Supporting the different channels of worker representation

Evert-jan Quak
Institute of Development Studies
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Questions

• The rationale and business case for worker representation.

• What different channels for worker representation have been used, including but not limited to trade unions?

• What are the advantages and disadvantages of these different channels and conditions required for effectiveness.

• Best practice in strengthening worker representation (including e.g. tech-based approaches), and evidence of outcomes/results.

• Challenges, risks, opportunities and entry points for donor engagement.

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1. Summary

This rapid review synthesises the literature from academic, policy, and knowledge institution sources on the different channels to strengthen worker representation in low- and middle-income countries (LMICs). Most of the literature on worker representation (a way to increase workers’ voice) comes from high-income countries. Where relevant for LMICs, some of this literature is used in this rapid review. Evidence from LMICs, mainly comes from the more industrialised middle-income countries, mainly in Latin America, but also in South Africa, India and Bangladesh, while few evidence comes from low-income countries.

Overall, the evidence that makes a ‘business case’ for worker representation shows the following:

- **Workers income and wellbeing**: Trade union members have higher wages than non-union members through collective bargaining. However, the literature also shows that collective agreements in many LMICs have low collective bargaining rates and focus mainly on wage settings, leaving room for interpretation and real wage determination on individual level.

- **Firm productivity and trust**: Higher wages are often paid back through an increase in productivity at firm-level. It seems that effective employee engagement strategies (or meaningful participation) positively relates to affective organisational commitment and trust, which result in higher level of activity, initiative and responsibility. Therefore, approaches that link incentives for productivity growth with higher wages on firm-level seem promising. Furthermore, Corporate Social Responsibility (CSR) in lead firms is increasingly linked with improved worker representation in suppliers’ factories. Both supplier firms and their workers have benefitted as firms take measures to enhance worker satisfaction while the reduced employee turnover has a positive impact on firm performance and productivity.

- **Risk management**: The literature shows strong research evidence of positive association between trade union supported health and safety representatives and improved health and safety outcomes in many sectors, in particular in high-income countries.

- **Inclusive economic development**: Some scholars mention that the presence of strong unions reduce income inequality and that it was instrumental in maintaining democracy, economic order, and social stability in times of crises. Worker representation is also linked with more gender equality through the involvement of women in collective bargaining and other negotiations.

This rapid review has identified four alternative channels of worker representation, beside the traditional trade unions:

- **Non-union worker representation in high-performance work systems** have the advantage of self-management and increased team-responsibility encouraging working motivation and productivity. Some see opportunities to find solutions to let trade unions engage with these new kind of workers’ representation at firm level. However, critics highlight that such representation only works for higher educated employees who might endure higher levels of stress. They also argue that workers in these work systems will debilitate and demobilise unions by embracing a managerial and individualistic agenda for work.
- **Worker ownership schemes** give workers voice and agency as profit sharing relates to more transparency and dialogue between workers and management. Workers satisfaction is higher which often lead to higher productivity. However, critics argue that worker ownership does not automatically increase meaningful participation or control over decision-making as it depends on the effectiveness of the governance structures and leadership models.

- **Self-organisation of informal workers in associations or cooperatives.** Organising self-employed workers in the informal sector (e.g. associations and cooperatives) has increased recognition of their role in society and local economy. However, without links with trade unions, associations of informal wage workers particularly are often weak to negotiate any improvement in work conditions and wages.

- **Self-organisation of 'self-employed' workers in non-standard work.** These worker groups or associations are often working via social media platforms to share information and for mobilisation. One advantage for emerging economies in the context of self-organisation is that the platform economy is seen as an opportunity for many workers to formalise, since it can reduce the costs of formalisation and improve monitoring of economic activity through the digitalisation of transactions. However, the main concern is that the power asymmetry between workers and the platform due to technology is increasing, without clear legislation.

This rapid review further looked at the common strategies to strengthen informal and formal workers representation. For the informal sector workers there is a role for supportive NGOs or other organisations to help start and build the capacity of informal workers’ organisations, but they must learn when and how to hand over the leadership and administration of these organisations to leaders elected by the membership. Building alliances or a platform for dialogue and cooperation is one of the most important ways to strengthen these workers. However, trade unions could still play an important role in strengthening worker associations, often through inclusion of informal workers into the legal framework that structures the collective bargaining regime and by organising an employing entity with which to bargain. Alternatively, they could provide ongoing support ranging from use of premises and facilities to assistance during negotiations.

Associations of informal workers do not usually have experience with collective bargaining and may not have a strong tradition of member control. Therefore, capacity building and trainings are important tools for empowerment and voice raising. Such support is necessary, particularly in cases where worker representation is new, leaders and members have limited experience of organising, and workers with relatively low education are engaging on issues that are highly technical and complicated. The literature also shows that linking assistance not only to governance and organisation, but also in entrepreneurship skills in general helps trade unions to increase cooperation and meaningful participation with informal workers.

