



The impact of Better Work Bangladesh

A decade's legacy



International
Labour
Organization



IFC International
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WORLD BANK GROUP

Creating Markets, Creating Opportunities

BetterWork.

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► Foreword

The ready-made garment (RMG) industry in Bangladesh has become synonymous with the aspirations and livelihoods of millions of people. As the backbone of the nation's export sector, it makes a significant contribution to the country's GDP and creates employment opportunities. The RMG industry has the potential to further advance socio-economic development and the empowerment of women, if the sector continues to promote decent working conditions and high productivity.

Better Work Bangladesh aims to support RMG industry stakeholders in ensuring the sector is both sustainable and competitive by facilitating lasting change through assessments, advisory visits, trainings and research. Since its launch in 2014, the programme has worked closely with factories to steadily improve compliance with ILO core labour standards and national legislation covering compensation, contracts, occupational safety and health, and working time.

The knowledge generated by Better Work Bangladesh provides the ILO's tripartite constituents with both data and an account of how labour regulations and working conditions affect business competitiveness and worker well-being. Better Work Bangladesh contributes to this vision by encouraging ownership of improvement processes in individual factories, as well as supply chains and industry stakeholders. While our factory engagement model of combined assessments, trainings and advisory services has demonstrated effectiveness in achieving improvements in the sector, our focus remains on sustaining this progress and developing scalable and sustainable solutions that build cooperation among government, employers' and workers' organizations, and international buyers.

This report, which reflects on the first decade of the Better Work Bangladesh programme, showcases the impact of collective efforts undertaken by industry actors – workers, employers, government and international brands – to achieve better working conditions and business competitiveness in Bangladesh's RMG sector, while acknowledging the challenges and priorities that lie ahead. It particularly explores the pressing issues of labour rights, workplace safety and women's empowerment, and provides insights into the industry's continuous efforts to improve in these areas. By acknowledging the progress made by Better Work Bangladesh-supported factories, as well as areas where further improvement is required, this booklet aims to foster a holistic understanding of the country's garment industry and encourages critical discussion and constructive dialogue.

As Better Work Bangladesh embarks on a new phase with our strategy for 2022–27, let us appreciate the threads that connect us all – the threads that have shaped the garment industry in Bangladesh and continue to stitch together a more inclusive and prosperous future.

Mohamad Anis Agung Nugroho
Programme Manager



► Acknowledgements

This report was prepared by a team from Better Work Bangladesh consisting of Sayan Muhammad Rafi, Monitoring and Evaluation Officer, and MH Kawsar Rudro, former Communications Officer, with input from Better Work Bangladesh team leaders Syed Fazle Niaz, Syed Atikul Alam, Abdul Munim, Zariath Tamanna, Md. Maruf Hasan Khan, and former National Programme Operations Manager, Abu Yousuf, under the overall guidance of Mohamad Anis Agung Nugroho, Programme Manager, Better Work Bangladesh.

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► Introduction and methodology

Better Work Bangladesh was launched in 2014 with the aim of helping to build a competitive garment industry that provides decent jobs to workers, good business for factories and brands, and economic development for the country.

As a partnership between the International Labour Organization (ILO) and the International Finance Corporation (IFC), Better Work Bangladesh works with the government, employers' and workers' organizations to create lasting change in the garment industry through our factory engagement services, comprised of advisory, assessment and training sessions.

Better Work Bangladesh has been a key facilitator of the expansion of Bangladesh's ready-made garment (RMG) sector, one of the country's largest export-oriented drivers. The programme has grown to include around 480 participating factories, working with 50 brands and retailers, and impacting more than 1.3 million workers, 51 per cent of whom are women¹.

Better Work operates at multiple levels in the garment sector. It convenes stakeholders at the national level to encourage dialogue and strategic oversight of the programme. At the factory level, Better Work provides interlocking services to

¹ As of November 2024.



enrolled factories: compliance assessments, advisory services and specialized trainings, which emphasize continuous improvement and dialogue.

Better Work generates unique data through our factory-level work, and the research conducted by our partners. As each enrolled factory undergoes a full compliance assessment on a roughly one-year cycle, Better Work can compile and examine trends over time to ascertain whether non-compliance issues are remediated and successfully addressed. In this brief report, Better Work Bangladesh presents key compliance trends to illustrate the progress and setbacks participating factories have experienced since the programme began operating in 2014.² Better Work reports compliance trends at the level of the *compliance question*, rather than the more aggregated *compliance point* level, to better understand how individual issues evolve.³

The data used for this brief encompasses a sample of Better Work-enrolled factories in Bangladesh with at least four years of consecutive enrolment across cycles four to seven in Better Work during the period, 2014–22. The long-term commitment of this subset of factories enables the analysis of compliance trends across the scope of the programme. The visual figures in this brief depict the percentage of factories in the sample assessed as non-compliant on a particular question from the programme's Compliance Assessment Tool. Observed non-compliance rates are aggregated per each annual cycle a factory completes in the programme, rather than by calendar year, which allows for a better approximation of the typical compliance trajectory for an enrolled factory. A downward trend in non-compliance represents positive improvement in the relevant working conditions.

In addition, Better Work Bangladesh has invested in independent research to better understand challenges and progress in the RMG industry, and to highlight where the programme's services have played a role in contributing to positive change. Since its inception, the programme has collaborated with independent third-party researchers to provide an additional evidence base – including through hearing directly from workers and managers through surveys and interviews. Analysis of the responses given by workers and managers as a result of confidential interviews outside of workplaces has yielded insights into workers' experiences and the dynamics of working life in the garment industry.

This brief is organized into four thematic sections: (i) occupational safety and health; (ii) social dialogue and grievance mechanisms; (iii) well-being of workers and their families; and (iv) business competitiveness. Each section highlights learnings gleaned from compliance assessment trends, operational experience from the Better Work team, and from independent research findings. Together, these sources not only

² A balanced panel of 65 factories with at least four completed cycles in the Better Work programme during the period 2014–22 has been used to present compliance trends in this brief. Data from the virtual compliance checks carried out by the programme during COVID pandemic lockdowns are not included in the analysis.

³ A compliance point denotes a thematic area of compliance based on which factories are assessed, e.g. Occupational Safety and Health, wages, gender, etc. Compliance questions are collections of questions that are used to assess a factory under each specific compliance point.



