

THE BENEFITS OF FAIR RECRUITMENT

RESULTS OF THE IMPACT STUDY ON THE NEPAL-JORDAN CORRIDOR

The ILO conducted a fair recruitment pilot for migrants in the garment sector moving through the Nepal-Jordan corridor during the period 2017-18, during which a fair recruitment agency, FSI Worldwide, sent 130 female Nepali workers to four garment factories in Jordan.

Tufts University conducted an impact assessment of the pilot between April 2017 and November 2018. The study compared data from conventionally recruited workers and fairly recruited workers and assessed how their experience was affected by the elements of fair recruitment:

- “Employer pays principle”: Elimination of recruitment fees and related costs
- Informing workers about the terms of their contract in a language they understand
- Informing workers about working conditions prior to migration (pre-departure orientation)
- Ensuring workers have control over their official documents
- Screening job seekers to match skills with jobs

HIGHLIGHTS

Benefits of fair recruitment for workers:

- More positive personality traits, and more control over their working conditions
- A better understanding of the terms of their contracts and are more trusting
- More likely to reach their production targets

Evidence of positive impact:

- Fair recruitment increases worker voice and well-being
- Zero recruitment fees benefit workers and employers
- Fair recruitment fosters an improved working environment
- Fair recruitment positively impacts performance at work



Workers at a garment factory in Sahab Industrial zone, Jordan, September 2017.
Arthur Ancion.

Data Sources

- ▶ Fairly recruited migrant workers (sample of 81) were surveyed upon arrival in Kathmandu, just prior to departure from Kathmandu, upon arrival in Jordan (baseline), and up to 15 months after arrival (endline).
- ▶ Conventionally recruited migrant workers (sample of 190) were surveyed upon arrival in Jordan and up to 15 months after arrival.
- ▶ Qualitative interviews were conducted with 13 migrant workers + 5 factory managers + buyers.

Key Findings

The study compared data from conventionally recruited workers and fairly recruited workers, and demonstrated that fair recruitment makes a positive difference to their experience.

Fairly recruited workers were also less likely to have conflicts with supervisors and manager upon arrival.

However, it was found that these positive traits can erode over time if working conditions are more difficult than workers expected.

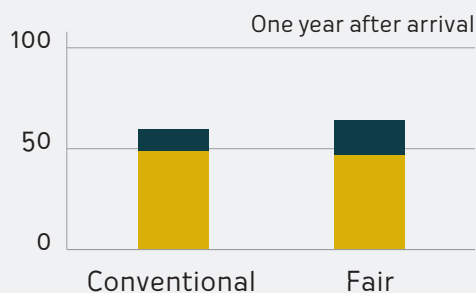
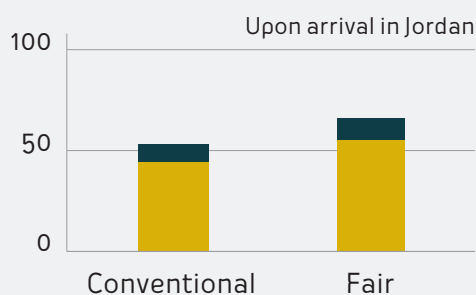
Positive

Personality Traits

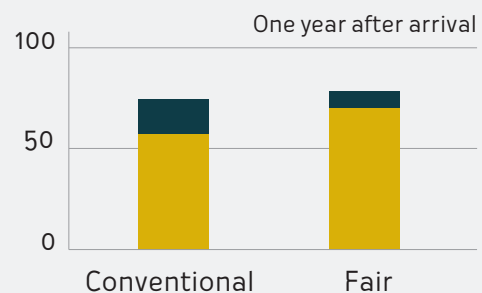
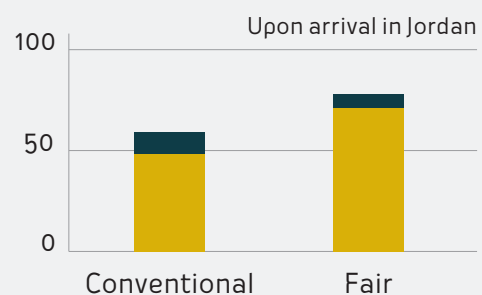
Fairly recruited workers upon arrival were more likely to:

- feel proud of their work;
- feel comfortable seeking help from their supervisors (“voice” & more confident voicing opinions at work);
- believe they have a wider internal locus of control;
- see themselves as emotionally stable;
- believe they can take action when bad things happen.