Strengthening worker representation in the formal sector is mainly through social dialogue (bi- or tripartite). However, the labour market is increasingly formed with non-standard workers, in particular self-employed workers in unbalanced power relationships. The literature shows that the ways to strengthen their voice need to link with granting collective bargaining rights to some of these workers through tailored interventions in the labour law or explicit exemptions to the law prohibiting cartels. Unions have adapted their legal status to allow self-employed workers to become members, while others have created dedicated branches for non-standard workers.
Exchange of experiences that come from initial interventions and channels of organising these workers’ voices should be promoted.

One way in which governments could help social partners to seize this opportunity would be through setting up common knowledge platforms to share practices and experiences among actors. According to the literature, strengthening such online worker groups need incentives to build and improve digital technology instant messaging applications, social media groups, online fora as well as online polls. Improving awareness raising and initiating direct support to these online communities could be considered, in particular in emerging economies.

Finally, this rapid review found some donor evaluations of interventions to strengthen worker representation. Some observations from this literature show that the main focus of interventions are on export sectors in more industrialised countries, mainly in Asia (e.g. Bangladesh, Vietnam). Interventions mainly focus on formal sector jobs and often do not respond to needs and demands for worker/self-employed self-organisation in sub-Saharan Africa. Projects or programmes are mainly focussing on capacity building and creating dialogues (bi- and tripartite) with traditional stakeholders. Some important points from these evaluations are:

- Sustainability is an issue, in particularly because of a lack of commitment from stakeholders.
- Creating synergies and complementarities is recommended to increase effectiveness and impacts.
- Organising worker representatives outside the existing unions on the firm level had the most success in gaining trust and improvement in working conditions and wages. Less effective were initiatives of employee participation through team leaders, or in some cases through trade unions.
- The ability to be flexible and responsive to the needs of workers’ organisations in developing strength, independence and representativeness in a wide variety of economic, political and historic contexts.
- Donors are increasingly supporting initiatives in collaboration with the private sector to engage with them in supply chain to increase worker representation in supply chains.
- Capacity building should not only focus on workers, but also in some cases on training for middle management to deal with demands and needs from employees.

2. The rationale for worker representation

The rationale (or business case) for worker representation is often derived from the long-term experiences and research on the workings of labour institutions in high-income countries with stable institutions. The literature is much sparser on labour market institutions and their social and economic outcomes outside the Western world in Low- and Middle-Income Countries (LMICs) (Lamarche, 2015). Evidence from LMICs, mainly comes from the more industrialised middle-income countries, mainly in Latin America, but also in South Africa, India and Bangladesh, ignoring the evidence from many low-income countries. This could relate to low levels of institutionalisation of collective bargaining within these countries.¹

¹ Own observation from the author, based on the available literature.
Hermans et al. (2017) show in an ILO-ITUC research paper how worker representation through social dialogue contributes to the Sustainable Development Goals (SDGs). They argue that by using the social dialogue, this contributes to better working conditions, workers’ rights and equality at work; better access to public goods and redistribution; economic growth and innovation; higher investments in environment and climate; better governance and workers’ participation in the economy. More in general, the arguments (theoretically and empirically tested) in favour or against worker representation, should be distinguished on three levels:

- Impacts on workers’ income and wellbeing,
- Impacts on firm-level performance and productivity, and
- Relevance for achieving sustainable and inclusive economic development.

1. **Workers’ income and wellbeing:**

Torm (2018) shows, by looking at the union wage gap among small and medium non-state manufacturing enterprises in Vietnam, that controlling for both worker and firm characteristics, there is evidence that union members earn higher wages than non-members (9-22%), and are more likely to receive social benefits. A study on the impact of unions on workers for a large coal mining company in India not only shows improvement in wages and conditions of labour, but also that union-membership raises the status of the workers both in the industry and society, which is linked with enhancing social control in economic decision-making processes (Mishra, 2015). The unions provide extra services to their members as well as to the community to which they belong, like providing legal and financial advice and improving skills.

A study on the introduction of democratically elected worker representatives in the Swedish fashion brand H&M first tier factories in Bangladesh shows that this move has increased the ability of workers to negotiate a fair wage directly with their employers (MFO, 2018). In comparison with other factory workers in the garment industry the ones that supply for H&M receive a pay stub with wage and pay details, while others do not. This is important to ensure workers are paid accordingly and in a transparent way. H&M workers also received a slightly higher wage per hour (US$0.39/hour), while working on average 4 hours less per week, which resulted in that H&M supplier workers could spend a bit more money on food and could reduce debts, in comparison with other factory workers. However, the MFO (2018) study also shows that there was no significant increase in trade union membership for the factory workers, concluding that workers are still not allowed or encouraged to become a member.

