leave. Also, compliance in occupational safety and health improved 20%.

*The research team is led by Professor Drusilla Brown, Director of the International Relations Program at Tufts University, and includes Raymond Robertson from the Department of Economics at Macalester College as well as the following senior researchers from Tufts University: Rajeev Dehejia and Sharun Mukand (Department of Economics), Francine Jacobs and Tama Rosenthal (Department of Child Development), Ann Rappaport (Department of Urban and Environmental Planning and Policy), Beth Rosenberg (Department of Community Health, Tufts University Medical School).