Safety committee members participate in a garment factory fire safety awareness session covering the use of firefighting tools in Dhaka. © ILO

provide a picture of the progress made by factories enrolled in the programme, but also demonstrate that more work is required to ensure a safe, healthy and sustainable garment sector in Bangladesh.

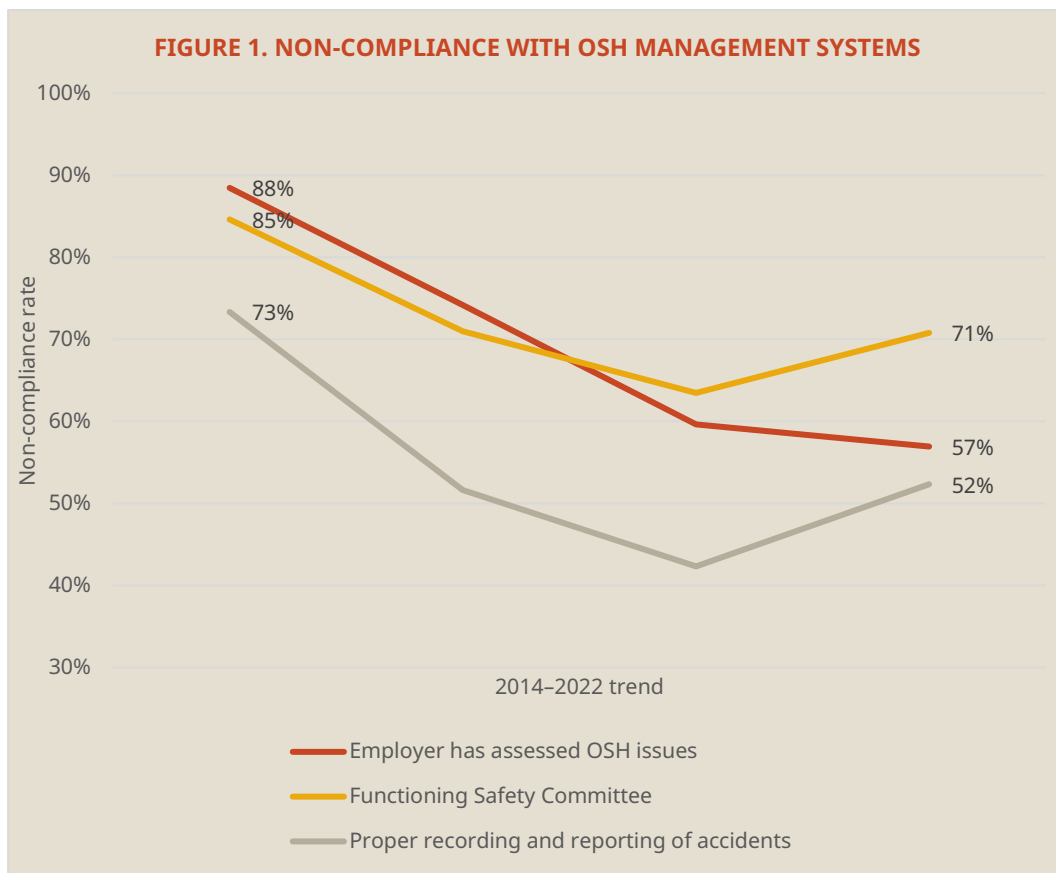
► Occupational safety and health

Following the Rana Plaza disaster in 2013, industry stakeholders were strongly focused on identifying and remediating safety issues at garment sector workplaces that could pose an immediate threat to workers' lives. With a similar emphasis, over one-fifth of the questions presented in Better Work's Compliance Assessment Tool, which is used during multi-day unannounced assessments at factories, focus on occupational safety and health (OSH). These OSH questions cover issues such as emergency preparedness, health services and first aid, OSH management systems, welfare facilities, worker protection and working environments, among others.

Better Work's approach to promoting ownership of continuous improvement at factories places a strong emphasis on ensuring management systems are established, including those that promote safe and healthy workplaces. When factories first started enrolling in Better Work in 2014, high levels of non-compliance were found in this area. Nearly nine in ten workplaces (88 per cent) did not have a