Besamusca and Tijdens (2015) worked on a large-scale, multi-country and coded dataset of 249 collective bargaining agreements from 11 developing countries. They conclude that while wages are an integral part of almost all collective agreements, the detail with which they are set is much lower than expected. The majority of collective agreements recognise the role of bargaining in wage settings, but do not commonly include pay scales and leave the determination of exact wages up to individual contracts, which makes it difficult to see how effective these agreements really are to improve wages. Besamusca and Tijdens (2015) also found that clauses on social security and access to health care are still not a self-evident chapter in each collective agreement. Clauses on work-family arrangements are relatively common, suggesting possibility of positive impacts on wellbeing.

The impact on workers’ income and wellbeing not only depends on what is in the agreements, but also how much the coverage rate is of collective bargaining, which varies significantly.
between developing countries. For the African countries where data was available, the coverage rate varies from 3% of total wage workers to 70%, with Burundi and Mauritania at the lower side and Senegal and Ethiopia at the higher side. In Asia and the Pacific, they range from 2% to 52% with data from eight countries, with only India and China at the higher end. In the Americas, the coverage rate ranges from 4% to 81% with data from 11 countries, with Chile, Peru and Colombia at the lower end, and Argentina, Cuba, Bolivia at the higher end (Besamusca & Tijdens, 2015; Lamarche, 2015).

Most of the literature on the union wage premium comes from developed countries. For example, Barth et al. (2017) show for Norway that unionisation of workers result in higher wages, as it combines with productivity growth, and having the highest positive results for high productivity firms. Bryson (2014) noted that despite declining bargaining power, unions continue to generate a wage premium for their members. Unions often work in tandem with employers for mutual gain based on productivity growth. Bryson (2014, p.1) concluded: "Without unions bargaining successfully to raise worker wages, income inequality would almost certainly be higher than it is." However, as union influence on wages has fallen, wage inequality has grown in many countries.

2. Firm-level risk management, trust building and productivity:

*Productivity*

Empirical evidence is not extensive on how collective bargaining for higher wages impacts the overall productivity of firms in developing countries. The argument that is often made, is that channels of work representation can be viewed as mechanisms for efficient bargaining; by facilitating cooperation in the workplace and increasing the flow of information, they boost productivity. On the other hand, industry-level bargaining may lower productivity by restricting managerial flexibility in response to market changes. Evidence from Argentina and Uruguay shows that firm-level negotiations, in general, promote productivity increases more than sector-level negotiations (Lamarche, 2015). At the Ghanaian Naara Rural Bank and Builsa Community Bank, employee participation in decision-making meant “decision implementation becomes easy, creates a good working environment, increases commitment and satisfaction on decisions taken” (Abdulai & Shafiuw, 2014, p.1). The study concluded that participation resulted in improved productivity. Godfrey et al. (2017) show for the South-African garment factories that in a difficult situation of increased international competition collective bargaining measures for higher wages that could relate to productivity growth and improved competitiveness of the manufacturer are important ways to search for long-term sustainability at the firm level.

A study in the Indian garment factories shows that enabling voice of workers reduced turnover and absenteeism, particularly for the most disappointed workers (Adhvaryu et al., 2019). Another study in India’s service sector shows increasing workers voice in the organisation through effective employee engagement strategies is positively related to affective organisational commitment, which result in higher level of activity, initiative and responsibility (Jena et al., 2017). However, it should be regarded that only 8% of the employees in India are meaningfully engaged with their companies (Kohli & Grover, 2013). The research results from a study involving retail companies in Kenya clearly indicated that participatory decision making amongst the junior staff of the retail markets affects capability development, cohesion and trust, communication, staff retention and motivation by enhancing their performance (Oloo & Orwar, 2016).

Again, most evidence comes from studies that are conducted in developed countries. These studies show that increases in union density leads to substantial increases in firm productivity.
For example, Barth et al. (2017) show this for Norway. Using cross-country data from the European Company Survey, Addison and Teixeira (2017) show that the expression of collective voice through workers councils may be construed as largely beneficial regarding strike incidence, the climate of industrial relations, sickness/absenteeism, employee motivation, and staff retention. However, they also noted that “any such optimistic evaluation is heavily qualified by union organisation and in particular workplace unionism. Establishment union density seemingly blunts the performance of employee workplace representation, elevating dissatisfaction at the expense of collaboration” (p.2).

Other studies show that egalitarian decision-making at the work floor can be efficient as long as workers are proactively involved in decision-making (Leach, 2016). Organisations and enterprises democratically controlled by their workers also perform well in term of labour productivity. US-based firms with a participatory culture of decision-making have been shown to be more profitable and productive, with less employee turnover (Blasi et al. 2013). Conventional wisdom is that participatory democratic processes in organisations and enterprises only work in small entities at the local level, but not at a larger scale. However, some evidence shows that growth is possible while placing more autonomy and self-management in smaller units (Chen 2016). Ghosh (2015, p.299) concludes that, “federated growth can enable an organisation to scale up while ensuring that the constituent village-level grassroots units remain at a manageable size”. Others mention that after firms change their ownership relations by giving some control and ownership to their workers, meaningful engagement and affective organisational commitment could rise (Lee, 2018; Thorpe et al., 2019).

