Quality Jobs Deep Dive
Enhancing workforce engagement through technology

With Dr. Sam Lacey (CDC Group), Anne Arvola (Finnfund), and Raghu Talluri (Loadshare)

May 2021
Agenda

• Introduction
• Investor perspectives | CDC Group & Finnfund
• Enterprise reflections | Loadshare
• Q&A with the audience
IRIS+ | Three New Themes

Quality Jobs

Climate Change Mitigation

Water, Sanitation, and Hygiene (WASH)

Our focus today
IRIS+ Quality Jobs Strategic Goals

1. Improving **job skills** for the future
   (lifelong learning, technical and vocational training, employability, green jobs)

2. Improving **health and well-being** across the workforce
   (occupational safety and health, work-life balance, human resources, worker well-being, organizational culture)

3. Increasing job **security and stability** for workers in precarious employment
   (informality and gig economy, terms of employment, benefits/social security, voice)

4. Improving **earnings and wealth** through employment and entrepreneurship
   (particularly for disadvantaged and excluded groups)
   (wages, wage equity, benefits, growth and productivity, employee ownership)

5. Improving **rights, respect and cooperation** in the workplace
   (gender, equal pay for equal work, non-discrimination, worker voice)
Dr. Sam Lacey
Job Quality Lead - CDC Group
## Why workforce engagement?

### Numbers -> People

### Workers

<table>
<thead>
<tr>
<th>Win!</th>
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<tbody>
<tr>
<td><strong>Improved...</strong></td>
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<tr>
<td>• <strong>Channel to</strong> have concerns, ideas and aspirations heard and integrated into company decision making</td>
</tr>
<tr>
<td>• <strong>Improved job quality</strong> as management’s understanding of worker perspective improves and concerns acted upon</td>
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<tr>
<td>• Greater job satisfaction, <strong>sense of engagement</strong> and respect</td>
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### Companies

<table>
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<tr>
<th>Win!</th>
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<tbody>
<tr>
<td><strong>Improved...</strong></td>
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<tr>
<td>• <strong>attraction and retention</strong> of staff</td>
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<tr>
<td>• workforce <strong>productivity</strong> and motivation</td>
</tr>
<tr>
<td>• <strong>operational effectiveness</strong>, efficiency and innovation</td>
</tr>
<tr>
<td>• <strong>management of</strong> labour and compliance <strong>risks</strong> at earlier stage than grievances or strikes</td>
</tr>
<tr>
<td>• <strong>effectiveness of benefits</strong> to improve labour productivity and retention</td>
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### Investors

<table>
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<tr>
<th>Win!</th>
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<tbody>
<tr>
<td><strong>Improved insights into development impact</strong></td>
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<tr>
<td>• <strong>Triangulation</strong> of information from management</td>
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<tr>
<td>• Enhanced <strong>SDG 8</strong> contribution</td>
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<tr>
<td>• <strong>Insights into policy and process implementation</strong></td>
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<tr>
<td><strong>Better managed, and more productive investees</strong></td>
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<tr>
<td>• <strong>Improved risk management</strong>, increased likelihood of detecting and addressing labour abuses</td>
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Why use (mobile) technology?

**Scalability**
- Leaner, **more cost-effective** solution than in person interviews
- Allows engagement with a **larger number of workers** on a **more regular** basis. Ongoing engagement **builds trust**

**Anonymity**
- Tech platforms can be designed to **protect the anonymity** of respondents
- **Encourages participation** by those unable or unwilling to make use of grievance mechanisms because of trust or language barriers

**Speed of insights**
- Generates **faster insights** and **uncovers issues earlier** than grievance mechanisms
- Useful in **uncertain times** such as the current pandemic, which requires businesses to **engage more frequently** with their workforce

**Reach**
- Easier to **overcome language, time and logistical challenges** to engage with a broader cross section of workers.
- Can **even reach those without mobiles** if designed appropriately.
How can investors use technology as a tool?

**Advantages**

- **Document review** (annual reports, policies, procedures)
  - Efficient & cost-effective for use across portfolio
- **Standard site visits**
  - Independent verification, coverage of range of issues
- **Oversight of grievance mechanism**
  - Direct insights from workers
- **Worker survey**
  - Triangulate data. Larger, more representative sample. Anonymity improves reporting
- **Labour specialist site visit (including in community)**
  - Independent verification. Deeper insights. Reduced management influence

**Disadvantages**

- **Document review** (annual reports, policies, procedures)
  - Reliant on company-generated data
- **Standard site visits**
  - Labour issues difficult to uncover in timeframe, by non-specialists
- **Oversight of grievance mechanism**
  - Limited reporting of issues by workers due to lack of trust or accessibility
- **Worker survey**
  - Hard to implement pre-investment
- **Labour specialist site visit (including in community)**
  - Time and cost