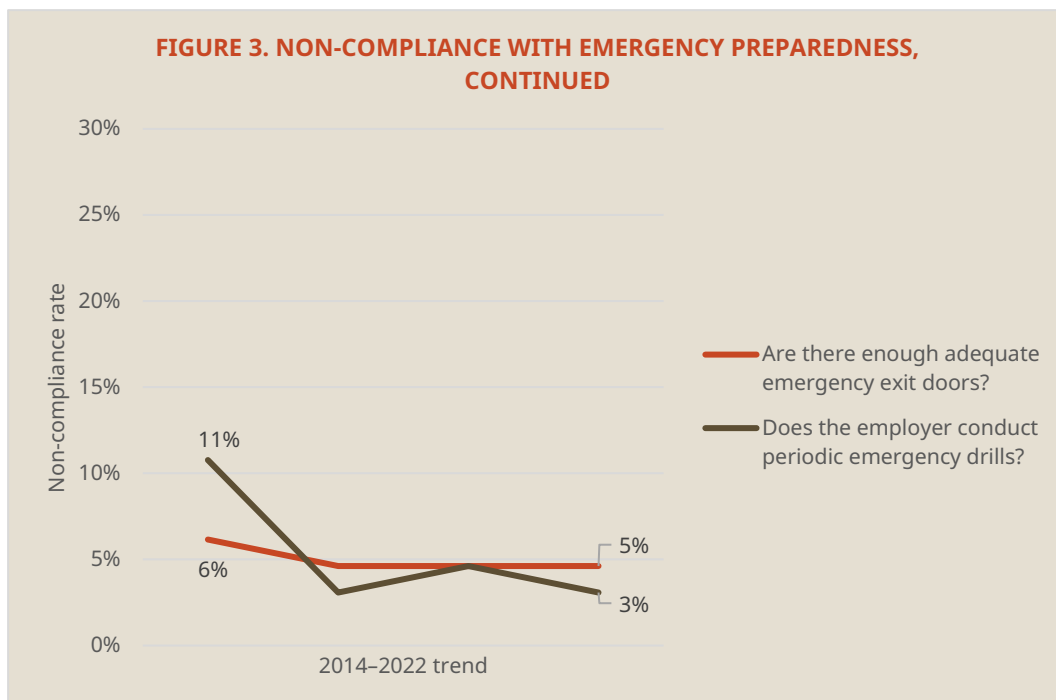
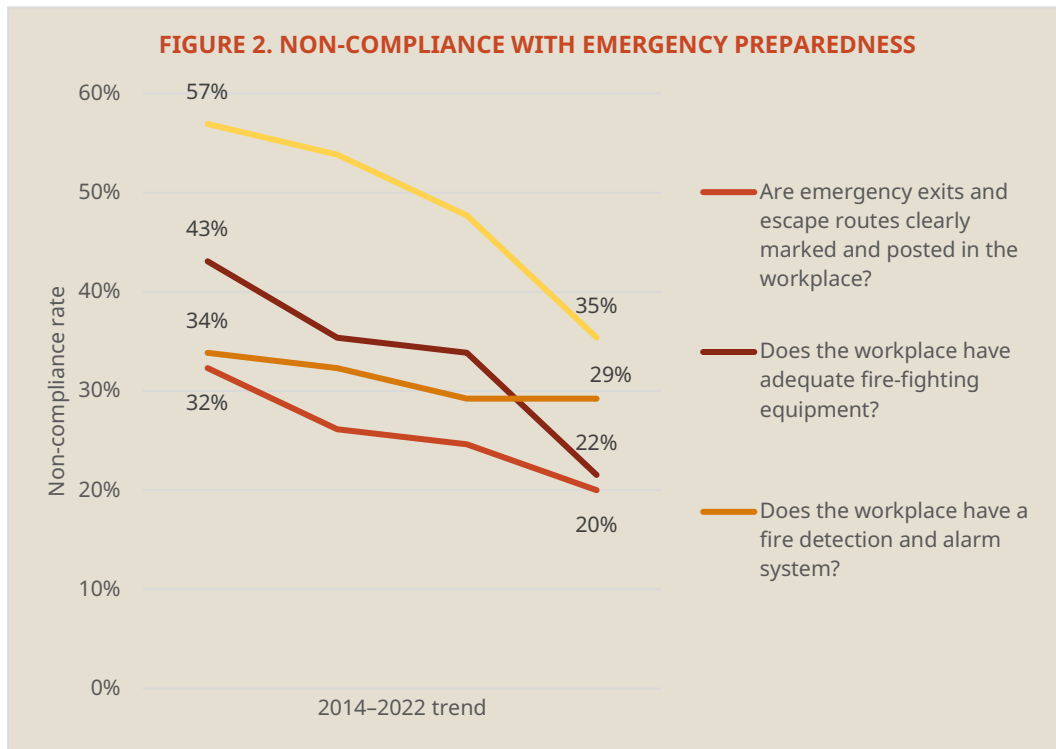
method to assess OSH issues at the workplace (figure 1). Tracking these compliance questions over time showed that by 2022, the share of factories assessed as non-compliant in the OSH management system area fell to 57 per cent, representing a 35 per cent decrease in the rate of non-compliance. When we consider a subset of newer factories, though, the non-compliance rate barely changes from 97 per cent to 93 per cent. This can be attributed to the fact that in the formative years, factories focused more heavily on addressing more imminent OSH issues, such as fire hazards, malfunctioning emergency exits, etc. Once these were addressed, they gradually established a more holistic OSH management system that covers a wider range of issues.



Over the past eight years, factories have also become more likely to have functioning safety committees, and more likely to properly record and report accidents at the workplace. Today, around half of the factories assessed comply with these areas of national law. Nevertheless, room for improvement in OSH management systems clearly exists. By highlighting both the progress made and the work remaining to achieve systems that promote safe workplaces, Better Work aims to motivate participating factories and provide advice on further improvements in this area.



Ensuring that workplaces are properly prepared for potential emergencies is another key area of focus for the programme. As illustrated in figures 2 and 3, factories enrolled in Better Work Bangladesh have seen consistent improvement across a range of areas. Non-compliance rates on emergency preparedness questions have decreased over time, indicating improvement in workplace emergency preparedness. Despite this improvement and although nearly all workplaces have sufficient emergency exits, about one in five workplaces assessed still do not have clearly marked emergency exits and escape routes.





The systematic approach adopted by Better Work to support factories in their remediation processes has facilitated these changes over time. The issues were highlighted through self-diagnosis by the factories with guidance from Better Work. This was followed by a thorough assessment process that identified non-compliance with the law. Through regular advisory visits, worker and management representatives at the factory level were provided with the means to prioritize these issues, conduct root cause analysis, draft a consultative action plan, and monitor progress. Training and industry seminars on thematic areas also helped raise awareness among factory staff and facilitated the change process.

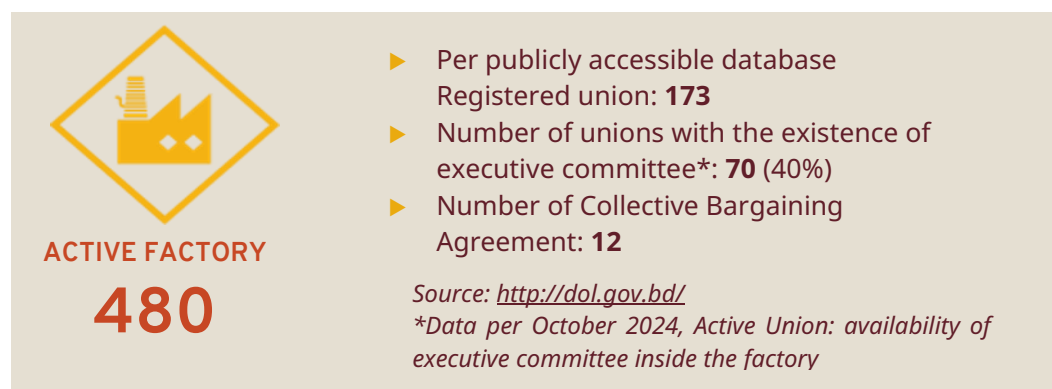


Worker representatives from a garment factory are made aware of the benefits of social dialogue by an Enterprise Advisor from the ILO Better Work Programme. The ILO promotes social dialogue among workers, businesses and government to promote decent work. © ILO

► Social dialogue and grievance mechanisms

► Social dialogue

Through its advisory services, Better Work encourages dialogue among workers, supervisors and managers to promote involvement in addressing issues at the workplace. A primary vehicle for constructive dialogue at the workplace that fosters harmonious industrial relations are trade unions. In factories with trade unions, Better Work Bangladesh predominantly engages these unions through capacity-building and facilitation to perform their duties in protecting and promoting workers' rights. For example, in cases of disputes that arose because of disagreements between the trade union and management, issues have been identified by Better Work Bangladesh's direct intervention to ensure grievances are resolved at level closest to the dispute. By addressing the root cause, the programme has successfully ensured that these incidents were not repeated. For unions that have a Collective Bargaining Agreement, the programme follows upon its implementation, and in conjunction with workers and management, promotes an enabling environment for the worker representatives to exercise their rights pertaining to freedom of association.