**Risk management**

In the literature, risk management and worker representation are mostly linked with workplace safety and better health for workers. Organisations like the European Agency for Safety and Health at Work (EU-OSHA) have shown that a safer and healthier workplace could be linked with improved productivity, reduced absenteees and reputational benefits. The literature shows strong research evidence of positive association between the presence of trade union supported health and safety representatives and improved health and safety outcomes in many sectors, in particular in high-income countries. For example, a comparative study examined the effectiveness of arrangements to give workers in the mining industry in Australia, Canada, India, Indonesia and South Africa a voice and influence on their employers’ arrangements for their safety and health in a global industry (Walters et al., 2018). The researchers demonstrate that worker representation matters for the outcomes; improved occupational safety and health performance in unionised coalmines is often the case in particular in Australia, Canada and South Africa, but not in India and Indonesia, where regulatory steer is weaker and unions have less influence.

Risk management is also important in relation to the supply chain. Corporate Social Responsibility (CSR) in lead firms is increasingly linked with improved worker representation in suppliers factories as illustrated in afore case of H&M. For example, Hofman et al. (2014) evaluated three projects with the participation of 40 supplier firms in the Chinese coastal provinces of Guangdong, Jiangsu and Zhejiang that represent multi-stakeholder efforts to take into account the interests of workers by providing alternative channels through which workers can voice their concerns. They concluded that both supplier firms and their workers have benefitted as firms take measures to enhance worker satisfaction while the reduced employee turnover has a positive impact on firm performance and productivity. For their global buyers having these worker representation measures implemented at their suppliers increases not only
their performance, but also reduces reputational damage towards consumers and increases motivation of their own employees.

However, it is important to note from the remarks of Guo (2012) that although CSR in global value chains has impact on worker representation, in particular in the cases of long-term commitments and cooperation for meaningful worker participation, CSR in Chinese firms is mostly driven by buyers’ codes of conduct and thus largely externally imposed. This has resulted in minimum efforts and investments, mostly for reasons of image, in order to maintain a harsh labour regime.

**Stability and trust**

Most of the literature on trust is based on firm-level empirical evidence, claiming that where worker representatives are engaged in a constructive dialogue with the employer or managers, trust levels go up, which could result in better firm performances. Less is known about the overall impact of worker representation on stability and trust within the broader economy. Lamarche (2015, p.2) noted: “[I]n Argentina, the presence of strong unions was instrumental in maintaining democracy, economic order, and social stability when GDP fell 18% during the 2001–2002 recession”. Blanchard et al. (2013) argued that trust appears to be just as important in bringing macro flexibility as the structure of collective bargaining as the effectiveness of co-ordination, in particular, is likely to be closely linked to relatively peaceful and co-operative industrial relations. IMF (2016) shows that unemployment rose less following the global financial crisis in those countries where trust between employees and employers was high, resulting in stability for the firms and for the whole economy.

3. **Sustainable and inclusive economic development:**

**Inclusive economic development**

In emerging economies, some evidence suggests that collective bargaining resulted in less inequality. In Brazil, for example, the government of former president Lula included organised labour and business in discussions on reforms to the labour code as well as increases in the national minimum wage. As Berg and Schneider (2018) show, the reinvigoration of the minimum wage policy and the introduction of the Executive Order in 2004 concerning Profits and Results (PLR), which provided an incentive to increase productivity in the form of a collectively negotiated bi-annual non-taxable bonus payment to workers, had a favourable influence on collective bargaining. Berg and Schneider (2018) concluded that in turn this industrial collaboration delivered real wage increases and compressed the wage distribution. Overall, the increase in the minimum wage and the extension of workers’ rights to domestic workers through increased worker participation played an important role in reducing income inequality, while collective action did not act as a brake on development.

Such outcomes are not often related directly to increased work participation and voice, because of the complexity of political economy and macro-economic dynamics. For example, in South Africa, collective bargaining has compressed wage structures and reduced wage inequality among those covered. However, high unemployment and rising inequality has limited the potential contribution of these institutions to inclusive development (Hayter, 2018). Hayter noted a paradox: while organised labour gained institutional and organisational power in Brazil and South Africa, and was able to influence broader economic and social policies, this has not necessarily been accompanied by institutional deepening in respect of employment relations at the workplace. It has even resulted in “an observable increase in spontaneous non-procedural
protests, disputes and work stoppages” (p.21). For example, despite the institutionalisation of industrial relations and highly regarded dispute resolution processes and institutions, in 2016, 59% of strikes were unprotected in South Africa (Hayter & Pons-Vignon, 2018). The authors argue that the lack of broader economic and social transformation and high dependency ratios weigh heavily on the bargaining agenda and are placing pressure on the industrial relations system.