I am proud of the work I do in this factory



I am comfortable asking a supervisor for help



■ Agree ■ Strongly agree

Protection Over Contract Deception and Debt Bondage

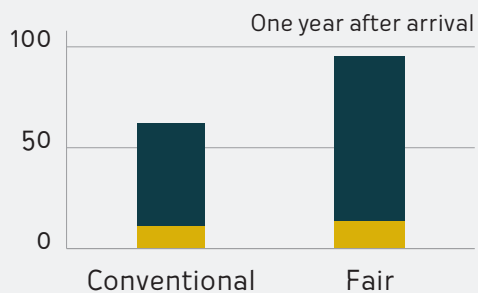
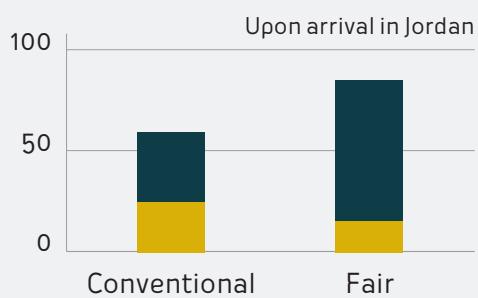
Fairly recruited workers were observed to have:

- paid no recruitment fees, but did pay some related costs (passport);
- paid less overall for the recruitment process;
- had less migration-related debt;
- paid less towards debt each month, and were less concerned about debt at the endline;
- better understood the terms of their contract;
- understood their conditions of work (pay, hours) at an earlier stage than conventionally recruited workers.

Fairly recruited workers were also more trusting than conventionally recruited workers.

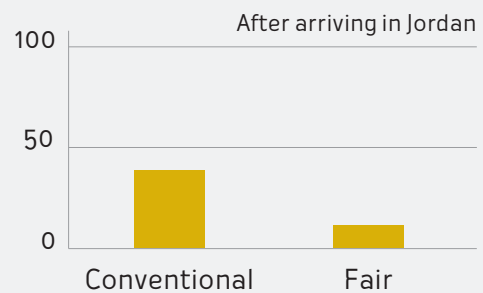
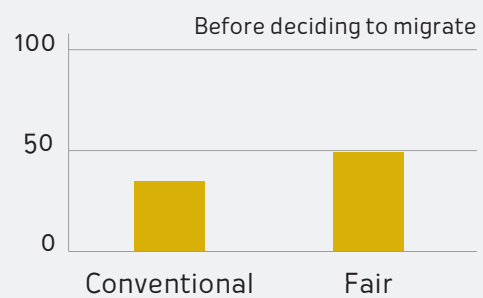
It also means that fairly recruited workers would be more vulnerable to deception relating to pay at work if the employer tries to exploit them.

I understand my contract



■ Somewhat ■ Very well

I found out about hours and pay...



At the endline

Fairly recruited workers were also less likely to believe that there will be serious adverse consequences for reporting sexual harassment.

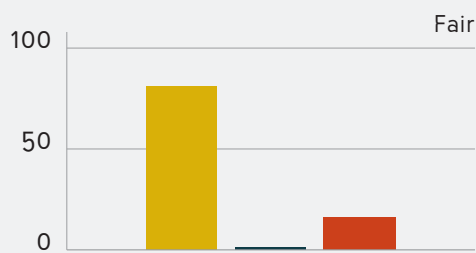
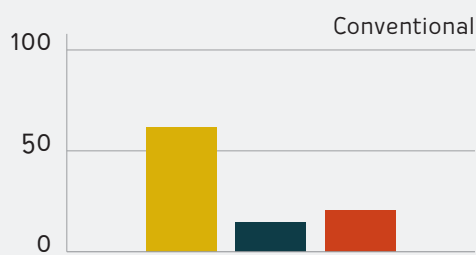
Control Over

