

▶ Promoting and strengthening effective grievance mechanisms in the garment sector

Guidance Note

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Purpose

Based on the experiences of Better Work Bangladesh and Better Factories Cambodia through the programmes' direct engagement with hundreds of factories in the sector, many factories are struggling to address and resolve grievances at the workplace. Strong and effective grievance mechanisms at the enterprise or on-site level are a key part of a robust industrial relations environment. The purpose of operational level grievance mechanisms is to enable workers to file complaints on violations of rights as a first point of entry and to handle these within the enterprise quickly, fairly and at a low cost. This does not mean, however, that all grievances will be resolved in a satisfactory manner. The worker retains the right to take his or her complaint outside the enterprise by lodging the dispute with the relevant authority and having it handled in accordance with the procedures contained in legislation.

Enterprise-level grievance mechanisms provide a vital means through which companies can be alerted to the possibility of causing or contributing to adverse human and labour rights impacts or that such impacts may be directly linked to their operations, products, or services by their business relationships. By having a functional grievance mechanism at the enterprise level, workers and managers together can solve problems as close to the source as possible, resulting in more timely and effective solutions.

Effective grievance mechanisms are a key element of human rights and environmental due diligence processes. They support risk identification, mitigation and remediation. The establishment and implementation of effective grievance mechanisms is also mandated by the international instruments on responsible business conduct,¹ as well as existing and forthcoming regulations in this field.² Grievance mechanisms identify affected rightsholders, provide an early warning system, enable improvement of risk management systems at the enterprise level and are part of monitoring performance of due diligence processes.

The document is intended to act as a practical guidance to support the implementation and promotion of effective grievance mechanisms, especially for factories, workers, employers, brands and government representatives. It outlines the key features of operational level grievance handling mechanisms, establishment of procedures and steps for handling complaints. The note also shares practical findings and outcomes of stakeholder consultations from the Better Work – GIZ project on 'Promoting and strengthening effective grievance handling mechanisms in the garment, footwear and travel goods sectors' implemented in Bangladesh and Cambodia.

¹ See: ILO (2022), *Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy*, Geneva, https://www.ilo.org/sites/default/files/wcmsp5/groups/public/%40ed_emp/%40emp_ent/%40multi/documents/publication/wcms_094386.pdf; OECD (2023), *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*, OECD Publishing, Paris, <https://doi.org/10.1787/81f92357-en>; United Nations (2011), *UN Guiding Principles on Business and Human Rights*, New York & Geneva, <https://www.ohchr.org/en/publications/reference-publications/guiding-principles-business-and-human-rights>.

² Although no universal "HREDD law" applies globally, many countries and regions have recently proposed or implemented legislation on human rights and environmental due diligence. These regulations generally aim to ensure that companies are responsible for any human rights violations that may occur in their operations and supply chains. They require companies to conduct due diligence to identify, prevent, mitigate, and remedy such abuses according to the HREDD process.



Why is a Grievance Mechanism needed?

- ◆ Address conflicts that naturally arise in the workplace.
- ◆ Allow workers to raise grievances without fear of retaliation or victimization.
- ◆ Help to build and strengthen trust between management and workers and their representatives.
- ◆ Allow managers to identify and remove legitimate causes of dissatisfaction or conflict.
- ◆ Promote a happy and safe workplace.
- ◆ Identify human and labour rights risks at an early stage.

What is a grievance?

It is a complaint by one (or more) worker(s) against the management of an enterprise about a violation to their rights. It may be a right under the law, under the contract of employment, under work rules or internal regulations or a collective bargaining agreement. Any worker who files a grievance must claim that there has been a breach of their rights.

Such breach of rights might include, among others:

- ◆ Non-respect of working conditions, including hours of work, payment of wages and benefits, health, and safety regulations
- ◆ Application of disciplinary sanction without following the proper procedure
- ◆ Discrimination, including sexual and/or racial harassment
- ◆ Discrimination against a worker because of his or her involvement in union activities
- ◆ Bullying or harassment at the workplace

Grievances are related to violations of workers' rights. The differentiation between rights, interests, and personal matters are important in order to decide the appropriate procedure to address them.