**Increasing cost, effort, risk level and insights**
## Spectrum of approaches

<table>
<thead>
<tr>
<th>Standardised worker survey</th>
<th>Bespoke worker survey</th>
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<tbody>
<tr>
<td><strong>Purpose</strong></td>
<td><strong>Tailored to address specific challenge</strong></td>
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<tr>
<td></td>
<td>Implemented in <strong>partnership</strong> with management</td>
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<td></td>
<td>Can mandate in legal agreements</td>
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<tr>
<td><strong>Characteristics</strong></td>
<td><strong>Question design</strong> can include worker/management input</td>
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<tr>
<td></td>
<td>Survey implementation can be <strong>adapted</strong>, e.g. to overcome literacy and connectivity challenges</td>
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<tr>
<td></td>
<td><strong>Pros</strong></td>
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<tr>
<td></td>
<td><strong>Cons</strong></td>
</tr>
<tr>
<td><strong>Pros</strong></td>
<td><strong>Cons</strong></td>
</tr>
<tr>
<td>• Triangulating other labour data</td>
<td>• Standardised approach allows less company ownership of process, or tailoring to specific circumstances</td>
</tr>
<tr>
<td>• Benchmarking relative to peers</td>
<td>• Higher cost and time input required</td>
</tr>
<tr>
<td>• Proactive use for higher risk / impact</td>
<td>• Post investment only</td>
</tr>
<tr>
<td>• Can mandate in legal agreements</td>
<td></td>
</tr>
<tr>
<td>• (Initially) Driven by investor</td>
<td></td>
</tr>
<tr>
<td>• Largely <strong>standardised</strong> questions</td>
<td></td>
</tr>
<tr>
<td>• Implemented <strong>proactively</strong> as part of scheduled monitoring</td>
<td></td>
</tr>
<tr>
<td>• Can be used on a <strong>regular</strong> basis across portfolio</td>
<td></td>
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<tr>
<td>• <strong>Time and cost efficient</strong> to roll out, more likely to be adopted for regular use</td>
<td></td>
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<tr>
<td>• Enables <strong>comparison</strong> between companies in a portfolio to understand relative performance</td>
<td></td>
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<tr>
<td>• Can <strong>raise management awareness</strong> of hidden issues affecting workforce productivity</td>
<td></td>
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<tr>
<td>• <strong>Can build company capacity</strong> to manage worker relations</td>
<td></td>
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<tr>
<td>• <strong>Tailoring</strong> increases chances of gaining deeper insights</td>
<td></td>
</tr>
<tr>
<td>• High degree of <strong>management engagement</strong> in the process more likely to result in behaviour change</td>
<td></td>
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Worker voice technology as a tool within a corporate ecosystem

<table>
<thead>
<tr>
<th>Information flow</th>
<th>Element of company workforce management</th>
<th>How technology could help</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Collect</strong></td>
<td>Worker attraction and retention</td>
<td>Worker surveys can help identify worker challenges and needs to enable effective design of interventions to improve employee experience</td>
</tr>
<tr>
<td></td>
<td>Grievances</td>
<td>Can set up independent and secure grievance reporting mechanism. Can also establish less formal and complementary channel for suggestions to identify issues earlier</td>
</tr>
<tr>
<td><strong>Convey</strong></td>
<td>Contracts, rights, code of conduct, pay</td>
<td>Can ensure workers have access to a copy of key documents in a format they understand e.g. audio visual, and that cannot be doctored e.g. pay slips</td>
</tr>
<tr>
<td></td>
<td>Notifications</td>
<td>App-based communications can be used to efficiently communicate messages to large, fragmented workforces</td>
</tr>
<tr>
<td></td>
<td>Training</td>
<td>Can facilitate more rapid and larger scale training of a fragmented workforce</td>
</tr>
<tr>
<td><strong>Connect</strong></td>
<td>Collective bargaining</td>
<td>Communication channels can be established among workers</td>
</tr>
<tr>
<td></td>
<td>Productivity management</td>
<td>App-based recording of task completion, performance rating, live reporting of challenges to enable efficient resolution</td>
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Anne Arvola
Worker and stakeholder voice – Finnfund experiences
Finnfund pilot project objectives

- Find new ways to collect decent work and poverty related data, with E&S and DI lens
- Assessment of wider, indirect impacts
- Employees, supply chains, and affected communities
- WorkAhead & 60decibels – two methods, mobile app (video survey) & mobile calls (interview)
MOBILE VIDEO SURVEYS
WorkAhead survey pilots