Working Conditions

Upon arrival, fairly recruited workers were found to be:

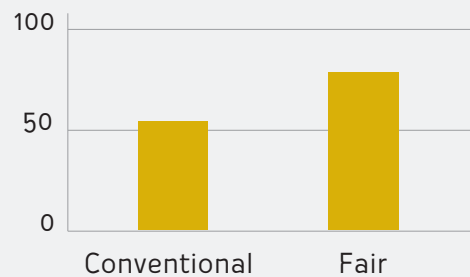
- more likely to report concern with overtime;
- less likely to be vulnerable to sexual harassment or to be sexually harassed;
- and to report less frequent physical abuse than conventionally recruited workers.

I did not have take on a debt

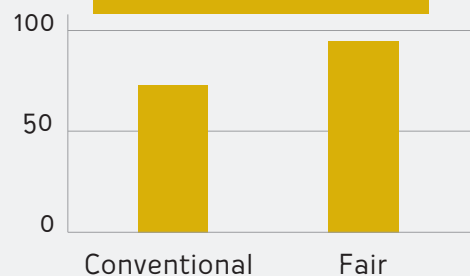


■ I came to Jordan without any debt
■ I did have debt, but it is paid now ■ I still owe money

I have never known for managers to hit or try to physically hurt workers



I have never experienced sexual harassment



■ Never

Worker

Productivity

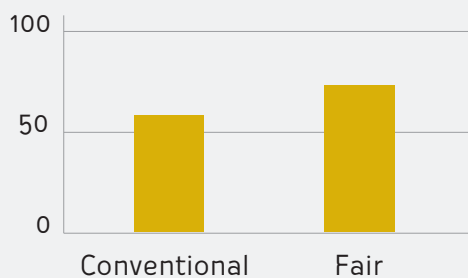
Fairly recruited migrants were found to be:

- employed in the same job they expected to have;
- less likely to be late;
- upon arrival they were less likely to be absent at work, and more likely to be in the job for which they were recruited;
- by the end of the study they were less likely to think about quitting and to be sick, and to report feeling stressed, tense, restless, or unable to sleep; and more likely to reach their production target.

Some results suggest that fairly recruited workers are more likely to be vulnerable to rent extraction

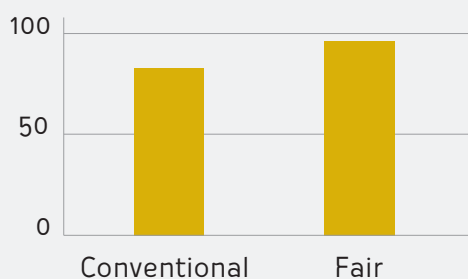
if the employer seeks to extract compensation for the recruitment fees it paid, e.g. through lower wages or fewer productivity bonuses. Hence, the benefits of fair recruitment can only be sustained in a fully compliant environment.

Same job as expected



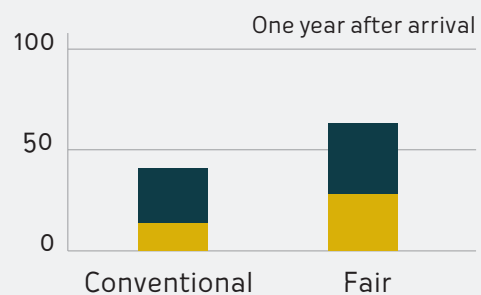
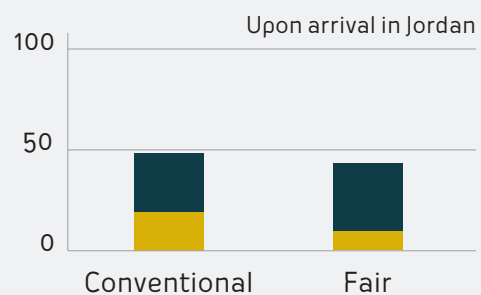
■ Yes, this is the job I expected

I am not absent from work



■ 0 days absent during the last month

Thinking about quitting



■ Strongly disagree ■ Disagree

Impact of Fair Recruitment

The study also tried to estimate how fair recruitment affects overall outcomes for workers such as *work and life satisfaction, confidence, or mental health*, and *what impact the fair recruitment pilot has on employers and on the factory environment*.