In factories that do not have a trade union, Better Work Bangladesh works through the factory Participation Committee – a key mechanism through which Better Work supports social dialogue. Where a Participation Committee already exists, Better Work assists in ensuring its proper functioning and gender balance among the committee members. If a Participation Committee does not yet exist at a workplace, Better Work assists the factory in establishing one. The table below presents some highlights from 2022 using monitoring data related to social dialogue, particular in relation to bipartite committees comprising representatives of workers and management. The data suggest that while a large majority of factories have established a bipartite committee, only a small minority of these committees (10 per cent) are deemed to be effective.

BETTER WORK MONITORING DATA ON SOCIAL DIALOGUE IN ENROLLED FACTORIES

	2018	2019	2020	2021	2022
Percentage of factories that have established a bipartite committee	83%	80%	77%	82%	86%
Percentage of factories with an active and effective bipartite committee	14%	30%	15%	9%	10%
Percentage of factories that have an effective grievance handling mechanism	3%	10%	8%	7%	6%
Percentage of committee worker representatives who are women	42%	42%	44%	46%	48%
Percentage of committee management representatives who are women	17%	16%	17%	18%	19%
Number of management representatives participating in committee meetings	n/a	n/a	626	1 077	1 571
Number of worker representatives participating in committee meetings	n/a	n/a	1 507	2 621	3 392

n/a = not available. Note: The data in this table reflect all Better Work-enrolled factories as of the end of 2022.



CRITERIA FOR EVALUATING THE EFFECTIVENESS OF PARTICIPATION COMMITTEES

Better Work Bangladesh evaluates the effectiveness of a Participation Committee based on seven broad criteria:

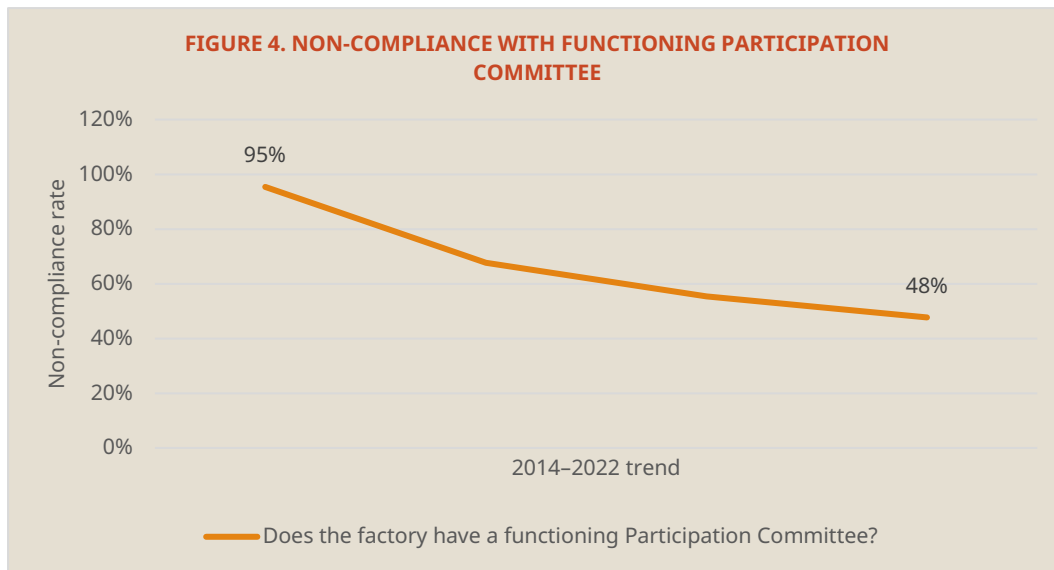
1. Transparency of the election process.
2. Level of awareness among workers on availability and functionality of Participation Committee.
3. Frequency with which the Participation Committee convenes.
4. Collective and consultative feedback incorporated from general workers.
5. Rigour in following up with issues brought up in Participation Committee meetings.
6. Management provision of a conducive and enabling environment.
7. Ability to utilize management system tools and scale core issues with management.

However, when examining factories as they progress through the Better Work programme over several years, a more positive picture emerges regarding effective and functioning Participation Committees. Figure 4 shows that starting in 2014, about 95 per cent of the factories assessed on the functioning of their committee were found to be non-compliant. After continued engagement with the programme over multiple years, non-compliance regarding functioning committees has been reduced to 48 per cent. Interestingly, similar findings for initial participating factories showed a drop in non-compliance from 98 per cent to 53 per cent.

Moreover, independent research among workers in Better Work and non-Better Work factories in Bangladesh confirms the notion of improved conditions for workers' voices in Better Work factories. Workers in Better Work factories are 13 per cent more likely than workers in non-enrolled factories to report an active Participation Committee in their factory, suggesting the efforts of Better Work staff to provide advice on the establishment and maintenance of workplace communication mechanisms has a positive effect.⁴

Better Work has continued to focus on ensuring committees reflect the gender composition of the workforce in the factory and systematically tracks women's representation and participation in trade unions and committees. As seen in the table above, just under half of bipartite committee members in 2022 were women. Qualitative evidence on women's participation in committees and their impact on women's ability to raise concerns provides additional insights into the potential for this workplace mechanism to accelerate positive change. Findings from qualitative research have shown that trade unions and bipartite worker-management

⁴ Julia Cajal-Grossi, Canyon Keanu Can, and Rocco Macchiavello, "Is Better Work Better?: Empirical Patterns from the Garment Sector in Bangladesh", Geneva Graduate Institute & London School of Economics (2022).



committees not only contributed to breaking down barriers created by weak relations between workers and supervisors but have also initiated a process of positive change in workers' home lives.⁵

Because of changes in practice and policy since the Rana Plaza disaster, RMG workers are now increasingly able to voice their opinions and concerns with their factory management. Today, factories see Participation Committee meetings as a good opportunity to bring together representatives from multiple functional areas to have a dialogue based on a shared agenda – something that the regular operations of a factory do not allow.