• Employee surveys in an on-going investment in Zambia (agribusiness);
• As a part of a DD process in Afghanistan (agroprocessing);
• Community/outgrower surveys in Tanzania (forestry)
Practical implementation

- Short video surveys (7-12 min) in local languages with a few mobile phones/tablets (no network connection needed)
- Facilitators trained via a video connections (travel restrictions)
- Company CSR/HR teams or the ESDD consultant facilitating the surveys
- Whatsapp group for communication and guidance during the surveys
- Feedback sessions with WorkAhead

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What did we ask

• Combination of E&S and Impact questions

• General background + Poverty Probability Index questions (21-23 questions)

• Employee / decent work survey (16+1 questions)
  — working hours, contracts, management, health and safety, equality, harassment, complaints procedure, motivation

• Outgrower survey (10+11 questions)
  — Tree growing as a business, company’s impact (positive-negative) on their lives (own family and community, women specifically), support received from the company and its quality, child labour and its impacts on schooling

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Do you work full-time, part-time or seasonally doing this work?

How many hours do you work, on a normal day doing this work?

Do you get paid for working overtime?
Are your supervisors communicating enough about safety at work?

Do you think workers here take care of their safety well?

Did you know that the company has a policy against sexual harassment at workplace?
LESSONS LEARNT
Lessons learnt

• Easy process and convincing (positive, encouraging and constructive) results lead to willingness to continue & expand

• During COVID pandemic provided triangulation data to support DD process

• COVID travel restrictions forced to find ways to ‘remote control’ the surveys – even deeper company engagement and ownership, tools and methods help to scale up

• Tailoring of the questions may be time consuming but a precondition for a meaningful survey

• Even more motivating for respondents if results and actions plans based on them are communicated

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Strengths and limitations

• Easy and cost efficient to scale up – pleasant (and fun) experience to the respondents
• Comparable data (use of PPIs)
• Allows large samples
• Results available almost immediately
• Company ownership vs. external facilitators?
• Limited number of questions and only multiple choice questions – confirms and flags critical issues, no in-depth analysis
• Facilitator training must carefully emphasize the privacy and anonymity of the survey situation

finnfund
WHAT NEXT?

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Steps ahead

• Both companies willing to continue and scale up the survey

• Pilot phase II
  — Standardization of the survey questions (selection of questions, sector focus agri & forestry)
  — New companies joining
  — Climate change theme embedded in the questions (climate risks and resilience)

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Raghu Talluri
LoadShare Networks
Agenda

1. About LoadShare

2. Why is worker engagement so important for us and approach for hearing the “voice of the frontline”

3. Worker engagement survey and insights generated

4. Actions proposed and current status
1. About LoadShare

- Tech-driven logistics network for B2C & B2B movements, with a focus on last mile
- Serving clients across e-commerce deliveries, food, intercity trucking (PTL), warehousing
- Focus on some of the most underserved regions in India
- Work with SME logistics entrepreneurs ("partners") in each region

6000+ delivery boys, doing
200K+ last mile deliveries per day
350 Tonnes per day PTL

800+ transacting SME logistics partners

140K+ trucks on the platform, INR 7 Cr per day of freight value

8000+ pin codes served
6000+ non metro pin codes
2. Why is worker engagement so important for us and approach for hearing the “voice of the frontline”

- Partner based model is a big source of differentiation in our business model

- Clear, quantifiable correlation to partner success and LoadShare growth and economics in the region

- Intuitively know that frontline satisfaction (retention / tenure on platform) → higher productivity → LoadShare economic advantage

- Key issues
  a) Lack of formal, independent, objective engagement with the frontline
  b) Limited understanding of demographics, aspirations of the workers
  c) Unsure of their perception of LoadShare and LoadShare vision

Worker survey and solution design advisory to enable interventions for Loadshare workforce in Northeast India

- Survey covering 200+ workers
- Telephonic + computer based surveys
- Remote focus group discussions
- Followed by co-creation workshops to develop solutions for issues identified
3. Worker engagement survey and insights generated (1/5)

- Understanding of **overall satisfaction of workers** with LoadShare
- ... and why they would recommend or NOT recommend LoadShare to their friends and family
- Data cuts across different geographies to enable identification of specific pain points

While workers report an overall happiness with LSN, this data point should not be looked at in isolation of the other issues raised by them.

While for B2C workers, the biggest reason for NOT recommending Loadshare was the absence of future prospects for the workers.

For B2B workers, it was the lack of clear roles and responsibilities, some of the examples shared by truck drivers as part of "clear roles and responsibilities" were - lack of clarity on pick-up / drop timings / clarity on how to input data / use other functionalities of the app among others.