Fair Recruitment Increases

Worker Voice and Well-being

- **UNDERSTANDING THE CONTRACT** → increases workers' confidence in voicing their opinion at work, being more comfortable in making a complaint or a suggestion, and in seeking help from supervisors.
- **UNDERSTANDING THE CONTRACT** → reduces the feeling of being troubled and increases satisfaction with working conditions and with life.

KEY CONCLUSION: *The investment that fair recruitment practices made in helping workers fully understand the terms of their contracts is the driver to migrant workers having voice.*

Investment in explaining the terms of the contract

expands the benefits of fair recruitment

Fair Recruitment

- ↘ Lack of control over stressful events
- ↘ Lack of control over important things in their lives
- ↘ Days late
- ↘ Thoughts of quitting
- ↘ Contract Deception

Contract Deception

- ↗ Lack of control over stressful events
- ↗ Lack of belief that they can change life by changing behavior
- ↗ Days absent
- ↗ Days late
- ↗ Thoughts of quitting

↗ Increase
↘ Decrease

Zero Recruitment Fees

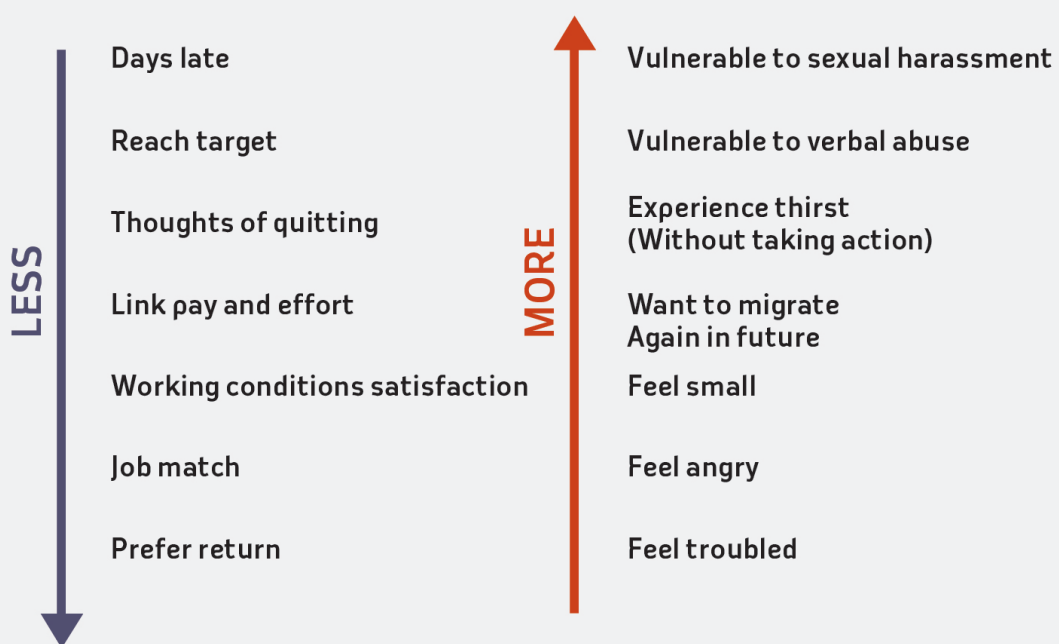
Benefit Workers and Employers

- **BENEFITS TO WORKERS** → the payment of fees is associated with a lack of clarity around pay, dehumanization (feeling small, frustrated, angry, unimportant), poorer mental health, greater vulnerability to abuse, greater migration regret, more days absent and lower productivity.
- **BENEFITS TO EMPLOYERS** → workers that paid fees are less likely to reach their production targets and report a poorer match between their skills and the job they were recruited for. Workers that paid fees are less likely to understand the link between how much they work and how much they are paid.