As of the end of 2022, at least 53 per cent⁶ of Participation Committees in Better Work-enrolled enterprises were found to have a moderate level of functionality, exhibited by exercising management system tools, including self-diagnosis, Root Cause Analysis (RCA), problem-solving techniques and a dialogue mechanism to maintain harmonious industrial relations. With the facilitation support of a Better Work Enterprise Advisor (EA), worker representatives also participated in discussions on how to improve social compliance in their factories, based on Better Work assessment report analyses. These representatives are enabled to improve their knowledge and proficiency through their bipartite committee roles and receive paid time off to perform their duties.

Research suggests that the engagement of workers and worker representatives can play an important role in addressing communication gaps between management and workers. Although not used for addressing sensitive or cost-implicating issues, such measures have, nonetheless, helped complement more established systems in workplaces. Existing systems are often dominated by informal leadership and

⁵ Kelly Pike and Beth English, "Better Work Beyond the Workplace: A Comparative Study of Gender Dynamics in Bangladesh, Cambodia, Kenya, Lesotho, and Viet Nam", Better Work Discussion Paper No. 35, 2020.

⁶ Better Work Bangladesh Assessment Synthesis Report, 2022.



communication channels, which workers were more likely to rely on than the committees to raise and address their concerns.⁷ By improving Participation Committee performance, workers can gain access to a reliable and trusted vehicle for approaching management with concerns and issues without having to rely on unofficial channels.

► Grievance mechanisms

In contrast to the functioning of committees, a concerning trend is apparent in the proper functioning of grievance mechanisms. By the end of 2022, one-quarter of factories in the analysed sample were non-compliant with the legal requirements for grievance mechanisms and dispute resolution provisions. The share has increased from a non-compliance rate of just 6 per cent in 2015. In this case, a change in the interpretation of how to assess compliance in this area may account for the increasing rates of non-compliance.

One out of four Better Work Bangladesh factories were non-compliant with grievance mechanism requirements in 2022. The issue of grievance mechanisms is pivotal for the RMG industry in Bangladesh, since ensuring strong participation from workers and management could result in the resolution of many rights infringements within the industry. For a grievance mechanism to properly function, the following criteria should be met: accessibility, predictability, transparency, equity, rights compatibility, continuous learning, legitimacy, engagement and dialogue. One of the root causes of the current level of non-compliance is linked to the efficacy of social dialogue mechanisms in the workplace, where workers are not provided with the adequate space and opportunity – including paid time off to exercise their rights – to diligently pursue grievance-related processes. The lack of an enabling environment that would empower workers to voice their concerns also presents a barrier.

Factories partnered with the Better Work programme should review their grievance policies to ensure adherence to the eight criteria stated above, and that their policies are developed and reviewed in a participatory manner in collaboration with Participation Committee and trade union representatives from the factory. This process ensures accountability and ownership of the policy from both management and workers, and promotes the readiness of workers to use and adopt it more freely.

In the past five years, Better Work Bangladesh has established a number of initiatives with its partner factories, as well as national constituents, to build on existing grievance mechanisms, or to help establish them. Through the programme's Integrated Advisory Solutions Workshops, factories have strengthened their awareness around grievance mechanisms, identifying it as a key area in terms of enhancing industrial relations in the workplace. Participants were also given examples of what constitutes a grievance and how concerns can turn into grievances,

⁷ Adiba Afros. "Workers' Voice within and beyond Participation Committees: A Case Study of Two Bangladeshi Garment Factories", Better Work Discussion Paper No. 46, 2022.



A worker in an RMG factory in Dhaka, Bangladesh. © ILO

and provided with clarifications on the definitions and implications of complaints and how discipline and concerns are correlated. Almost 440 staff from 99 factories were reached through such initiatives – and about 34 per cent of them were women. During the COVID-19 pandemic in 2020, Better Work Bangladesh also organized a Training-of-Trainers on Managing Labour Relations (during and post- the COVID-19 crisis) for 30 officials from the Department of Labour. The trained officials then worked with 410 factories and facilitated learnings on maintaining harmonious industrial relations, with an emphasis on grievance handling, during the public health emergency period, as well as in the subsequent recovery period.

► Well-being of workers and their families

By assessing workplace conditions and advising and training workers and managers in enrolled factories, Better Work aims to encourage a shift toward safe and healthy workplaces compliant with national labour laws and international standards. Ultimately, the programme seeks to improve the well-being of workers and their families by working to ensure decent jobs in the garment sector. This section attempts to shed light on the key issues affecting workers' well-being, both at the workplace and at home. Insights presented in this section are drawn from Cajal-



Grossi, Can and Macchiavello (2022), an analysis of data from weekly surveys of around 1,000 workers from both Better Work and non-Better Work enrolled factories collected between 2020 and 2022.⁸ A summary of the typical worker in this survey sample is presented in figure 5.

