



Gap Inc.

Employing Workers' Sense of Value as a Key Performance Indicator (KPI) to Drive Facility Improvement in Social Responsibility

July 2018

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I. Executive Summary

Worker engagement has been a prominent topic in the realm of corporate social responsibility (CSR) in recent years. Various approaches have been explored by multinational brands in seeking worker feedback via different forms of engagement activities. However, these types of worker engagement programs are often treated as a separate activity which lack a systematic connection with other CSR programs. When closely examined, the designs of the programs are usually brand-centered and heavily oriented towards supply chain risk management. Workers' interests are often either overlooked or marginalized.

In 2015, Gap Inc. launched its Workforce Engagement Program to implement a worker-centered approach to sustainable supplier performance improvement and impact measurement. Through measuring the degree to which garment workers feel valued and engaged at work, and the factors that affect these feelings, the program sought to set priorities and goals for facility improvement. Another goal was to develop connections between various CSR programs to effectively respond to the feedback of workers.

Gap Inc. engaged Verité to develop and implement this program.

Verité, headquartered in Amherst, MA, is a global, independent, nonprofit organization which provides consulting, training, research, and assessment services with a vision to ensure that people worldwide work under safe, fair, and legal conditions. Since 1996, Verité has partnered with hundreds of multinational brands, suppliers, and international institutions across multiple industry sectors to improve working conditions and overall social and environmental performance within global supply chains.

Our work to align business and social impact has earned us recognition in the social entrepreneurship space, including an award as the Social Entrepreneur of the Year in the United States for 2011 by the World Economic Forum-affiliated Schwab Foundation. Verité's programs have been conducted in more than 70 countries and across multiple sectors, including electronics, apparel, footwear, agriculture, food, hard goods, and toys.

Verité gathers information globally about labor practices, and makes this analysis available to brands, suppliers, governments, investors, NGOs, and trade unions. Our focus is on human rights and labor rights in the production of consumer goods and sourcing of raw materials.

As an NGO, Verité is recognized for its independence and unique credibility, as well as the practical usefulness of its information to businesses. Information is sourced from workers, NGOs, and trade unions, and then interpreted to help businesses reduce social risk in their supply chains.

Operating through an extensive network of independent regional offices and partner organizations, Verité has more than 100 staff and consultants located in China, the Philippines, India, Bangladesh, and throughout Europe, Africa, and Latin America, enabling us to expand our scale quickly and efficiently.

From 2015 to 2017, Verité assessors gathered information from workers and management through written surveys, focused group discussions (FGD), and individual interviews that provide a cross-section of both quantitative and qualitative data for Gap Inc.'s Supplier Sustainability team to derive insights on issues of concerns that matter most to workers. Upon receipt of the engagement assessment reports provided by Verité, Gap Inc. partnered with its suppliers with prioritizing the issues and creating tailored plans that suppliers could use to make investments in their employees in response to worker feedback. The results also informed the training programs for facility managers, as they serve as the basis for Gap Inc.'s Supplier Sustainability team to develop tools for facility managers to increase workers' sense of value (SOV) and engagement, knowledge, and overall well-being.

This paper presents a summary of assessment findings from Verite's implementation of the Workforce Engagement Program.

The initial Verité survey assessments were conducted between 2015-2016 in five countries (China, Bangladesh, India, Guatemala, and Vietnam) covering 78 facilities with

a total worker population of 187,036¹. In 2017, 34 reassessments were conducted in four countries (China, Bangladesh, India and Guatemala) to measure improvements. A variety of noticeable improvements were detected, and workers' ratings of their SOV and engagement improved at the majority of the facilities reassessed.

Regarding management practices, the scores for indices representing seven categories of facility human resource management (Fair Treatment, Immediate Supervisors, Communication and Feedback, Training and Development, Working Pressure, Working Conditions and Living Conditions) increased in 25 out of the 34 facilities reassessed, with increases ranging from 0.07 to 36.49 points², and an average increase rate of 11.5%. The study indicates that the improvements in management practices, especially in the areas of Immediate Supervisors, Training and Development, Fair Treatment, and Communication and Feedback had significant impact, with positive changes in these areas driving score improvements in workers' SOV and engagement. The data shows that:

- Workers' SOV scores increased by an average of 14.01% in 24 out of the 34 facilities reassessed.
- Workers' sense of engagement scores increased by an average of 11.62% in 25 out of the 34 facilities reassessed.
- Workers' rating of management practices improved by an average of 11.49% in 25 out of the 34 facilities reassessed.