**Gender equality**

Trade unions all around the world have recognised the need to address women’s participation and representation in the labour market. Britwum and Ledwith (eds., 2014), for example, show evidence of dedicated funding for women’s participation within the unions. However, often with reliance on foreign support. For example in Brazil, Ghana and Zimbabwe, all were able to develop gender programmes because of resourcing from foreign sister unions and NGOs. Britwum and Ledwith (eds., 2014) mentioned that in the 1990s in Brazil, women went on to secure positions on the direction board of the national confederation, CUT, with a full-time woman in charge of gender issues. Building on these and other successes, equality of opportunity became a constant on bargaining agendas and the banking sector was the first to achieve a collective agreement.

Serrano and Certeza (2014) confirm that indeed, successes and equality initiatives would not have been included in agreements, but for the involvement of women. That women need to be involved in the actual negotiations and that their input behind the scenes, doing research, formulating bargaining proposals and being involved in working parties, has also shown to result in equality measures being included in agreements. Furthermore, empirical research shows that women develop different agendas from the traditional male workers' ones. In this way, the presence of women not only transforms the bargaining process, the interpretation and implementation of the claims, but also helps to undermine the prevailing hegemonic ideology of the male breadwinner model (Yilmaz, 2014). However, Yilmaz (2014) also shows for Turkey that very tight legal restrictions on Turkish unions mean that unions have to spend much effort to develop bargaining agendas for gender. She identifies how only one confederation in Turkey could be identified as gender sensitive, and that this may be due to it being a public sector union with a relatively high proportion of women members.

For the Philippines, Serrano and Certeza (2014) point out how the continuing decline in unionisation, particularly in labour-intensive industries where women are concentrated, and women’s representation deficit in the unions, put women at a disadvantage in bargaining for higher wages and better working conditions. Where there is a union policy allocating a certain proportion of the collective bargaining team to women and gender/women-related policies, this is strongly related to inclusion of maternity leave beyond the legal minimum. Overall, Serrano and Certeza (2014) concluded that when women are substantially represented (or comprise the majority) in union leadership and in the bargaining team, winning more collective bargaining provisions for women’s issues (particularly those that entail direct monetary costs for management, such as additional maternity leave, menstrual leave and day care facilities) tends to be more likely.

**Environmental impacts**

No literature could be found for this rapid review on worker representation and positive environmental impacts for developing countries. Some studies from Germany suggest that their
might be some links between worker representation and increased environmental investment (JirJahr & Smith, 2017). A study in France did a large cross-section of French firms and found strong associations between profit sharing with workers and various innovations with environmental benefits (Fakhfakh & FitzRoy, 2018). They argue that the relationship between profit sharing and environmental innovation is plausible, "since workers benefit more than outside owners from a better local environment" (p.1). For Germany, using panel data, Askildse et al. (2006) found a positive and robust association between worker representation and environmental investment. This evidence could mean that worker representation has broader welfare implications that go beyond the workforce of a single firm (JirJahr & Smith, 2017). However, most literature is theoretically and empirical evidence is still scarce. The study of Fakhfakh and FitzRoy (2018), however, confirms the theory that workers and their community are affected by environmental hazards caused by the firm in which they work. Moreover, employees are willing to trade off wages or effort for reductions in environmental hazards, where worker representation forms an adequate mechanism to negotiate environmental investment (JirJahr & Smith, 2017).

3. Towards alternative channels for worker representation

A changing landscape

The traditional format for worker representation is within the trade union. In continental Europe, sector-level agreements allow for some specific firm-level agreements, for example to allow less favourable measures on firm-level in times of crises or to leave scope for a firm-level agreement. In emerging economies sector-level agreements are more an exception of the rule, with most of these countries having only firm-level agreements (OECD, 2017). Firm-level representation of workers' interests takes several forms: local trade union representatives (which may or may not engage in firm-level collective bargaining), work councils, worker representatives or a combination of the three.

Lamarche (2015) explains that in Asian countries, like in other emerging economies, collective bargaining has indeed shifted during the 1990s and start of 2000s to decentralisation, often resulting in bargaining at firm-level. However, he noticed that more recently, there is a trend in some Asian countries to organise again some aspects, like protecting non-permanent workers, on the sector level. Latin America has a longer tradition with industry-wide collective bargaining by trade unions, but also a trend of decentralisation has appeared, in particular in some countries like Chile, Peru, Mexico and Colombia.