FIGURE 5. TYPICAL WORKER IN THE SURVEY SAMPLE

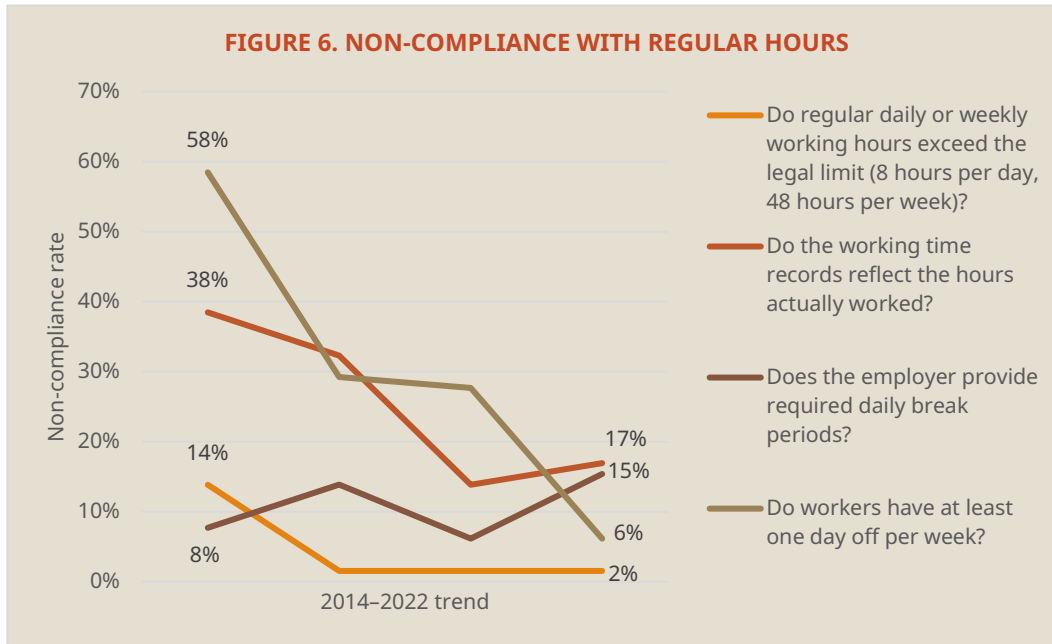


Source: Cajal-Grossi, Can and Macchiavello 2022.

Analysis conducted using this data suggests that the top two concerns of workers were issues related to compensation and working time. Workers in the sample were most frequently concerned about their wages being insufficient to meet daily needs. Based on triangulation of over 2,000 worker surveys, workers in Better Work-enrolled factories were 5 per cent more likely to be paid on time and had a 5.4 per cent higher base pay. As such, workers in Better Work factories reported an hourly take-home pay that was about 4 per cent higher relative to workers in factories outside Better Work – that is, workers in Better Work factories earned up to 444 Bangladeshi taka more per month compared to their counterparts in factories outside the programme.⁹

⁸ The full analysis can be found in Julia Cajal-Grossi, Canyon Keanu Can, and Rocco Macchiavello, “Is Better Work Better?: Empirical Patterns from the Garment Sector in Bangladesh”, Geneva Graduate Institute & London School of Economics (2022). Better Work collaborated with the Garment Worker Diaries and SANEM to collect the worker survey data.

⁹ The comparison considered any potential systematic differences between the two groups. Both factory and individual level differences were controlled for when analysing the data.

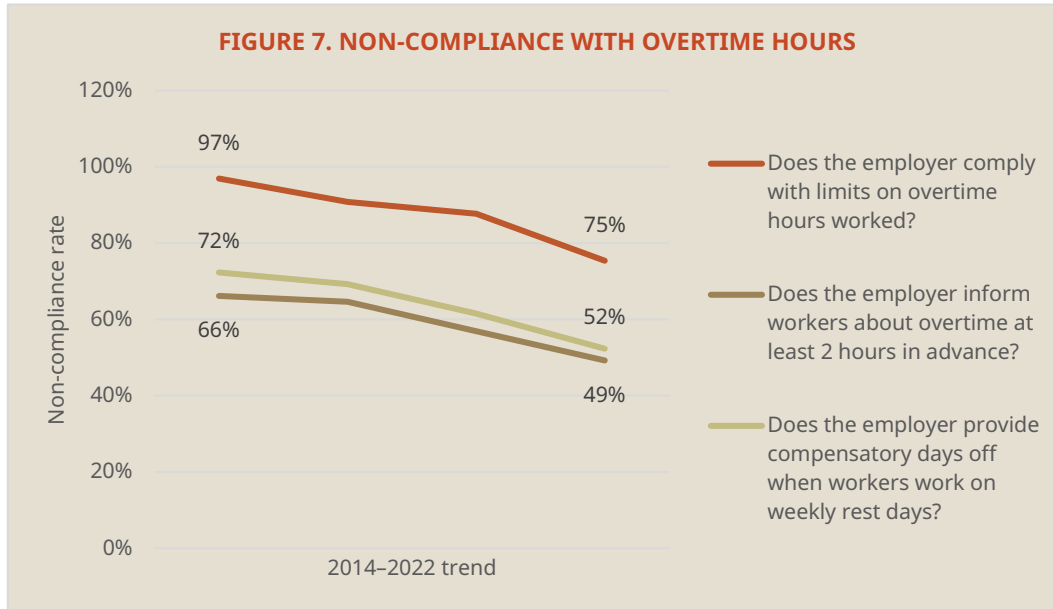


Workers in Better Work factories were also more likely to express concerns about working *too few* hours, rather than *too many* hours. Better Work assesses factories regarding national legislation on regular hours of working time and overtime hours.

In both cases, non-compliance regarding working time has decreased in Better Work factories (figures 6 and 7). Through Better Work Enterprise Advisors' discussions with workers, the clear priority for workers to log more hours relates to the need to ensure consistent and adequate take-home pay to support themselves and their families. The programme continues to monitor working time to ensure it does not exceed legal provisions and recognizes the need for correct payment to workers of wages and benefits to offset the need for excessive working time.

Research has also helped reveal what the typical spending priorities were for workers in the garment sector.¹⁰ The largest component in terms of share of expenses was rent, which took up between 23 and 51 per cent of workers' reported monthly expenditures. Other important components were food, at 38 per cent of total expenditures, and cash transfers outside of the household – such as cash transfers to relatives – which took up an average of 24 per cent of total expenditures. Consumption patterns were similar for workers both in and outside of Better Work-enrolled factories.

¹⁰ Cajal-Grossi, Can, and Macchiavello 2022.



The weekly survey data also reveal a gender pay gap. **Controlling for the total hours worked on average, women workers earned up to 10 per cent less than their male counterparts.** While not directly explored, such gaps are likely a result of both occupational segregation – with men gaining access to higher-paying jobs more easily than women – and from inconsistent benefit payments.

In the related area of benefits and leave payments that can affect the balance between work and family life, Better Work’s efforts to raise awareness of the need for gender equality and to ensure compliance with maternity protection rights are evident. Workers in Better Work-enrolled factories were more likely than counterparts outside the programme to know about their statutory right to maternity leave. Better Work workplaces are also 10 per cent more likely to offer maternity leave in line with legal regulations and are also 30 per cent more likely to have daycare facilities.