Data analysis indicates that in facilities where significant management improvements were made on supervisors' training, communication and worker feedback, and training and career development, workers' SOV and engagement improved.

The workers' SOV and engagement assessment is a worker-centric approach to sustainable supplier performance improvement. The results of this project show that worker SOV and engagement can be used as key performance indicators to measure

¹ This total number of workers is derived from workforce populations at the time of the Verité's initial visits during the first two years of the project.

² Average scores are calculated on a centesimal system (0 – 100), where higher scores indicated more positive ratings.

the impact of various facility improvement interventions focused on workers. This type of assessment can maximize workers' participation in setting facility improvement goals that matter the most to workers. The Verité assessment team recommends that Gap Inc. and the supplier facilities continue using this assessment as a mechanism to identify and prioritize issues and set goals for the continuous improvement of facilities. This approach can also measure the impact of various programs on workers, to the mutual benefit of all stakeholders.

II. Concept, Methodology and Tools

As a business management concept, “employee engagement” has been extensively studied in the field of human resource management, but most of the empirical studies available are targeted at white collar workers. Manufacturing workers, especially manufacturing workers in developing countries that are part of global apparel supply chains, are often not squarely at the center of discussions and studies of human resources. For the purposes of this project, the term “engaged employee” was defined as “a positive attitude held by the employee towards the organization and its values”. Research has shown that an engaged employee believes in the organization, is willing to do extra work to make things better, and is respectful of and helpful to other colleagues. In addition, an engaged employee “is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization.” And yet, this is a two-way relationship, which means that “the organization must work to develop and nurture engagement.”³

Existing research results on white collar workers, as well as Verité’s own previous research on workers in the manufacturing sector, indicate a strong correlation between worker’s engagement at work and their sense of being valued and involved by management, with SOV being an important driver of engagement. Verité’s research and that of others also indicate that the major drivers for workers feeling valued and involved are among the management practices of the employers.

³ Institute for Employment Studies: The Drivers of Employee Engagement, 2004. <http://www.employment-studies.co.uk/report-summaries/report-summary-drivers-employee-engagement>

In Gap Inc.'s 2015-17 sustainability strategy, Gap Inc.'s Supplier Sustainability team set one of the program objectives as making their strategic suppliers' facilities preferred places to work in the communities in which they operate. Correspondingly, an objective was to work with suppliers' management teams to make well-being and engagement investments in their workforce. Verité and Gap Inc. saw an opportunity to implement a worker-centric approach for achievement and measurement of the intended objectives and impact of the program, building on Gap Inc.'s long-standing effort to move beyond compliance in how it partners with its strategic suppliers.

The program architecture was designed as follows:

PROGRAM DESIGN

Verité developed a set of assessment tools including a worker survey questionnaire, guidance for focused group discussions (FGDs), guidance for individual interviews, and a management self-assessment questionnaire (SAQ).

Anonymous written surveys, group discussions, and individual interviews covered three major topics, including workers' perceptions of their engagement at work, SOV, and management practices relating to fair treatment, immediate supervisors, communication and feedback, training and development, working and living conditions, and working pressure (named as driver indices for this project). Throughout the entire process, workers' anonymity was protected, and any information shared was not directly attributed to any individual worker.

IMPLEMENTATION

The facility management self-assessment questionnaire (SAQ) contained three parts covering detailed workforce profiles, management practices pertaining to the seven driver indices noted above, and business performance indicators such as worker turnover rate, product defect/rework rates, and absenteeism, among others.

Facility SAQs were distributed to and collected from facilities prior to the onsite

assessments. Information pertaining to the workforce profile provided in the SAQ was used by assessors for sampling of workers for the survey.

Information on management practices was crosschecked against worker input during the onsite assessment and post-visit data analysis stage. If workers appeared apprehensive during any interaction, the assessors conducted off-site interviews following the onsite assessments to try to gain assurance regarding the truthfulness of information provided.

WORKER SURVEYS

A stratified random sampling method was applied for worker surveys, with sample sizes ranging from a minimum of 110 to 180 depending on the sizes of the facilities.

While Verité's focus during the assessments was to measure worker engagement as described above, any compliance concerns that emerged were also communicated to the Gap Inc. assessor.