KEY CONCLUSION: *Employers may be adversely affected by recruitment fees because workers who paid fees don't perceive a link between what they receive in pay and their effort in the work place and so are less likely to reach production targets.*

Paying recruitment fees

is associated with



Fair Recruitment Fosters

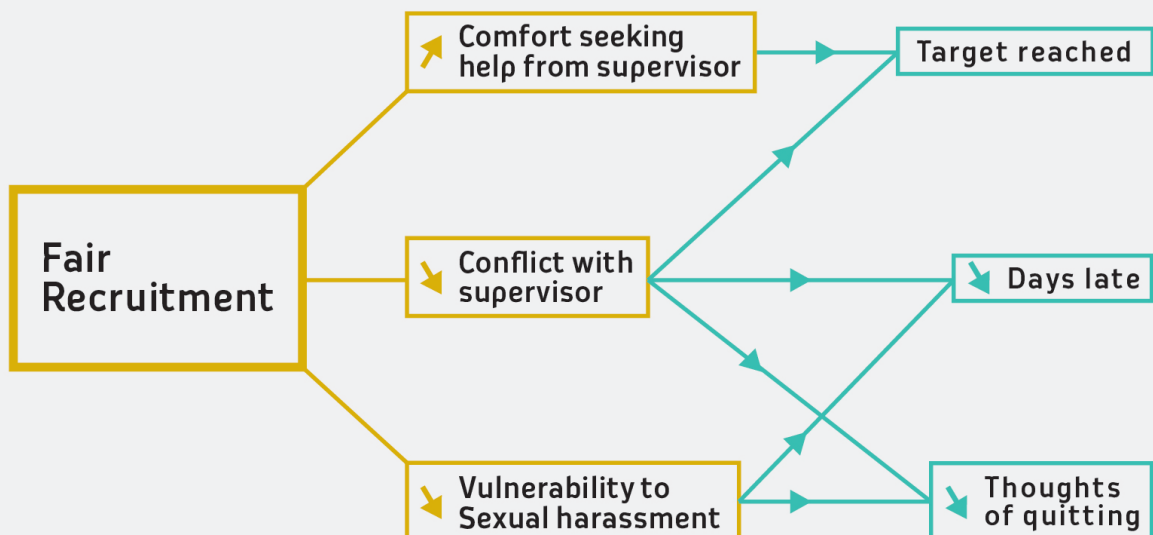
an Improved Factory Environment

- **GREATER COMFORT IN SEEKING HELP FROM SUPERVISORS AND REDUCED CONFLICT WITH SUPERVISORS FOR FAIRLY-RECRUITED WORKERS** → increases the probability of reaching the production target; reduces days late and thoughts about quitting.
- **REDUCED VULNERABILITY OF FAIRLY-RECRUITED WORKERS TO SEXUAL HARASSMENT** → reduces days late and frequency of thoughts of quitting.

KEY CONCLUSION: *fair recruitment fosters a healthier social structure in the factory, with benefits for the worker well-being and for productivity.*