Workers' interests such as increase in pay, promotion, new options for food at the canteen are not a violation of workers' rights and therefore are not considered a grievance. Similarly, personal matter such as needing financial assistance, is not a violation of rights therefore this is not a grievance. However, these may still be important for workers so there should be a way for workers to raise these to management, HR, supervisors, various committees, or workers' representatives that could provide support where appropriate.

Right (grievance)

- Basic requirement for every worker

Interest (not grievance)

- Things that workers want but not (yet) agreed on

Personal matter (not grievance)

- Important to workers but outside of scope of work



What is a grievance mechanism?

- ♦ A grievance mechanism is the process to follow which allows workers to file complaints regarding violations of their rights, and to get resolution to the issue.
- ♦ Grievance mechanisms can take different forms, such as a grievance box, an app, a hotline, or direct conversation with their supervisor or HR manager.
- ♦ Workers themselves, through freely elected representatives, should be engaged in designing the mechanism(s) or providing feedback for improvement to ensure it suits the organization and is effective for workers.

See below an example of a grievance mechanism at the factory: a suggestion box and a QR code for a mobile app. The procedure and process for handling suggestions are clearly displayed.



What makes a grievance mechanism effective?

Some grievance mechanisms work better than others. When creating and strengthening your grievance mechanism, here are some key criteria³ to aim for to make the mechanism effective:

Legitimate	Must be developed with freely elected worker representatives and everyone must trust that the mechanism will result in fair outcomes.
Accessible	Workers must know how to use the mechanism and be comfortable doing so. There should not be barriers –fear of retaliation, language, location etc- to use the mechanism.
Predictable	The process should have clear, agreed upon steps and a timeline, and the process should be confidential.
Transparent	Everyone involved should be kept informed and all employees should be informed of how the mechanism functions, the overall issues and outcomes (while respecting confidentiality).
Equitable	Workers should have equal access to information and paid time to participate in the grievance process, as well as professional representation if requested.
Rights Compatible	Outcomes should always be consistent with internationally recognized human rights.
Based on Engagement and Dialogue	Workers and their representatives should be involved in the development of the mechanism as well as the resolution of grievances.
Source of Continuous Learning	Tracking and analyzing grievances should inform workplace policies and improvements.

³ Principle 31 on United Nations (2011), UN Guiding Principles on Business and Human Rights sets out eight effectiveness criteria for non-judicial grievance mechanisms. The first seven criteria apply to any State-based or non-State-based mechanism and the eighth criterion is specific to operational-level mechanisms.



How to establish a procedure?

The best way to receive and resolve grievances is through a process that has been developed and agreed upon **between management and freely elected workers' representatives**. The below is an example of what the stages of the grievance procedure may look like. Prior to receiving grievances, the agreed upon procedure should be communicated clearly to workers.

Introduction and Context

- **Management and freely elected worker representatives establish a formal grievance policy and procedure** with timelines and responsible persons identified
- Publicize among the workers in the language they understand
- Encourage workers to speak up and use the grievance mechanism
- Establish non-retaliation and confidentiality policy and publicize them
- Provide different channels for voicing and ensure access

Once the grievance mechanism has been established and communicated and grievances are received, you can follow the next steps to receive and resolve grievances

Intake

- **Workers file and management receives grievances**
- Ensure anonymity in case of sensitive issues
- Treat every case without bias
- Ensure only responsible persons receive the information

Investigation and Resolution

- **Find out more information and come up with a solution**
- Apply a joint-investigation approach between worker representatives and management
- Ensure transparency and non-discrimination
- Allow support to workers and management from their representatives during the process
- Record and track the investigation process and result
- Meet with management and worker representatives to discuss possible solutions and recommendations. Communicate openly and honestly
- Follow up on the resolution of the grievance(s)