DATA ANALYSIS

Following each assessment, the Verité team conducted data analysis and prepared a report that was shared with Gap Inc., who in turn shared it with the facility. In these reports, the survey data, information disclosed in the FGDs and interviews, any pertinent information gathered through any onsite observations, as well as from management SAQs, were analyzed and compiled.

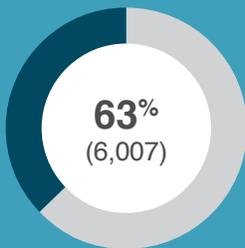
FACTORY IMPROVEMENT RECOMMENDATIONS

Recommendations for management improvement were generated based on the findings, all of which formed the final report for each facility visit.

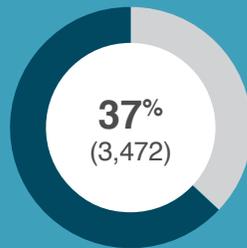
III. Scope and Demographic Data of Workers

Throughout the course of the project, assessments were conducted in five countries: China, Bangladesh, India, Guatemala, and Vietnam. The initial assessments were carried out in both 2015 and 2016, covering 78 facilities with a total worker population of 187,036 workers. A total of 10,177 workers were surveyed during the initial assessments, and 4,560 workers were surveyed for the reassessments in 2017. Of the 10,177 workers initially surveyed, 698 did not provide complete data (did not complete the survey) and were subsequently removed from the analysis for this report, which leaves the remaining number of workers surveyed at 9,479. In many cases, respondents that participated in the reassessments also participated in the initial assessments.

Of the 9,479 that participated:



Female

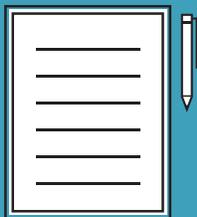


Male

28.1

years, average age of the survey participants.

Chinese workers were the oldest, with an average age of 34, and Bangladeshi workers were the youngest, with an average age of 24.



66%

had a middle school education level or lower.

Guatemalan workers had the longest work durations, with an average of **4.35 years**, while Indian workers had the shortest work durations, with an average of 1.64 years.

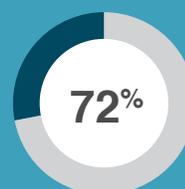
2.96

average number of years participants had been working at facilities.



66%

lived in rented homes, followed by their own homes (23%), and dormitories (11%).



were married (6,840) and 28% were single (2,639). China had the greatest number of married workers, while India had the most single workers.

IV. Assessment Results

a. Average SOV and Engagement Scores

For the initial assessments, the average Engagement Measurement⁴ scores were 89.92⁵ and the average SOV measurement⁶ scores were 88.52,⁷ out of a possible 100, across the 78 facilities in five countries. A summary for each country is listed in Table 1 below:

Table 1: Average Scores by Country

Country	Average Engagement Score Out of 100	Average SOV Scores Out of 100
Guatemala	94.65	93.96
Bangladesh	93.86	94.91
Vietnam	93.01	91.30
China	88.73	84.73
India	78.01	76.18
Average	89.65	88.22

4 Engagement measurement was generated out of the following 6 survey questions: (1) When I get up in the morning I feel like going to work; (2) Meeting production objectives makes me feel happy; (3) I am willing to do extra work when the facility needs me; (4) I frequently make work-related suggestions to improve the work of my team/department; (5) The facility inspires the very best in me in the way of job performance; (6) I speak highly of this facility to my friends.

5 Average scores are calculated out of a centesimal system, the higher the score means the higher workers' SOV and engagement.