In terms of job satisfaction, two-thirds of workers surveyed in 2022 reported being “satisfied” or “very satisfied” with their job. In general, workers’ overall satisfaction was higher – and their propensity to look for another job lower – in factories with daycare facilities, and where Participatory Committees and maternity leave provisions were present – all features more likely to be present in Better Work factories.



► THE POTENTIAL AND LIMITS OF TRAINING FOR WOMEN'S EMPOWERMENT

The Gender Equality and Returns (GEAR) training programme – developed by the IFC and delivered as part of Better Work's training and advisory services – aims to help women garment workers advance in their careers, empowering them in both their work and home life spheres. GEAR also works with factory management to bolster their ability to select, promote and support female talent in their workforce. The programme anticipates that women will be able to experience greater empowerment with progression into supervisory positions, challenging preconceived notions of women's abilities and the gender imbalances seen at the management level in the RMG sector.

Female trainees of the GEAR programme partake in classroom-based and on-the-job capacity-building training on the topic of leadership capabilities and management techniques, primarily to help them manage line workers and support line productivity. Classroom-based training covers various hard and soft skills relevant to a supervisory role. Soft skill sessions cover communication, confidence-building techniques, the role of supervisors in reducing workplace abuse and harassment, basic occupational safety and health issues, 5S Kaizen techniques, and management styles and how to be an effective supervisor. The technical skill sessions cover various production-related topics such as line balancing, solving bottlenecks, skills matrices, efficiency measurement and quality control.

The initiative has been implemented in 121 RMG factories (including 15 factories participating, at the time of writing, with 120 trainees). A total of 819 women workers completed the training and 544 have been promoted to supervisory and above positions.

Prior to the implementation of the GEAR programme, the IFC commissioned an impact evaluation of a precursor programme, the Progression and Productivity Toolkit. By following a large cohort of trainees over time, this study found that the training led to high rates of subsequent promotion to supervisory roles. It also increased women's self-assessed confidence in their ability to perform, but this result was contingent upon training in both soft and hard skills. Productivity increased in lines supervised by trained women participants, by up to 5 per cent, and absenteeism in the same lines decreased. Support from a trainee's family members to participate in the training correlated with their completion of the programme. Subsequently, Better Work commissioned an in-depth comparative case study of GEAR. Using qualitative interview techniques in two facilities implementing the programme, the study provided further insight into both the transformative potential of training, as well as the persistent headwinds it faces. Through analysis of responses, it was found that soft skills training was successful in addressing individual-level constraints to self-perceived job efficacy, such as fear and self-doubt. For those women driven to achieve promotions in their work, participation in GEAR was found to ease the process of achieving such a promotion. Those who were promoted reported increased earnings, which in some cases eased overall household financial insecurities.

However, clear barriers remained for training participants. Training women in soft and hard skills does not change their broader environment. Childcare duties and maternity leave were cited as key barriers against women's workplace advancement. Some women interviewed described the additional burden of completing domestic chores after work – along with childcare. This work is often perceived as exclusively for women, and many women indicated feeling guilty if they were not able to give it their full attention. Some women participants found supervisory roles created a more demanding environment for them at work – mentally and physically – which, when compounded with home duties, could negatively affect their health. As with previous studies, whether family members supported or discouraged participation in GEAR had a large influence. Overall, the case study suggested that the broader cultural environment, including perceptions of women's roles at home and at work, must be addressed for training programmes to create and sustain positive effects.

Sources:

IFC, *Cutting through the Cloth Ceiling: Assessing How IFC's Work-Progression & Productivity Toolkit Helps Female Workers Achieve Promotion and Boost Productivity in Bangladesh's Ready-made Garment Factories*, 2018.



A worker and her child in the childcare facility in an RMG factory in Dhaka, Bangladesh. © ILO

► SPOTLIGHT ON THE MOTHERS@WORK PROGRAMME IN BANGLADESH

Mothers@Work is a national programme initiated by UNICEF and Better Work Bangladesh in response to government priorities to strengthen maternity rights and breastfeeding support in the workplace. The programme is implemented through a partnership between Better Work Bangladesh, BRAC and Phulki. Mothers@Work was launched jointly by the Ministry of Health and Family Welfare and the Ministry of Labour and Employment in August 2017. The programme supports factories in implementing national and international standards, and to remove common barriers faced by young working mothers, including by providing paid maternity leave; breastfeeding and childcare facilities; flexible working arrangements; health protection; medical benefits; employment protection; and non-discrimination. Better Work Bangladesh has introduced the Mothers@Work programme in its affiliated factories. Supported through Better Work advisory services and training, the programme also leverages the skillsets of partners such as BRAC and UNICEF to promote maternity protection, breastfeeding and childcare. Better Work is working closely with sectoral constituents, including building the capacity of labour inspectors, to implement and scale up the programme. Up until 2022, Mothers@Work had been run collaboratively with UNICEF in 103 factories, covering over 6,500 pregnant women and lactating mothers and 12,000 children under the age of two. Henceforth, Better Work Bangladesh has decided to continue to advance the mandate of maternity rights and breastfeeding support in the workplace through a revamped initiative – the Maternity Protection follow-up activity.

The efforts described above have transformed new rules and practices into established norms in several of the factories studied. Workers interviewed in six factories in mid-2022 discussed how pregnant and nursing mothers in their workplaces no longer need to negotiate for legal entitlements with their line supervisors. Rather, shifts are scheduled with the understanding that access to breaks and services are provided. Participants noted the necessity of having support from top management and the need for continuous training and support groups to help ensure that newly established norms remain in place at work. Potentially as a result of these and similar efforts, Better Work Bangladesh factories are performing better than their peers in this area. Workers at Better Work factories are more likely to state that they know the statutory provisions for maternity leave. Among those who state that they know their rights, workers in Better Work factories are more likely to state that their plant complies with the mandatory maternity leave duration and payments. In addition, workers at Better Work factories are less likely to be victims of unjustified terminations due to pregnancy or childbirth.

Source: Better Work, *Mothers@Work: A Qualitative Assessment*, 2022.