Integration and Learning

- **Learn from and improve processes**
- Integrate feedback learning from the specific grievance and make necessary changes to policies, procedures and practices to prevent issues from recurring
- Follow up the outcome of the resolutions
- Communicate the feedback to the workers publicly, ensuring confidentiality of individuals



Steps to follow when a grievance is received

The following flowchart shows an example of the steps to take when a grievance is received. These steps can be followed whether the grievance was received verbally, through an app or email, in a complaints box, or through a third party. It is important to not rush through steps, to allow for proper dialogue, investigation, and resolution, to track and monitor the results and to learn from the process in order to prevent further grievances. Use this as a “check” the next time a grievance is received!



Effective grievance mechanisms in practice

This section transitions from exploring the "**what**" of effective grievance mechanisms—focusing on their key characteristics, procedures, and steps—to the "**how**" of ensuring their practical functionality. Drawing on Better Work's practical insights gained over 18 months of focused work on grievance mechanisms in Bangladesh and Cambodia with the support of GIZ, it provides actionable guidance for implementing grievance mechanisms that deliver meaningful outcomes in practice (see Annex).

Key parameters for implementation

Learning and capacity-building interventions at the factory level, combined with consultations with tripartite constituents in Bangladesh and Cambodia, have yielded valuable lessons on ensuring effective grievance mechanisms in practice. These parameters shared across stakeholder groups, are interconnected and mutually reinforcing.

Policies and procedures must be clear, functional, and transparent to foster trust among all parties. Developed in agreement with management and freely elected workers' representatives, they should guarantee confidentiality in case handling, uphold a non-retaliatory environment, facilitate the prompt resolution of grievances, and record cases and results. They should also align with international standards and national laws.

Raising awareness of the grievance mechanism at the factory level is essential to encourage its use. This involves actively and consistently advertising its existence in local languages through diverse and accessible channels.

Capacity building for workers, unions, and management is essential to enhance understanding and effective use of grievance mechanisms. Training sessions conducted across 41 factories in Cambodia over nine months in 2024 demonstrated significant progress, with participants' understanding of grievance mechanisms increasing from 31% to 93% reflected by pre and post-tests.

Social dialogue must be actively encouraged, genuinely respected, and practiced in good faith to ensure success in ensuring functioning grievance mechanisms and delivering effective remedies. This means creating a culture of communication and trust. Grievance mechanisms can also serve as a valuable tool for strengthening industrial relations at the workplace, and the principles of social dialogue and engagement should be adhered to.





The Roles of Stakeholders

For grievance mechanisms to be effective, active engagement from all industry stakeholders is crucial. Country-level workshops with employers, government, trade unions, and workers' organizations in Bangladesh and Cambodia highlighted their respective roles and responsibilities in ensuring the mechanisms function as intended.

EMPLOYERS AND THEIR ORGANIZATIONS

Setting up an operational-level grievance mechanism in the workplace is crucial for fulfilling the employer's responsibility to respect human rights. Ultimately the responsibility to establish and ensure an effective grievance mechanism at the workplace falls to the employer. Employers could:

- Uphold national laws and regulations, and respect international labor standards, along the supply chain.
- Actively promote freedom of association and collective bargaining as essential components for providing access to remedy.
- Establish grievance mechanisms, including clear policies and procedures, in collaboration with workers' representatives.
- Efficiently disseminate information on and communicate to workers on the existing policies and procedures of grievance mechanisms.
- Ensure the mechanism adheres to the effectiveness criteria and is: legitimate, transparent, accessible, equitable, rights-compatible, predictable, based on dialogue and engagement, and a source of continuous learning.
- Ensure that workers do not suffer any prejudice whatsoever (for example harassment or rumors) and are not retaliated against for filing a grievance or participating in the grievance handling procedure.
- Review and investigate complaints in line with established policies and procedures, including worker interviews.



