

**Codes of conduct: Group work,
Group no.:**

A Danish buyer, Mr. Copenhagen, is visiting his Kenyan supplier, Ms. Nairobi. Mr. Copenhagen is buying apparel and handicraft from Ms. Nairobi. Ms. Nairobi's company is a sewing unit with app. 100 employees mainly producing skirts for export. The handicraft products are manufactured in outskirts villages by families. Mr. Copenhagen has recently developed a code of conduct similar to the SA8000 standard, mainly because his largest customer have indicated that he in the future only will buy products from suppliers that operate in accordance with national laws and international conventions. He introduces Ms. Nairobi to the standard, and emphasises that he fully understands that the implementation of the standards is a long-term process and cannot be implemented overnight. He hopes that they can work jointly on the process of complying with the standards. On the other hand, he also has some issues where there are zero tolerance, such as worst forms of child labour and forced labour. Mr. Nairobi is showing the company to Mr. Copenhagen, and during the site visit they identify some challenges that need to be solved in order to comply with the standards.

Case A: Child labour

Mr. Copenhagen discovers that a young boy is working at the factory, and he asks the boy about his age and his job tasks. The boy answers that he is 13 years old and he works at the factory typically four hours per day after school time. If it is very busy at the factory, he sometimes works full time. His work is mainly cleaning, making coffee and other occurring work at the factory. He has worked at the factory since he was 11 years old, and he uses his salary for school books, transportation and medicine for his family. While leaving the company, Mr. Copenhagen sees some young kids (approximately 9-11 years old) standing outside the company delivering products to Ms. Nairobi's company. Ms. Nairobi says that the kids are employed by their main supplier who is dyeing the fabrics.

Ms. Nairobi and Mr. Copenhagen have to make an agreement about how to solve the specific situation and how to react in future situations with child labour (i.e. what kind of procedures should be established in order to avoid child labour).

What should be the content of the agreement? Prepare a 5 minute presentation. List the CSR potentials as well as the business potentials of your plan.

Case B: Remuneration

Ms. Nairobi is sourcing the handicraft products from contractors that work with individual families in outskirt villages. The home workers are mainly making natural jewellery, and the work is organised by a supervisor. Ms. Nairobi pays the supervisor on a piece-rate basis. The supervisor collects the raw material at Ms. Nairobi's factory and transports it to the women in the villages. Every 3-4 days, the supervisor travels to Nairobi to deliver the finished products. The supervisor says that the women are very content with their work, because it is possible for them to take care of the children while working. The salary accounts for a very important contribution to the household of the families. Mr. Copenhagen asks about the piece-rate for the women and how many pieces it is possible to finish in one hour. He calculates that the women are paid below minimum salary and that the piece-rate payment should be approximately double, if they should comply with minimum wage as in local law. Ms. Nairobi has never visited the villages. Ms. Nairobi is not aware of the family workers' salary and other working conditions.

Mr. Copenhagen is concerned about working conditions in the villages. Ms. Nairobi and Mr. Copenhagen discuss a plan for addressing potential problems in the villages. What do you suggest them to do? What kind of procedures should be established in order to address potential problems in the villages? Prepare a 5 minute presentation. List the CSR potentials as well as the business potentials of your plan.

Case C: Occupational health and safety (OHS)

Mr. Copenhagen observes some workers mixing potential hazardous chemicals for finishing, but they are not using any personal protective equipment (PPE). The workers have a lack of knowledge about the content of the chemical and the potential hazardousness, but they know that they should wear PPE. Ms. Nairobi says that she has provided the workers with gloves and masks, but the workers do not want to use them, because it is very hot at the factory. Besides, Ms. Nairobi answers that the workers cannot read or write, so they do not understand the declaration on the chemicals and the Material Safety Data Sheets (MSDS).

Mr. Copenhagen and Ms. Nairobi discuss how they should react in this situation. Make a plan for corrective actions, and discuss what kind of procedures should be established in order to improve the occupational health and safety at the company. List the OHS potentials as well as the business potentials of your plan. Prepare a 5 minute presentation.

Case D: Overtime

Mr. Copenhagen visits Ms. Nairobi's factory during peak time, and Ms. Nairobi tells him that because of the large amount of orders, the workers are working at least 3 hours overtime each day for at least the coming two months. The shop floor managers always ask: who wants to work overtime today? Ms. Nairobi says that all of the workers always want to work overtime, and if the workers were not allowed to work overtime, they would seek employment at other factories. Ms. Nairobi does not pay premium rate for overtime work, because nobody of the neighbouring companies do that, and because she is worried that if premium rate is paid, the workers will work very slowly in the normal working hours in order to enhance their possibility to work overtime and receive the overtime premium rate

Mr. Copenhagen and Ms. Nairobi discuss how they should react in this situation. Make a plan for corrective actions and discuss what kind of procedures should be established in order to cope with the overtime issue. List the CSR potentials as well as the business potentials of your plan. Prepare a 5 minute presentation.