Direct effects and impact of

fair recruitment on worker well-being



- Increase
- Decrease
- ➡ Results in

Fair Recruitment Impacts

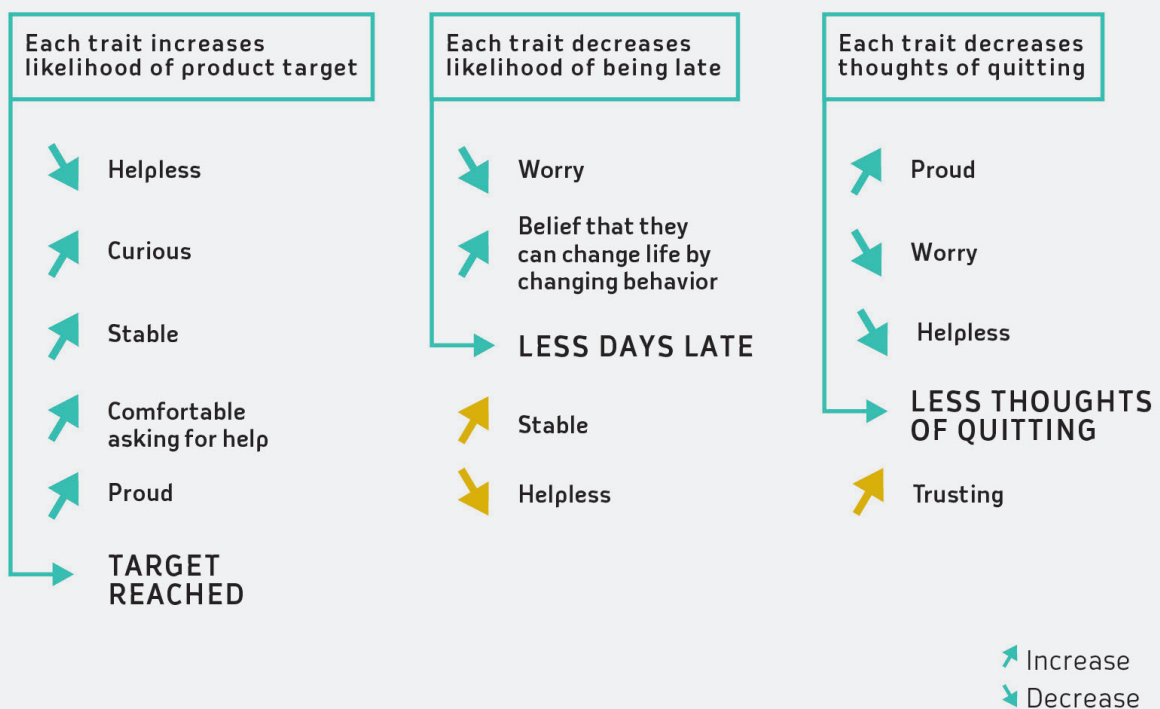
Performance at Work

- **REPORTING CONTRACT DECEPTION** → reduces conventionally recruited worker's sense of control over stressful events and their belief they can change their lives by changing their behaviour; increases the likeliness that CRWs are late or absent from work and thoughts of quitting.
- **INDEPENDENTLY OF CONTRACT DECEPTION, FAIR RECRUITMENT** → directly affects a worker's ability to control stress and to have a sense of control over important things in their life, and directly affects the likelihood of workers being late or absent from work and to have thoughts about quitting.

KEY CONCLUSION: *the earlier prospective migrants learn about actual pay, hours and working conditions, the more likely they are able to make an informed decision about migration; and, once at work, the less likely they are to be late or absent from work and to think about quitting.*

Direct effects and impact of

fair recruitment on worker performance



Key Lessons from the Impact Study

- To allow workers to make an informed decision, fair recruitment interventions should start as early as possible in the recruitment process, ideally before the decision to migrate is made
- Pre-departure trainings that promote detailed understanding of the contract and of working and living conditions abroad are critical aspects of fair recruitment
- Fair recruitment interventions need to employ a comprehensive view of the recruitment journey focusing on both the recruitment process and the working and living conditions in the countries of destination
- Future interventions should pay attention to the possibility that employers might try to levy internalised recruitment costs indirectly through, for example, reduced pay, reduced bonus payments, or longer working hours
- Workers should be provided with a point of contact and a possible avenue for complaints and a remedy to counteract potential abuses of workers' trust, which they have built up by being involved in a fair recruitment scheme and relying on existing rules
- Interventions should take into account that there might be a discrepancy between employers' perception about the extent to which they are already employing fair recruitment practices and the reality which might not be in line with ILO standards



First group of fairly-recruited garment workers, Workers' Centre, Al Hassan industrial zone, Jordan, March 2017.
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Funding for this ILO publication is provided by the Swiss Agency for Development and Cooperation (SDC) under the framework of the Project "Integrated Programme on Fair Recruitment" (FAIR II) (GLO/18/53/CHE).

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