Traditional unions increasingly struggle to attract members all over the world. Ackers (2015) summarises six potential explanations for union decline in developed countries and the erosion of union collective bargaining:

- Transition from industrial to post-industrial society, primarily but not solely driven by technological change. Strongholds of unions in manufacturing are being replaced by service and knowledge work in which unions have traditionally been absent or weak.
- Economic globalisation and internationalisation, primarily driven by multi-national companies and liberalisation by governments. By integrating capital, product, service and labour markets, joint regulation by nation-bound unions becomes less effective.
- Emergence of flexible firm and global value chains, primarily driven by companies. The new companies – most recently platform companies, such as Uber, Lyft or AirBnB – are less bound to specific locations and often require no formalised employment
relationships, making union recruitment and representation of workers costly, if not impossible.

- The shift from class/occupation-based identities to consumer-based identities, reducing the appeal of unionism.
- The rise of neoliberalism and discredit of socialism since 1989 have made the core values of unionism less attractive as a political narrative.
- Strategic mistakes by unions have cost them power and influence.

These trends have resulted in a reduction in union density across the OECD countries (Ibsen & Tapia, 2017). During the same period of lower levels of union membership, income inequality in many emerging economies and OECD countries have risen and the standard employment contract is in decline, with precarious forms of employment becoming more prevalent in almost every country in the world (Ibsen & Tapia, 2017). This trend is called ‘precarisation’ (Standing, 2011), which is partly an outcome of flexible company forms and fuelled by deregulation of labour law in pursuit of flexible labour markets. Scholars (divided by ‘pluralists’, ‘radicals’ and ‘unitary’) on the issue of worker representation give different answers to the degree the demise of the trade union has influenced this. However, there is consensus that it is an important factor.

LMICs face the same challenges of globalisation, the decline of the manufacturing sector (Latin America and Africa), and the expansion of flexible forms of work, which increases to some extent individualisation of employment relationships (Quak & Van der Viersel, 2013). For the formal industries in India, Maiti (2019) showed that that increased international trade has dampened the bargaining power of labour, and as a result has reduced labour share. Because most productive firms need fewer workers, the drop in demand weakens bargaining power and shifts away distributive share from workers.

Furthermore, the demise of trade unions in many LMICs relate to the shrinking space for civil society in general, and disruptive politicisation and corruption within unions, and limited capacities. For example, Firmin and Van Severen (2017) mention several barriers for civil society organisations (CSOs) which relate to the question why unions are struggling in many LMICs:

- **CSO formation**: Laws and regulations on the formation and registration of CSOs are often complex, expensive and politicised. There are many concerns about the neutrality of registration procedures.
- **CSO operation**: Governments could insist that CSOs align with their priorities and programmes. This undermines the autonomy of CSOs.
- **Freedom of assembly**: State agencies and security forces often abuse their powers and intervene to prevent or disrupt assemblies. Decisions on whether assemblies can proceed may be made on political grounds, and penalties for assembly organisers can be excessive.
- **Freedom of expression**: Constitutional guarantees on the freedom of expression are often undermined, including by recently introduced anti-terrorism laws in several countries. Internet freedom is becoming more contested, and subject to new legislation that is often not enabling.
- **Access to resources**: CSOs in many countries see their resourcing environment as declining or very difficult, with core resourcing particularly strained. In several countries the withdrawal of bilateral donors is causing difficulties.
• **Civil society-government relations:** Most often relationships are sporadic and ad hoc, with varying patterns of engagement across different areas and layers of government. This raises the question of how open dialogue opportunities are to a wide range of civil society.

In general, this rapid review observes six major trends in worker representation for developing countries, on which many alternative channels of worker representation have emerged, and the next section will elaborate further on:

• **Informal sector workers’ self-organisation:** The informal sector in developing countries get better organised, in particular in urbanised regions in emerging economies, like Brazil and India.

• **Self-management and innovative organisational and governance structures in firms to increase voice and agency of workers:** Social enterprises, community-based firms and cooperatives often have stakeholder participation implemented within the core of the organisation, giving workers often ownership and voice in important decision-making.

• **Increasing role of grassroots organisations and civil society in bargaining for workers’ rights and engagement:** Involvement of NGOs, civil society or grassroots organisations in organising labour, improving labour rights by increasing voice and agency.

• **Individualisation of the employment relationship in the context of the digital transformation and development of the digital platforms:** Although this is mainly the case in high-income countries, the use of digital platforms to find self-employed work (in the gig-economy) is now expending rapidly in developing countries, and requires new forms of self-organisation.

• **Corporate Social Responsibility within the supply chain:** Worker representation is often initiated and maintained through push factors of lead firms within the supply chain (see more in box 1).

• **Internationalisation of worker representation:** With international trade and competitiveness on the rise, worker representation also goes international, increasing the voice of workers from the local level to special global platforms of decision-making (see more in box 2).

