

### Better Work Nicaragua Quick Facts



**24 Factories**



**40,000 Workers**



**71% of the Garment Industry**

### Key highlights from an independent impact assessment of the Better Work programme

Independent research carried out by Tufts University finds Better Work creates positive results through its unique approach

Working with garment factory workers and managers, along with engaging all industry players, leads to improved workplace conditions, better factory performance and greater well-being among workers and their families. Beyond establishing the programme's effectiveness, taking stock of multi-year research results from across country contexts reveals key implications for businesses and policy makers.

#### Empowering women drives success

Worker-management committees intended to facilitate problem solving are more effective when females hold equal representation. Training line supervisors, especially women, can increase productivity by **22%**.

#### Improving working conditions is an investment, not a cost

Factories where workers report better working conditions, where compliance is higher and where supervisors are well equipped for their jobs are more productive and more profitable.

#### To address non-compliant supply chains, all actors need to take action

Impact assessment results show with hard data how certain sourcing practices of international apparel brands create inherent challenges in achieving decent work in supplier factories. At the same time, supply chain leaders have great potential to reinforce sustainable business models.

### MEASURING IMPACT

Better Work is a partnership between the UN's International Labour Organization, and the International Finance Corporation, a member of the World Bank Group. The programme works to improve working conditions and promote competitiveness in global garment supply chains. As a result of their participation in Better Work, factories have improved compliance with ILO core labour standards and national legislation covering compensation, contracts, occupational safety and health and working time.

To further understand the impact of its work, Better Work commissioned Tufts University in 2009 to conduct an independent impact assessment. Tufts' multi-disciplinary research team has gathered and analysed nearly 15,000 survey responses from garment workers and 2,000 responses from factory managers in Haiti, Jordan, Indonesia, Nicaragua and Vietnam to do this. The analysis of these responses represents a unique and in-depth evaluation of Better Work's effectiveness in changing workers' lives and boosting factory competitiveness.



## Key highlights from Better Work Nicaragua

Impact assessment results from Nicaragua suggest significant progress has been made, with potential for further improvement

### WORKING CONDITIONS

#### Better Work Nicaragua significantly impacts concerns on pay and excessive overtime

After three years in Better Work Nicaragua, workers are less concerned with late payments, low wages and excess overtime.

#### Improvements in dialogue and voice

After three years, workers are more likely to feel comfortable seeking help from their supervisors and no longer believe that joining a union will get them fired.

#### Better Work promotes gender equality by ensuring equality of pay

Participating factories have reduced the gender wage gap and the disparity in the number of hours worked between women and men.

#### Participating in Better Work has led to a decrease in sexual harassment concerns

Workers' concern with sexual harassment falls over time due to Better Work participation. Managers' awareness of sexual harassment is associated with a **29 percentage point** reduction in worker concern with this abuse.

### COMPETITIVENESS

#### Training line supervisors, particularly women, pays off in better working relationships and higher productivity

When trainees believe they can improve their skills, and they have support of their managers, Supervisory Skills Training in Nicaragua is demonstrated to lead to more balanced production lines, better workplace relations and higher productivity. Training female supervisors in particular was shown to result in a **22%** increase in productivity.

#### Firm competitiveness is strengthened by eliminating harmful and counterproductive workplace abuses

Beyond infringing on basic rights of workers, the presence of sexual harassment in a factory setting reduces productivity. Better Work research shows the most successful firms are those that recognize the frequent prevalence of such abuse in the sector and act to eliminate them in their workplace. Workers in Nicaragua report a steady reduction in concerns about sexual harassment, which suggests broader assurance of rights along with better conditions for business competitiveness.

### BEYOND THE FACTORY

#### A focus on job quality can positively affect outcomes like education access for workers' children

Financial constraints significantly affected child schooling in Nicaragua at the outset of the programme, with 19 per cent of workers reporting having school-aged sons out of school for financial reasons. After one year participating in the programme, there is a decline in the number of workers reporting that their children are not in school due to financial constraints.