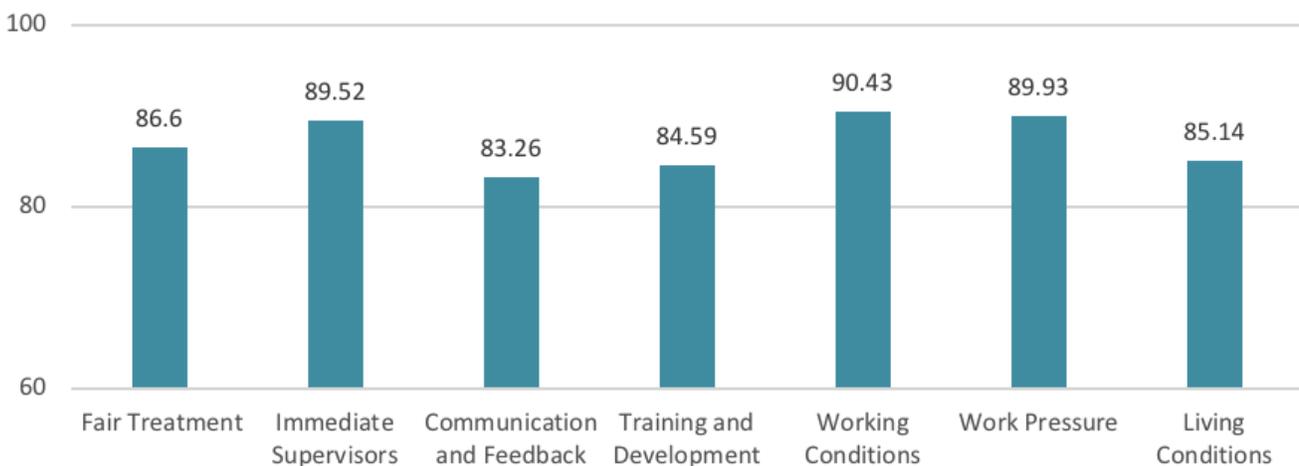
6 SOV measurement was generated out of the following 5 survey questions: (1) I feel respected by the facility. (2) I feel that I have a chance to develop a career at the facility. (3) My facility pays attention to my suggestions and concerns. (4) My work gives me a sense of accomplishment. (5) I feel that my job is important to the smooth functioning of our facility.

7 Average scores are calculated out of a centesimal system, the higher the score means the higher workers' SOV and engagement.

b. Average Drivers Scores

To identify major drivers of SOV and engagement at work, the survey contained a section devoted to seven major facility management practice areas: Fair Treatment, Immediate Supervisors, Communication and Feedback, Training and Development, Working Conditions⁸, Work Pressure, and Living Conditions. Across the countries, the average scores for the driver indices were 87.07 out of a total of 100. Detailed information is listed below in Figure 1.

Figure 1: Sub-Category Driver Index Scores



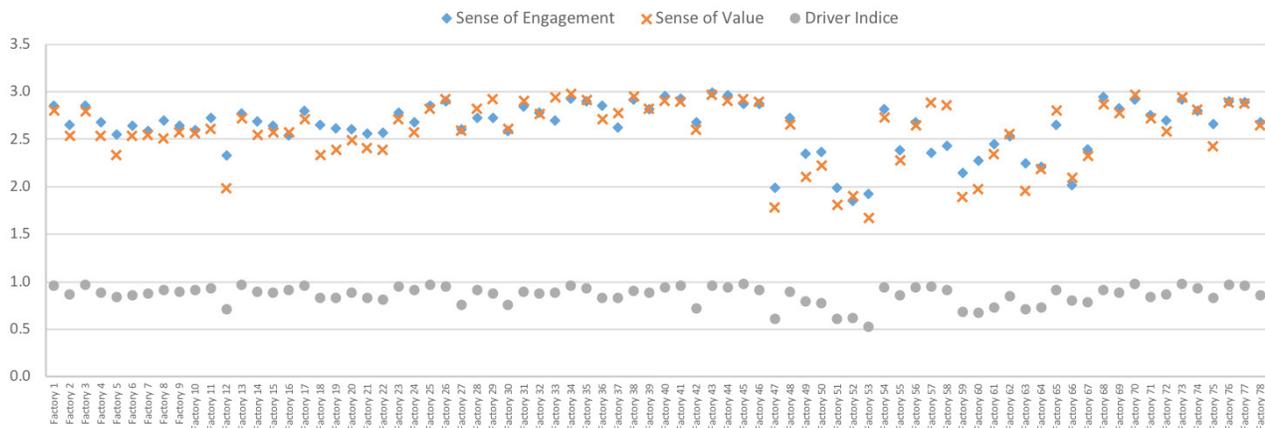
c. Correlations between Workers' SOV and Management Practices

Statistical analysis was performed to identify the correlations between workers' SOV and their perceived level of engagement at work, as well as the correlations between each driver index with the SOV scores. Analysis results indicated that workers' SOV is highly correlated with their sense of engagement at work. All seven of the driver factors affected SOV, with the top four drivers being Fair Treatment, Immediate Supervisors, Communication and Feedback, and Training and Development. Figure 2 below illustrated the general trends of the correlations among workers' SOV, engagement, and the driver indices. Assessment findings showed that when facilities had higher scores in these four areas of management practices, they tended to receive higher scores in both SOV

⁸ For the purpose of this study, "Working Conditions" is defined as the physical working conditions of the facilities.

and engagement measurements. The feedback shared by workers offered insight into practices that can either be implemented or avoided to positively influence workers' SOV and engagement.