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**Box 1. Linking worker representation with global supply chains**

Global supply chains have placed growing attention on how multinationals can be held accountable for monitoring and improving labour conditions in their global suppliers. CSR is increasingly a way multinational use to improve voice of workers in their supply chain. They often do this together with civil society organisations and grassroots organisations (Tapia et al., 2015). They campaign for the right to set up associations and campaign for workers’ rights. They also work together with private sector actors, governments and trade unions to improve worker representation in value chains (e.g. Ethical Trade Initiative). For example, in the case of the Cambodian beer promoters, beer companies hire women on an informal basis, and often on commission, to promote their brands in bars and restaurants not owned or managed by the companies. The result is that these informal workers are exposed to sexual harassment and assault, which alerted NGOs and labour organisations both

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2 Authors observation based on the available literature.
within and outside of Cambodia who pressed for an industry code of conduct, which led to the formalisation of beer promoters under the protection of Cambodian labour law (Eaton et al. 2017).

In many LMICs, there is often no effective and independent worker representation in export zones or export industries. Trade unions are not influential, membership is discouraged, often there are no strict labour laws in place, or if so, there is a lack of implementation. Multinationals have the power to push worker representation in the supply chain and create cooperation opportunities with NGOs and grassroots organisations to facilitate capacity building and monitoring.

However, other scholars often mention that CSR is a form of ‘private governance’, often bypassing an active role for the state. It is a voluntary form of regulation implemented by firms or industry groups. “Due to the absence of labour or the state as an actor as well as the importance of networks rather than single firms, we need to reassess to what extent our established IR [Industrial Relations] theories can explain the conditions under which CSR can be an effective tool for worker voice” (Tapia et al., 2015, p.166). Radical Industrial Relations theorists go a step further and predict CSR will be used as a strategic tool by the company not just to enhance their performance, but to defeat trade unions, supress worker voice and bypass state regulation as voluntary, firm-driven CSR practices are seen as ways to control the workers (Costas & Kärreman, 2013), to legitimate the firms’ reputation, purposely excluding labour as an actor as well as excluding any form of worker voice as a topic of their CSR strategy.

Alternative channels for worker representation

New forms of social dialogue, collective organisation and bargaining are emerging to meet the challenges posed by new forms of work (OECD, 2017). This rapid review identified four alternative channels for worker representation outside the traditional worker representation, which is affiliated or fully integrated within trade unions:

1. Non-union worker representation in high-performance work systems:

Workers organise themselves in worker councils or independent workers groups at the firm level without direct links with trade unions. Groups of workers also could organise themselves in sub-sections within larger firms that link with self-management and new forms of team decision-making (e.g. SEMCO in Brazil). Moreover, in this kind of “high-performance work systems”3 workers deal more in an individual way with their work relations with their employer (Tapia et al., 2015).

Advantages: Arguments in favour or against depend from the point of view of scholars. Unitary scholars have more in favour of more individual non-institutional workers’ participation. They argue that the effectiveness of high-performance work systems hinges on the degree of worker involvement that spurs worker motivation. “Thus, we might actually find work systems that yield high performance which remain ‘lean and mean’ in terms of HR practices and therefore poor alternatives to unions for worker interests” (Tapia et al. 2015, p.164). In this perspective, flexibility and responsibility are the drivers on which workers increase control and voice. The pluralists scholars, who are in favour of institutionalisation and involvement of trade unions, are divided.

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3 The handbook of Human Resource Management Practice, authored by Michael Armstrong (2012) has one chapter dedicated to high-performance work systems (HPWS). It shows that such systems facilitate employee involvement, skill enhancement and motivation. High performance is a way of organising work so that front-line workers participate in decisions that have a real impact on their jobs and the wider organisation. Such systems are based on both alternative work practices and high-commitment employment practices. Information retrieved from https://nscpletaksby.ac.id/ebook/files/Ebook/Business%20Administration/ARMSTRONGS%20HANDBOOK%20OF%20HUMAN%20RESOURCE%20MANAGEMENT%20PRACTICE/13%20-%20High-perfomance%20Work%20Systems.pdf
One part is not *per se* against this organisational restructuring, but they see an opportunity to find solutions to let trade unions engage with these new kind of workers’ representation at firm level.

**Disadvantages:** The critics (e.g. pluralist and radicals) argue that it only works for mostly higher educated workers. Furthermore, while employees might be granted more discretion, they might endure higher levels of stress at the same time due to the responsibility of individual decision-making. They criticise studies on high-performance work systems for failing to take adequate account of the broader political-economic context and the effects on employees. Scholars also argue that workers in these work systems will debilitate and demobilise unions by embracing a managerial and individualistic agenda for work (Tapia et al., 2015).

2. **Worker ownership:**

Giving workers voice and agency can also be organised through ownership schemes to workers. In most cases worker representatives (democratically elected) are part of the board and have regular meetings with management. In such cases, employee participation and representation and worker ownership go often hand in hand and could enhance workers’ trust in the firm, which in turn promotes commitment to performance and innovation at workplace (Lee, 2018).