One B2C worker with a pay per packet model suggested that the amount he receives per packet delivery be increased.
3. Worker engagement survey and insights generated (2/5)

- Blind spots uncovered on absence of a grievance redressal mechanism
- Again, getting a cut by region/ business line to enable specific actions
3. Worker engagement survey and insights generated (3/5)

1. Need to create effective engagement strategies to bring more women in the LSN ecosystem. Currently a well articulated roadmap to improve the gender skew among the workers is absent.

2. High level of education among workforce → are we hiring the right pool?

3. Leading to problem solving on enabling purchase of bikes to enable even lower strata of population to work as delivery field force.
3. Worker engagement survey and insights generated (4/5)

Demographic profile of workers - Earning and saving potential (B2C workers)

<table>
<thead>
<tr>
<th>Alternative sources of income</th>
<th>B2C (n=160)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Only working at Loadshare</td>
<td>88.8%</td>
</tr>
<tr>
<td>Contracted employee</td>
<td>2.2%</td>
</tr>
<tr>
<td>Self employed</td>
<td>4.5%</td>
</tr>
<tr>
<td>Salaried employee</td>
<td>3.4%</td>
</tr>
<tr>
<td>Daily wage earner</td>
<td>1.1%</td>
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<table>
<thead>
<tr>
<th>Financial schemes / products used by the workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>B2C (n=160)</td>
</tr>
<tr>
<td>Haven't used any products</td>
</tr>
<tr>
<td>Bank FDs / RDs / Saving schemes</td>
</tr>
<tr>
<td>Government saving schemes</td>
</tr>
<tr>
<td>Informal deposits with family/friends</td>
</tr>
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</table>

How much do you save in a month? (Loadshare + other sources of income)

- For over 88% of the DEs, their work with LSN is the only source of income. Additionally, the segment also appears to not be actively engaged in saving activities. Over 22% of the DEs do not save at all while most others demonstrate very negligible amounts of savings. 48.9% of the delivery executives do not use any financial schemes or products either.

Deeper understanding of:

1. Other sources of income / dependency on LoadShare
2. Savings profile
3. Financial literacy
3. Worker engagement survey and insights generated (5/5)

**Impact of COVID-19:** While fewer number of deliveries/fluxuating income was faced by workers, effective measures were taken by Loadshare to curb the issue but not communicated well

- 56.7% workers reported fear of contracting COVID-19 and 63.9% reported fewer number of deliveries/fluxuating income as the major challenges faced during the pandemic. There is a trend of fluxuating income faced by workers with a pay per packet model during the pandemic.
- Fewer number of deliveries/fluxuating income was a challenge for workers since certain locations were declared containment zones due to COVID-19. The issue was however resolved by the Loadshare management by pausing all orders from those areas so that it does not affect the income of the workers. Over 50% of workers did not know about the COVID insurance and around one-third were not aware of the change in policies.

- Identified, prioritized issues faced by workforce specific for COVID situation, and recommendations for LoadShare to do better
- Identified issues in communication gaps on rollout of COVID specific initiatives and policies to the frontline
4. Actions proposed and current status

<table>
<thead>
<tr>
<th>Solution</th>
<th>Priority (CDC)</th>
<th>Deadline &amp; Deliverables (CDC)</th>
<th>CURRENT STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worker recognition system</td>
<td>Medium</td>
<td>30th Sept 2021</td>
<td>Clear program for recognizing workers through quarterly R&amp;Rs developed</td>
</tr>
<tr>
<td>Instating a grievance redressal system</td>
<td>High (compliance)</td>
<td>30th June 2021</td>
<td>Built into the app for workers to raise issues and for it to be centrally logged</td>
</tr>
<tr>
<td>Prioritising workers and their alternate skills for internal, non-gig roles to foster growth</td>
<td>Medium</td>
<td>30th Sept 2021</td>
<td>Being studied</td>
</tr>
<tr>
<td>Instating a worker engagement manager</td>
<td>High (compliance)</td>
<td>31st May 2021</td>
<td>In place, although on a non 100% basis</td>
</tr>
<tr>
<td>Providing health cover</td>
<td>Medium</td>
<td>31st Oct 2021</td>
<td>Rolled out health cover for COVID Wave 2 protection</td>
</tr>
<tr>
<td>Vendor management</td>
<td>High (compliance)</td>
<td>30th June 2021</td>
<td>Vendor education process stopped given current situation</td>
</tr>
<tr>
<td>Work hour management</td>
<td>High (compliance)</td>
<td>31st August 2021</td>
<td>Paused given current situation</td>
</tr>
<tr>
<td>Providing government entitlements</td>
<td>Medium</td>
<td>31st December 2021</td>
<td>Not started</td>
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Discussion with participants
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