Figure 2: Correlations of Workers' SOV, Engagement, and Drivers



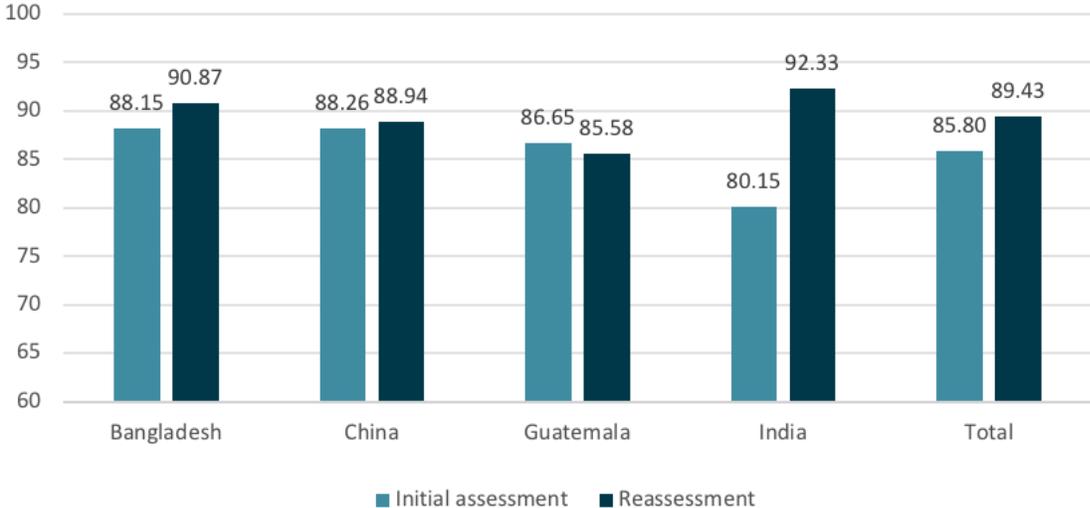
d. Improvements in Reassessed Facilities

After the initial assessment, Verité offered recommendations for improvements based on the assessment results and feedback from both workers and facility management. Based on Verité’s reports, Gap Inc.’s field teams assisted the facilities with developing customized action items to address the feedback shared by workers, which in some cases included prioritizing facilities which had lower communications scores to join Gap Inc.’s Workplace Cooperation Program, which aims to improve dialogue between factory management and workers.

In 2017, Verité and Gap conducted reassessments at 34 of the facilities that were assessed in either 2015 or 2016 in Bangladesh, China, Guatemala, and India. Of the 34 facilities reassessed, 10 were in Bangladesh, 11 in China, 2 in Guatemala, and 11 in India. Reassessments were not conducted at any facilities in Vietnam. The reassessment results indicated that there had been improvements in a majority of the facilities that were reassessed.

Figure 3, below, shows the average rating changes of facility management practices of the seven driver index areas in all 34 facilities reassessed in the four countries. The results indicated that on average, the facilities in India had the most significant score improvement, and facilities in China and Bangladesh had a minimal score increase, while the scores from the 2 Guatemalan facilities decreased.⁹

Figure 3: Average Driver Score Comparison between Initial Assessment and Reassessment