- Implement decisions made through the grievance handling process, and monitor remediation efforts to ensure full implementation.
- Ensure workers have the right to appeal a decision.
- Collaborate with judicial and non-judicial authorities (Ministries, Labour Court, Arbitration Council in Cambodia) when operational level grievance mechanisms are exhausted.
- Record and track all grievances and regularly review the processes to learn from and prevent future violations.
- Train workers on their rights and benefits.
- Train (and/or allow) workers (to be trained) on the use of grievance mechanisms.

Employers' organisations should strive to support their members in establishing operational-level grievance mechanisms and strengthen sectoral or national systems. As such, they play a pivotal role both for factory-level grievance handling through their members and shaping sectoral mechanisms to ensure grievances that cannot be resolved at the factory level are effectively escalated and addressed. Employers' organisations could:

- Provide training to members on grievance handling.
- Support members in drafting policies and procedures.
- Provide external support during the grievance handling process, such as through advice on regulations or standard processes.
- Share good practices amongst members to promote learning.
- Engage in tripartite consultations with workers' organizations and government to strengthen sectoral and national systems and address trends and issues identified through operational-level, judicial, and non-judicial systems. Through active participation in consultations, employer organizations can help align practices, bridge gaps, and reinforce a comprehensive system that supports fair resolution at all levels.

GOVERNMENT

Governments can play a key role in the implementation of strong operational-level grievance mechanisms by ensuring national laws or regulations promote this in a clear and inclusive way. Although the aim is to resolve issues at the firm or site-level as a first entry point for the worker (i.e. at the workplace), governments should also ensure that there are supporting judicial and non-judicial dispute resolution mechanisms available when resolution at the workplace is not possible. Governments could:

- Implement national laws or regulations to ensure effective grievance handling at the factory level, covering all workers and all types of grievances. Align these with international labour standards and UN Guiding Principles on Business and Human Rights.
- Guarantee workers the right to escalate grievances to labour authorities or courts and consider establishing a centralized platform to support and manage sectoral helpdesks for unresolved issues. Use accessible channels, including digital platforms, ensuring



confidentiality and protection. Provide fair and transparent judicial and non-judicial resolution options like conciliation or arbitration.

- Engage in tripartite consultations with workers' organisations and employers' organisations to strengthen the sectoral or national systems and respond to trends and issues identified through operational level, judicial and non-judicial systems.
- Promote the establishment, strengthening and use of grievance mechanisms through different means, including supporting training delivery at the factory level but also through communication materials, social media, public events etc.
- Collect and analyse data from grievances anonymously to generate actionable insights and continuous improvement.
- Enhance institutional capacities at different levels of government to efficiently process grievances and provide counselling.
- Commission research to identify gaps, prioritize interventions, and develop targeted strategies for improvement of grievance mechanisms.

TRADE UNIONS AND WORKERS' ORGANIZATIONS

Trade unions and workers' organizations play a key role in both developing sound and effective grievance handling mechanisms, as well as supporting workers during the process of grievance handling. Trade unions and workers' organizations could:

- Actively participate and have a voice in the development and operation of the grievance mechanism system at the enterprise level.
- Act critically if human rights abuses go unaddressed at the workplace level and make use of grievance mechanisms available at the factory level before escalating to other judicial and non-judicial mechanisms.
- Promote the inclusion of the design, establishment and implementation of grievance handling mechanisms in collective bargaining agreements.
- Communicate clearly with members the different pathways to remedy that workers have when their rights are violated, including operational level-grievance mechanisms. Ensure that members know their rights at work, the difference between rights and interests and what to do when these rights are violated.
- Accompany or assist workers during the investigation and resolution process where appropriate for example through collecting facts and relevant documents, while maintaining confidentiality and transparency where applicable and ensuring good communication.
- Monitor resolution of cases through grievance mechanism to ensure full remediation is provided.
- Actively build capacity and train workers at enterprise and sectoral level on the access and effective use of grievance mechanisms.
- Engage in tripartite consultations with government and employers' organizations to strengthen the sectoral or national systems and respond to trends and issues identified through operational level, judicial and non-judicial systems.