Workers on a production line in Dhaka, Bangladesh. © ILO

► Business competitiveness

Research using survey data from Better Work registered factories, combined with administrative data obtained from the Government of Bangladesh, finds that factories enrolled in Better Work and subject to greater compliance scrutiny, make gains in terms of both the number and volume of orders received from buyers. Factories enrolled in Better Work witness increases in their average revenue, and some, depending on their supply chain positioning and conditions, experience higher profitability. Researchers found that after enrolling in Better Work, factories in Bangladesh grow at a significantly higher pace relative to factories outside the programme, both in terms of export revenues and volumes. **On average, in the period following enrolment, factories' export revenues increase by 55 per cent and volumes are 50 per cent higher than non-Better Work factories. In addition, analysis of customs data shows that, beyond having a greater number of buyers and higher order volumes, factories participating in Better Work gain an average 5 per cent premium on product prices for export.**¹¹ While the changes in

¹¹ Cajal-Grossi, Can, and Macchiavello 2022.



export revenue and export volume represent a continuation of the trajectories of Better Work and non-Better Work enterprises studied before the Better Work factories enrolled in the programme, the price increase obtained for products produced by Better Work enrolees represents a clear break from pre-existing trends. This suggests that enrolment in Better Work is associated with the ability to secure better prices for one's products.

Recruiting and retaining a skilled workforce is an additional component of competitiveness in garment manufacturing. Low promotion rates and high-pressure work environments typical in the industry can encourage a high level of churn among workers. Yet there is evidence that worker retention has improved because of better working conditions in Better Work factories. As stated above, workers were less likely to be looking for another job when communication mechanisms and workplace improvements like compliance with maternity provisions were present.¹²

Lastly, the global trade environment and regulations can affect the competitiveness of the garment sector in a country. Labour provisions in trade agreements have grown in prominence since Better Work was established in Bangladesh and other garment-producing countries. As the programme has grown in reputation, stakeholders in the RMG sector have recognized the value of good labour governance to support their efforts to increase garment exports and jobs. Instead of hampering trade flows or competitiveness, labour provisions in trade agreements are likely to reduce trade costs and increase employment opportunities, particularly for women.¹³ Better Work aims to improve compliance with labour regulations intended to ensure decent working conditions in such jobs. As with labour provisions in trade agreements, the presence of Better Work in a garment-producing country does not hamper an industry's competitive positioning. On the contrary, recent analysis of trade flows has demonstrated that garment exports from producing countries like Bangladesh increase with the presence of a Better Work programme. Apparel exports from Better Work countries, including Bangladesh, increased by about 80 per cent more than the growth experienced by non-Better Work countries in any given period.¹⁴

Better Work's advisory services and facilitation at the factory level to work towards a long-term road map helps with achieving the dual strategic goals of business success and respect for labour rights. Beyond worker retention, the programme's advisory interventions also deal with human resource management areas such as contracts and appointments; better and more transparent wage and payment procedures; and OSH management systems, such as fire safety, chemical management, worker welfare and protection, and emergency preparedness. These are all systemic elements that impact competitiveness.

¹² Cajal-Grossi, Can, and Macchiavello 2022.

¹³ ILO, *Assessment of Labour Provisions in Trade and Investment Arrangements*, 2016.

¹⁴ Raymond Robertson, "Labor Compliance Programs in Developing Countries and Trade Flows: Evidence from Better Work", Better Work Discussion Paper No. 48, 2022.



A worker at the Tarasima apparel factory in Manikganj, Dhaka. © ILO

► Looking forward

There is strong evidence that the work of Better Work Bangladesh has a positive and measurable impact on workers' lives at work and beyond, as well as on factories' performance. Higher wages, fewer work hours, better working conditions, and greater empowerment and agency, reflected by stronger dialogue at work, all contribute to workers in Better Work factories being more productive than those in non-Better Work factories.

The garment sector in Bangladesh is going through a period of profound and rapid change. While shifting trade dynamics and new trade agreements have opened avenues for growth, for the millions who are employed in this sector, challenges persist in the form of OSH risks due to pollution, reduced availability of resources, the generation of chemical and other waste, and technological advances threatening to negatively impact the number of jobs.

Based on the discussions presented in the report, here are ten recommendations to further enhance the sustainability and growth of Bangladesh's ready-made garment (RMG) industry:

- 1. Promote social dialogue**

Encourage the effective functioning of bipartite committees and trade unions in factories. Provide capacity-building support for both workers and management to foster constructive dialogue.

- 2. Enhance grievance mechanisms**

Facilitate the development and improvement of grievance mechanisms in factories. Ensure accessibility, transparency and equity in grievance procedures.



3. **Strengthen occupational safety and health (OSH)**

Collaborate with factories to further improve OSH management systems. Conduct regular assessments and training to ensure emergency preparedness and safety measures are in place.

4. **Advance gender equality and maternal protections**

Prioritize gender equality initiatives and maternal protections within the sector. Reinforce programmes aimed at enhancing women workers' skills, confidence and knowledge. Promote gender equality in the workplace and ensure that maternity rights are protected and adhered to. Advocate for the provision of maternity leave and daycare facilities in all factories.

5. **Focus on worker well-being**

Continue efforts to improve compensation and reduce working hours. Monitor worker satisfaction and well-being through regular surveys and feedback mechanisms.

6. **Emphasize skill development**

Invest in training and skill development programmes for RMG workers to enhance their productivity and employability. Collaborate with vocational institutions to provide relevant training.

7. **Promote sustainable practices**

Encourage the adoption of eco-friendly and sustainable practices within the RMG sector. Raise awareness about environmental concerns and promote responsible resource management.

8. **Promote responsible business conduct**

Address business-related human rights violations and barriers to effective remedies. As Bangladesh prepares to graduate from the least-developed country income category, promote responsible business conduct and the implementation of the UN Guiding Principles on Business and Human Rights (UNGPs).

9. **Promote business incentives for better working conditions**

Highlight the business case for better working conditions in the RMG sector. Develop a comprehensive supply chain strategy that identifies rewards for compliance across all levels of the supply chain. This can encourage factories and brands to prioritize improved working conditions.

10. **Collaborate for policy reform**

Collaborate closely with the Bangladesh Government and social partners to improve policies, regulations and labour market governance institutions. This includes the reform of labour inspection procedures and the effective implementation of labour laws on the ground. Such collaboration can create an enabling environment for better working conditions.

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