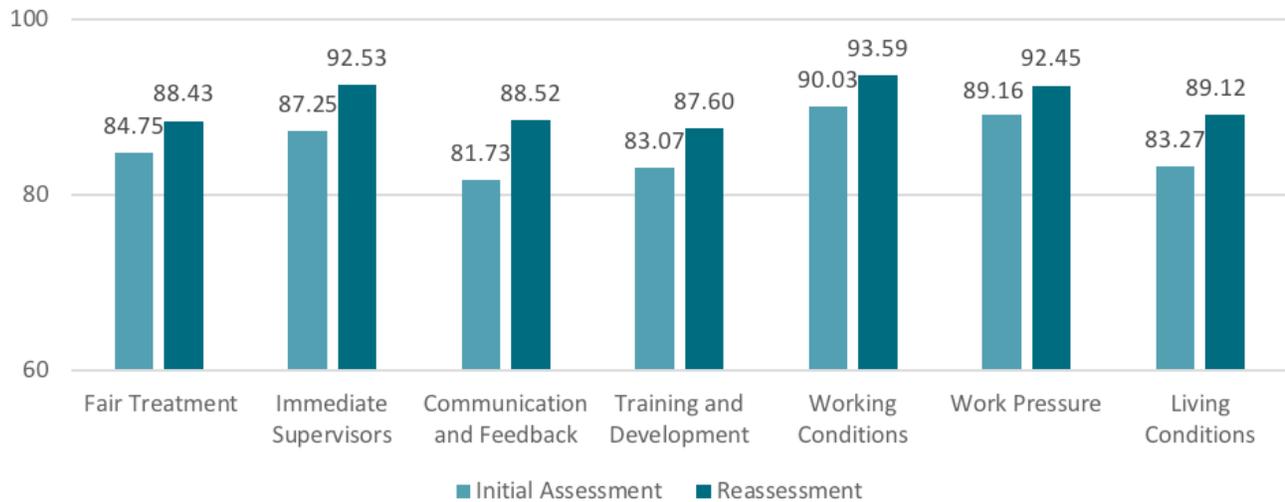


Of the 34 facilities that were reassessed, workers’ ratings of the seven categories of management practices increased in 25 facilities, with an average increase rate of 11.5%. In the remaining 9 facilities, the scores dropped by an average of 5.48%, which resulted in a slight increase of the overall rating by 5.5% globally.

Figure 4 below, shows the average score change of the 7 individual categories of management practices in the 34 facilities.

⁹ Only two factories in Guatemala went through the reassessment, and the scores increased in one of the two factories and decreased in the other. The average scores ended up as decreased for the two due to the significant score drops in the score decreased factory.

Figure 4: Individual Driver Score Comparison between Initial Assessment and Reassessment



There were a variety of the improvements reported by workers in the 25 facilities where the driver index averages increased. Some examples of these improvements included the creation of worker participation committees, increased opportunities for training and development, more effective communication and feedback mechanisms, and improved treatment by supervisors and line leaders. It is important to note that not all improvements occurred in all facilities, but the improvements in factory management practices helped to improve workers' SOV and their engagement at work, which in turn yielded positive benefits to the facilities.

In 23 out of 25 facilities where management practice scores improved, workers' SOV scores also increased, with an average increase of 14.43%. Additionally, in 23 out of the 25 facilities where management practice scores improved, workers' sense of engagement at work also increased by an average of 12.47%.



A CASE OF IMPROVEMENT - CHINA

During the reassessments in 2017, one facility in China had an engagement score increase of 8%, a SOV score increase of 10%, and a driver index score increase of 8%.

In the initial assessment, workers rated the management practices related to Communication and Feedback, Training and Development, as well as Living Conditions the lowest among the seven driver indices.

For **Communication and Feedback**, the vast majority of workers reported that they had never made any suggestions or filed any grievances, and they felt that management would not seek out or encourage workers to provide feedback. Onsite observations of assessors revealed that some postings regarding grievance channels were situated at a height more than 180cm from the floor, making them difficult to read; and some suggestions boxes had been removed due to facility renovations.

For **Training and Development**, both workers and management indicated that while the facility provided a two-hour orientation training to new workers, no other trainings were offered.

For **Living Conditions**, although workers appreciated the free dorms provided, they complained about hot water supply issues for the showers, frequent breakdowns of drinking water heaters, and an insufficient number of USB outlets for charging their cell phones and other electronic devices.

Based on the feedback collected from workers, the facility implemented a variety of improvement initiatives, including:

- Installing one suggestion box in each restroom of the production floor and designating personnel to be in charge of collecting workers' issues from the suggestions boxes on a weekly basis;



A CASE OF IMPROVEMENT - CHINA (CONTINUED)

- Conducting satisfaction surveys to identify workers' needs and areas for improvements;
- Providing job skills and knowledge trainings to workers, especially to those with lower production efficiency, both internally and in collaboration with local vocational training institutions;
- Taking both management and technical measures to ensure that workers had enough hot water for showers after work; replacing many of the drinking water heaters and installing additional water heaters on each floor of the dorms; and installing more USB outlets in the dorm rooms, among other improvements.

