

# Laborlink

Tom Rausch, Manager – Labor Link  
tom@goodworldsolutions.org | Oakland, CA USA

Good World Solutions is a social enterprise that uses scalable technologies to improve transparency in global supply-chains. In practice, this means we leverage the rapid spread of mobile, web and other technology across the world's emerging markets to enable formerly disconnected actors – e.g. international brands, investors, suppliers and workers – to more easily and cost-effectively interact with one another. The increased transparency often results in the dual benefit of enhanced business efficiency, and improved working conditions and/or empowerment for actors at the base of the supply-chain.

Our flagship product is Labor Link which, as explained below, addresses a global problem by utilizing the power of mobile technology and the six billion mobile subscriptions worldwide. However, Labor Link's success is also tied to our local partnerships and only made possible via diligent, informed local engagement.

## **THE PROBLEM**

Apple customers are renowned for lining up outside Apple stores the day of a new product launch. However, on March 16<sup>th</sup>, 2012, groups of protestors in San Francisco, New York and Washington, D.C. joined the gathering and greeted the "New" iPad with chants of "create an ethical iPad!" This was not the first or last protest against Apple. Apple's labor practices have been under a microscope due to several media outlets reporting labor abuses at Foxconn, a major producer of iPhones and iPads. These reports add to the bad press Apple received in 2010 following a string of factory worker suicides at Foxconn. Over 250,000 people have signed a petition demanding Apple do more to protect workers in its supply-chain.

The Apple story gets all the headlines, but is representative of a problem that many large manufacturing, apparel and electronics brands face in our increasingly globalized world. To remain competitive, these brands must outsource production to distant suppliers. Many suppliers take drastic steps to reduce operating costs so they win contracts. In some instances, this leads to the creation of a "sweatshop" environment for factory workers, including long hours, low pay, unsafe working conditions, child labor and other harmful practices. It also leads to the flagrant abuse of day/informal workers who enjoy even fewer protections than regular employees.

This state of affairs is detrimental for workers and brands alike. The former often have no job alternative or the resources to fight for improved conditions or compensation. They instead get stuck in a vicious spiral, which, over time, leads to emotional and physical distress. Brands may be unaware these issues



## Labor Link

exist within their supply-chain until it is too late. Alternately, they may be aware of the problems but have no tools to connect directly with workers and solve issues thousands of miles away. For example, Apple's 2011 CSR report acknowledges that its own auditing uncovered that two-thirds of its suppliers are not meeting the wage standards in their code of conduct. They, however, have no way to easily engage workers in implementing solutions to systemic problems.

### OUR SOLUTION

Labor Link is a technology-enabled platform designed to increase supply-chain transparency. In short, Labor Link is a worker-centric monitoring system that piggybacks on the proliferation of mobile phones throughout the developing world. The service has two core components:

- **Information Collection and Visualization.** Labor Link utilizes short message service (SMS) and interactive voice response (IVR) to collect information from workers. A brand contracts and introduces Labor Link to their suppliers. Workers receive marketing materials about Labor Link with directions on how to participate. Mobile surveys are then administered to ask workers about job satisfaction, working and living conditions, compensation and other subjects using voice-recordings with decision tree software. All answers are anonymous and saved in a cloud-based database. It is completely free for workers to participate, and incentives, such as virtual mobile phone top-ups, are provided to encourage participation. Aggregate data is analyzed and sent to brands in customized reports, so they can measure and/or pinpoint issues within their supply-chains. It is also shared with them via a web-based user-interface they can access from their PC, Mac or smartphone.
- **Information Push.** Labor Link also uses SMS and IVR to deliver relevant/actionable information to participating workers. Information varies based on context, but typically includes messages about government services, as well as labor rights, education, training and financial security. Brief messages are "blasted" to workers using SMS. For longer, more in-depth messages, IVR is employed. In each case, workers receive information directly to their mobile phones at no cost.

Both components of Labor Link provide stakeholders with a true value proposition. For workers, they enjoy increased access to relevant information they can use to challenge the status quo and advocate for better working conditions. They also are provided a channel through which they can share opinions with managers and distant buyers. Brands benefit from improved supply-chain oversight and a means to identify and address problems before they develop. And since Labor Link utilizes the very latest in mobile and cloud-based technologies, widespread adoption of Labor Link is both efficient and cost-effective.

### CONNECTION TO IEEE & SEED WORKSHOP

Labor Link is a global platform – now operating in 9 countries – designed to mitigate a very global problem. We connect disparate, historically disconnected supply-chain actors in a meaningful way. This is made possible by the strong and growing mobile grid; something that did not exist in many corners of



## Labor Link

Earth only a decade ago. It is also made possible by the increasing internet bandwidth and the introduction of game-changers like Voice over Internet Protocol (VoIP). We harness these technologies to make the world smaller.

That said, person and place still matter in our work. Even though the technical process of Labor Link is uniform, how we engage production line workers in Brazil is different than how we do the same in China, Mexico, India and other countries. Our approach, incentives and overall methodology must make sense in the environment we operate. Are we using the correct voice talent? Will workers trust our implementer? Are we asking a question in the correct way? Do workers really want to win this type of prize? These are only some of the many questions we have to get right to be successful. Accordingly, we go to great lengths to understand local context and to build on-the-ground relationships that help us “get it right”. To make the global happen, local knowledge and engagement is vital.