INTERNATIONAL BUYERS

Buyers play a key role in promoting strong industrial relations and decent work in their supply chains. Grievance mechanisms are an important tool for addressing human rights impacts within operations and supply chains, fostering transparency and accountability. Buyers should work with their supply chain partners to promote and ensure that effective enterprise-level grievance mechanisms, without fear of retaliation, are in place for workers. International buyers are expected to:

- Clearly communicate the importance of grievance mechanisms and commitment to supporting the process to suppliers. Consider an effective grievance mechanism as a condition of sourcing. Yet encourage suppliers not to keep any grievances secret, clearly mitigate potential concerns of suppliers that brands would penalize (suspension of orders or other) in case non-compliances are revealed through effective grievance mechanisms.
- Know the national laws related to grievances and dispute resolution in order to monitor compliance. Ensure both suppliers and workers are also aware and support the communications to these groups, avoiding multiple standards and redundant efforts towards suppliers.
- Check compliance, follow up and provide support. Through audits, visits, communication with suppliers, determine if workers themselves know of and trust the grievance mechanism. If not, work with the supplier to develop a plan for improvement.
- Ensure workers or their representatives are involved at all stages of the development of grievance mechanisms procedures, as well as the resolution processes.
- Finance training and capacity building. Ensure workers, their representatives and management have the knowledge to design and implement grievance mechanisms, as well as the skills to resolve grievances when they arrive. Partner with training or civil society organisations to provide capacity building support.
- Integrate grievance mechanism metrics into KPIs/score cards and reward factories. Reinforce the importance of effective operational-level grievance mechanisms in sourcing decisions. Reward suppliers with extended contracts, increased prices, positive public relations etc. when they develop effective systems.
- Contribute to data collection on grievance mechanisms, conduct worker surveys in local language and analyse results on a yearly basis.
- Partner with other stakeholders, including other buyers, on developing an aligned grievance mechanism standard. Work with local stakeholders to identify the challenges and support improvement. Collaborate with other international buyers to ensure consistent messaging and approaches when sourcing from shared suppliers.
- Use leverage and influence to promote strong sectoral and national grievance and dispute resolution systems. Participate, where appropriate, in dialogue with stakeholders on how to strengthen and improve systems. Lobby for improved regulations and legal frameworks.



Annex. Effective grievance mechanisms in practice



In Cambodia, Better Factories Cambodia (BFC) worked closely with 41 selected garment, footwear and travel good factories, where BFC's advisors worked directly with the bipartite committees in coaching them to implement effective grievance handling mechanisms. The project collaborated with key stakeholders, including the Ministry of Labour and Vocational Training (MLVT), trade unions, and industry groups like the Textile, Apparel, Footwear & Travel Goods Association in Cambodia (TAFTAC), to build industry capacity for effective grievance handling mechanisms. Activities included training of BFC advisors and independent consultants to conduct coaching to factories on grievance mechanisms, industry workshops with key stakeholders in January and December 2024, and rollout of a grievance mechanism training programme reaching 161 participants in 41 factories.



In Bangladesh, Better Work Bangladesh (BWB) focused on promoting effective grievance mechanisms at factory level taking account gender-based violence and discrimination, and promoting transparency and data-sharing in the ready-made garment (RMG) sector. In total, 25 master trainers from employer and worker organizations and 40 factory trainers from 20 BWB factories were trained to further provide sessions to 120 factories (20 BWB factories) on effective grievance mechanism in partnership with GIZ, BWB, Bangladesh Garments Manufacturers and Exporters Association (BGMEA) and Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA). The project collaborated with industry stakeholders, particularly the employers' associations, BGMEA/BKMEA and SLCP and its verifiers for industry level capacity building on data collection and reporting. BWB shared its factory compliance data and trends with governments (Department of Inspection for Factories and Establishments (DIFE) and Department of Labour (DOL) and employers' and workers' organizations 4 times in 2024 for the partners to take informed policy decisions around social compliance issues in Bangladesh.