As a result of the improvements, workers ratings of the driver indices on Communication and Feedback, Training and Development, and Living Conditions increased by 10%, 18%, and 15%, respectively. Overall, these increases helped to drive up workers' overall SOV and engagement scores. **The assessors also noted a decrease in worker turnover rate by 5.17% from 2015 to 2016.**

Conversely, in facilities where management lacked attention to the needs of workers, the rating of workers' SOV and engagement either had no change or decreased. In cases where score decreases were more significant, the facilities either had not taken adequate steps to address the issues identified during the initial assessments, or there were new issues that affected workers' SOV and engagement.

Of the 34 facilities reassessed, 32 have also gone through Gap Inc.'s compliance re-audits. Verité did not identify obvious correlations between facilities' compliance score improvements and workers' SOV and engagement at work, as data analysis showed that facility compliance improvements may affect workers' rating of management practices only weakly. Of the 25 facilities where workers rated improvement in management practices, 17 had increased compliance audit scores ranging from one point to 63 points,

with an average improvement by 28 points. The other seven facilities showed decreases in their compliance audit scores that ranged from 6 to 22 points, with an average decrease of 13 points.



A CASE ON IMPROVEMENT - GAUTEMALA

Verité notes that only two reassessments were conducted at facilities in Guatemala as part of the program. This means that the sample and level of detail in data for Guatemala is limited. However, the following case study is presented to ensure that Guatemala is highlighted in this report.

During the initial assessment in 2015, several areas for improvement were identified; key among them were:

Leadership skills of immediate supervisors: Workers expressed not feeling motivated by their immediate supervisors, and supervisors not providing clear instructions, leading to mistakes in the production process.

Fair Treatment: Workers shared not being given fair treatment by their supervisors, particularly as it related to leave requests.

Communication and Feedback: Workers felt intimidated when trying to escalate a grievance or recommendation to middle or upper management.

Work Pressure: Workers conveyed feeling burdened by not being able to reach required production targets.

During the facility's reassessment in 2017 it was noted – both from feedback shared by workers and during the on-site follow up by the Verité team – that the facility implemented a series of improvement measures to enhance worker perception, which included:

External trainings to supervisors on positive leadership skills on topics such as conflict management, worker recognition, providing clear instructions, correcting poor performance, and improving worker motivation. These trainings take place every six months and are facilitated by the Guatemalan Textile Export Association (Vestex) for the first semester, and by the Guatemalan Technical Institute for



A CASE ON IMPROVEMENT - GUATEMALA (CONTINUED)

workers skill set building (INTECAP) for the second semester.

In addition the facility simplified its leave approval process to include the right of workers to appeal to HR if a supervisor denies a leave request.

The facility revised its grievance procedure to ensure easy access for workers to submit a grievance and is now implementing an annual satisfaction survey to include questions regarding the efficacy of the grievance mechanism.

Lastly, the facility management is conducting a time and motion study to ensure targets are achievable and fair, helping improve overall well-being.

V. Discussion & Recommendations

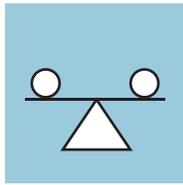
a. Success and Challenges

The program has assisted the participating facilities with improving in areas that are relevant to workers' SOV and engagement. The key success areas can be summarized as follows:

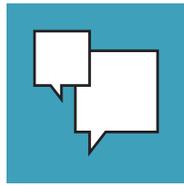
First, the program demonstrates that workers' SOV is highly correlated to workers' engagement at work. The underlying theory of the project assumes that good facility management practices help to promote workers' SOV and engagement, and the surveys, worker interviews and discussions, as well as feedback from management, show strong correlations between management practices with workers' SOV and engagement at work. When workers feel valued by management, they tend to be more engaged, and are willing to make extra efforts to the mutual benefit of workers and facilities. The assessments identified many cases that provide testimonials to this fundamental program assumption.

Second, the program identified the four main areas of management practice that drive

workers' SOV and engagement, which are:



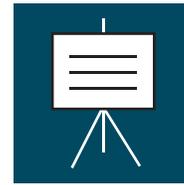
Fair Treatment



Communication and Feedback



Immediate Supervisors



Training and Development

The predominant factors in these four areas are generally seen as “soft” management areas in comparison with “hard” drivers, such as physical working or living conditions. Although the “hard” drivers are still important to workers, the assessments showed that when workers have guaranteed wages and benefits, these “soft” drivers become more important in promoting workers' SOV and engagement. This trend was consistent in all five participating countries. The assessors believe that promoting best practices and positive changes in these areas is key for sustaining high engagement of workers in the supply chain.

