



WORKER VOICE-DRIVEN ETHICAL RECRUITMENT

Streamlining and professionalizing employer-pays recruitment

Global brands, retailers, and importers are beginning to require ethical recruitment systems in their supply chains. Employers and recruitment agencies who can demonstrate good ethical recruitment practice will not only be able to retain strategic customers, but differentiate their business from competition. This can potentially lead to increases in sales to buyers or services to employers, along with improved brand and company reputation. With the partnership support of global brands and retailers, Issara Institute aims to collaborate with businesses and recruitment agencies in Asia that seek to improve processes for more efficient and ethical labour recruitment.

The Issara approach centers on partnerships and trust with business as well as workers. To help get businesses on an ethical recruitment track, Issara brings employers and recruitment agencies together to identify strengths and weaknesses of their current recruitment practices, receive worker voice feedback, and make improvements, so that jobseekers are more ethically recruited, screened, processed, transported and managed. Through this innovative collaborative approach, employers and recruitment agencies signal to global customers a commitment to effective labour management practices that can be a model for the ASEAN region and the world.

What is Ethical Recruitment?

Ethical recruitment is labour recruitment whereby the costs of recruitment are not borne by jobseekers and workers, but instead are borne by the employer. This includes all charges, including those by recruitment and employment agencies, as well as by brokers, sub-brokers, and agents. In ethical recruitment arrangements both employers and employment agencies also share responsibility to:

- respect all relevant laws,
- ensure ethical and professional conduct toward workers and each other,
- uphold decent health, safety, working, and living conditions for workers, and
- ensure access to remedy and functioning, credible grievance mechanisms.

Ethical recruitment (sometimes referred to as “employer-pays”) models of recruitment have become a recent focus of responsible sourcing. A growing number of brands and retailers from Europe, North America, and Australia want their suppliers to ensure ethical recruitment practices are used to hire their workforce. In this way, businesses can be more confident that risks of human trafficking, forced labour, and exploitative recruitment are eliminated from their supply chains.

Issara’s Ethical Recruitment Program

Issara’s Ethical Recruitment program provides participating businesses and recruitment agencies with a clear and practical framework to analyze and improve their labour recruitment agreements and practices. They will be able to jointly identify and address areas requiring improvement, and agree on how to measure and articulate progress made to date against Issara’s 7 key principles:

ISSARA ETHICAL RECRUITMENT PRINCIPLES

1. Legal compliance: respecting all relevant laws
2. Ethical and professional conduct toward workers and each other
3. Free-of-charge services to jobseekers and workers
4. Transparent, ethical terms of engagement
5. Transparent wages, deductions, and benefits
6. Healthy, safe, exploitation-free working and living conditions
7. Access to remedy and functional, credible grievance mechanisms

Issara Institute facilitates the assessment and improvement process over a 12-month period, with feedback from worker voices throughout. Issara helps participating businesses and recruitment agencies implement improvements such as revising contracts and service agreements, evaluating and revising cost structures, strengthening grievance mechanisms, assisting with complex situations requiring remediation, and providing capacity building trainings to employer and agency staff to strengthen institutional capacity.

Main goals for the Issara Ethical Recruitment Program

Progress toward building ethical recruitment channels will be achieved in part by increasing transparency, reducing overall cost and steps in the process, and increasing the capacity of each business partner to fulfill its role in recruiting, screening, processing, transporting, and managing migrant workers. Access to worker voice feedback and technical assistance from Issara are free of charge to employers and recruitment agencies—this Program is funded by development donors and Issara’s global Strategic Business Partners, to help build systems with:

1. PARTICIPATING AGENCIES will work toward professionally managing all steps of the recruitment process in the worker’s home country up to the point of delivering the worker to the worksite in Thailand. The longer-term goal is for recruitment agencies to be able to efficiently manage the vetting and interview processes of jobseekers, and for the employer to not have to be involved extensively, unless specific skills tests are required. This will save time and cost for employers, and increase value-added services provided by agencies. It will utilize Issara’s worker voice channels and nationwide network of CSO partners to empower jobseekers and connect them with participating recruitment agencies directly, which proactively addresses upstream risks such as first-mile debt bondage to brokers often utilized by agencies. Agencies will also be supported to build in additional social safeguards throughout the recruitment process, including worker voice-supported grievance mechanisms and more effective advertising to jobseekers.

2. PARTICIPATING EMPLOYERS will work toward professionally managing all steps of the recruitment, processing, and labour management processes from the point of receiving the worker at the worksite to the end of the contract. Employers will have more accountability and visibility of recruitment practices through closer working relationships and better communications with the recruitment agency, supported by worker voice feedback. Employers will directly engage with source-side agencies and strengthen due diligence practices. Following the identification of job candidates and contract signing managed by agencies, employers will take full responsibility for the processing of visas and work permits, including all costs, whether or not the employer processes the documents in-house or uses a sub-contracting document service agency or destination-side agent. Costs of document processing, service fees, and other charges will be covered by the employer and not passed on to workers. Participating employers will also ensure healthy, safe, exploitation-free working and living conditions for workers.

Cover photo: The Issara team leads a pre-departure training discussion with migrant workers in Yangon, Myanmar preparing to work in Thailand, in collaboration with their recruitment agency.

At right: Burmese women about to cross the border from Myawaddy, Myanmar into Thailand load Issara’s Golden Dreams smartphone app and other worker voice channels onto their phones.

Benefits for employers and recruitment agencies

- ✓ Employers and recruitment agencies gain a ‘safe space’ to work on reforms through Issara’s relationship with global brands, retailers, importers, and agents.
- ✓ Employers and recruitment agencies can access Issara’s free technical support, trainings, tools, and business intelligence, including worker voice channels that provide unsurpassed insights into labour recruitment as experienced by workers directly.
- ✓ Employers will benefit from a significant reduction in recruitment risks and costs by eliminating the number of actors involved throughout the recruitment process, removing risk points where informal fees are commonly levied, and reducing overall vulnerabilities related to lack of transparency and upstream brokers.
- ✓ With debt and debt bondage situations removed by ethical recruitment, worker vulnerabilities also decrease. This will lead to more satisfied workers and reduced turnover, providing cost saving to the business in recruitment, onboarding, and training. Improved worker retention can also result in more productive and high performing workers.
- ✓ Over time, ethical employers will attract a larger pool of qualified workers, as jobseekers actively seek out employers who undertake ethical recruitment practices, due to savings from the recruitment process alone.
- ✓ Employers and recruitment agencies will have and provide greater shared accountability and transparency.
- ✓ Our approach seeks to ‘crowd in’ business to support ethical recruitment practices, building a stronger, more sustainable recruitment ecosystem rather than ‘picking winners.’
- ✓ Employers and recruitment agencies will have the opportunity to demonstrate a leadership role in ethical recruitment in Southeast Asia, being among the first suppliers committed to true ethical sourcing in the region, and significantly reducing instances of worker indebtedness and debt bondage.