Third, the program provides new ways for suppliers to engage with their workers. Some facility managers were skeptical about the program during the initial assessments in 2015 and 2016. However, during the reassessments in 2017, several managers expressed appreciation for the program, telling the assessors that they felt that the implementation of the program's activities provided them with both new ways to engage with their workers, as well as different ways to think about common recurring issues. Many supplier management teams expressed enthusiasm when they saw that by improving training programs and supervisors' relationships with workers, they were able to increase workers' productivity and efficiency. For example, one facility management team in Bangladesh noted an improvement in worker productivity as workers' needs were directly addressed. In the end, managing a facility is about workers, and attending to workers' needs in meaningful ways improves the overall functioning of a business.

The key challenge areas can be summarized as follows:

It is important to note that there are various macro social and economic factors that affect workers' SOV and engagement, such as labor market opportunities, which results in comparative advantage in terms of incomes. As the design of the assessment was focused on the improvement of individual facilities' management practices, the worker SOV and engagement assessments did not take these macro factors into consideration.

Another limitation of the program was that it captured worker feedback only twice within a 12 month or more time frame. The long interval between worker surveys and the high turnover rate of workers made it challenging to fully compare data between initial assessments and follow-ups. This was also unfavorable to the realization of program design which seeks to assist facilities with setting their objectives and priorities for continuous improvement through a more worker centric approach. To overcome this limitation, facilities should be encouraged to take ownership of the program, which will enable more frequent structured interactions between workers and management.

A challenge that the team encountered was that facility management in many facilities was nervous prior to the assessment, and treated the assessment like another social audit, without truly understanding the purpose of the assessments. This resulted in some cases of workers being coached prior to or during the assessments, creating considerable process complexities. Under such circumstances, the assessors had to stop the survey process and to communicate with facility management. Assessors emphasized to management the purpose and benefits of the exercise, including the differences between the Verité approach and a compliance audit. When judged necessary, the assessors conducted offsite worker interviews to validate the feedback that was provided onsite.

Another major challenge was related to the data collection of business performance related indicators. In an attempt to examine the correlations between workers' SOV and engagement and the facility's business performances, Verité asked the facilities to provide some business key performance indicators (KPIs) related to quality, productivity and worker turnover rate or absenteeism, etc. For the initial assessments, many facilities provided very little information, and instead responded that they were not tracking the information requested.

b. Key Opportunities

First, Gap Inc. and supplier facilities can use workers' SOV and engagement as two KPIs to measure the impact of various facility intervention programs on workers. Gap Inc. may also encourage facilities to develop better systems for monitoring the status of certain business KPIs related to the workers and analyze the correlations between those indicators and workers' SOV and engagement. This would help the facilities to more clearly see the business benefits of having workers who are more engaged.

Second, Gap Inc. and supplier facilities can also utilize worker SOV and engagement assessments as a way to engage workers' participation in facility management improvement. By prioritizing the management areas that matter to workers' SOV the most, the business will benefit from more engaged workers. One way for Gap Inc. to realize this is to integrate some components of workers' SOV and engagement assessments into the regular social compliance assessments.

Third, the current tools and rating methodology could be strengthened to allow them to capture more of the subtleties of workers' thoughts and feelings about facility management practices. It is also recommended that Gap Inc. provide ongoing trainings and technical support to suppliers such that they can carry out this assessment internally to improve program scalability.

Fourth, and perhaps most important, this project points to the significant potential for sector-wide, sustainable change that is possible if the practices outlined here are adopted widely by brands and suppliers alike. While certain isolated programs and pilots in the garment sector have touched on worker engagement, adoption of a genuinely worker-centered approach is the path toward systemic change characterized by better labor compliance alongside improved productivity, and worker well-being. The prevailing audit and assessment practices within the apparel sector must be recalibrated to do more than occasionally take into account workers' voice but instead be fundamentally based on the assessments of workers' sense of value and engagement. While brands and suppliers increasingly emphasize remediation and continuous improvement processes, it is vital that prioritization in those areas be informed directly by worker input and sustained attention to

steps that will increase worker SOV and engagement.

Finally, as various stakeholders call for more emphasis on and articulation of the impact of compliance activities (and not just inputs), the entire apparel sector will gain much from articulating and measuring impact in terms of concrete, verifiable gains made in workers' SOV and engagement as the core building blocks of mutually beneficial worker/management cooperation.