**Advantages:** Worker ownership and profit sharing relate to more transparency and dialogue between workers and management. Worker ownership creates incentives to be more informed in decision-making processes and increases long-term commitments of workers. Workers satisfaction is higher which often lead to higher productivity (Lee, 2018). Problems or grievances are often solved directly through dialogues.

**Disadvantages:** Arguments against are often the slow decision-making process to react or adapt quickly to changes. However, recent studies show that this depends more on the effectiveness of the governance structures and leadership models (Rothschild, 2016). In line with this, worker ownership does not automatically increase meaningful participation or control over decision-making. Worker representatives could be part of the board, but this not often means that they have a final say in strategic decision-making.

3. **Self-organisation of informal workers in associations or cooperatives:**

There are various examples of different kind of efforts to organise informal workers’ representation in a bid to improve their status, income, working, and support a ‘formalisation’ process. The organisational forms in which informal workers are organised varies per case; there are federations absorbing informal workers, as well as national centres affiliating informal economy unions and associations, informal workers’ associations simply cooperating with unions and civil society organisations, self-help group or hybrid form. Chen et al. (2015) noted that for registered organisations, their legal form is often dictated by what is possible under the regulations of their respective countries, and may, therefore, differ from their de facto structure, strategies and activities.

**Advantages:** Organising self-employed workers in the informal sector (e.g. associations and cooperatives) has increased recognition of their role in society and local economy. Through this improved visibility and recognition these workers can improve some conditions in which they work (e.g. domestic worker, street vendors, and waste pickers), access to micro-finance through their own saving and borrowing activities in their cooperatives (e.g. SACCO in Kampala for street sweepers), and increased regional networks to share information and good practices (Chen et al., 2015; Budlender, 2013).
Disadvantages: The literature is less clear about self-organisation of wage workers in the informal sector without affiliation with unions. Without links with trade unions, these associations are often weak to negotiate any improvement in work conditions and wages. Because they work in the informal sector, the firms are not registered and often small without any governance structures to increase voice or grievance systems (Eaton et al., 2017). Therefore, trade unions in LMICs are often with support from NGOs or donor agencies working on schemes to include informal wage workers, however, with mixed results (see more in section 4).

4. Self-organisation of ‘self-employed’ workers in non-standard work:

Evidence in high-income countries shows an emerging call for representation of self-employed workers (non-standard workers) setting up new unions or associations, like the Freelancers Union and Worker Centers in the United States or platform workers groups emerging in Europe. To date, the debate surrounding platform work has largely focused on more advanced economies, where the emergence of platforms has sparked concerns about ‘precarisation’ of labour, challenges for social protection and, more generally, for job quality (OECD, 2019). Traditional trade unions are increasingly taking up efforts to engage with these groups, such as the German IG Metall with the FairCrowdWork or the German independent service union ver.di, among many (OECD, 2017). In some cases, as the OECD (2017) report mentions (although very little is known about the effectiveness), without any (or only limited) pressure from unions or workers, companies extend the terms set in collective agreements for standard workers to non-standard workers and/or engage voluntarily in collective bargaining to: gain recognition from social partners and improve labour relations; and co-define the regulation of the gig-economy and therefore limit state intervention. Although less attention goes to emerging economies, similar concerns are raised there on platform work with the rise of affordable mobile technologies.

Advantages: The literature does not show one channel of organisation that is the most successful for these workers. In some cases, it is the digital platform itself that offers improvements due to groups of workers that raise concerns. In other cases, it are independent associations or trade unions that are involved in negotiations with the platform and in lobby activities towards governments for legislation. What is known is that these worker groups or associations are often working via social media platforms themselves to share information and for mobilisation. One advantage for emerging economies in the context of self-organisation is that the platform economy is seen as an opportunity for many workers to formalise, since it can reduce the costs of formalisation and improve monitoring of economic activity through the digitalisation of transactions. The OECD (2019) mention the case of motorcycle taxis that use rental platforms in Jakarta (e.g. GoJek, Grab Bike). The report mentions the study of Fanggidae et al. (2016), that highlights the role played by the platforms in facilitating access to social protection for workers. For example, GoJek offers help to its drivers to subscribe to the government health insurance programme, while at Grab Bike workers are automatically enrolled in the government's professional insurance programme.

Disadvantages: The main concern of self-organisation, negotiating voluntary agreements and trade unions still struggling to organise platform workers within their organisation, is that the power asymmetry between workers and the platform due to technology is increasing, without clear legislation. Self-organisation is often too limited, the workers often only have a digital working relationship with distanced platform owners, and these groups are legally challenged to bargain collectively for these workers. However, there is recognition that with the right policies
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and institutions in place, platform workers can be represented and organised better (OECD, 2019).

**Box 2. Internationalisation of worker representation:**

Representation does not stop at the firm or industry-level, but is more often translated into global initiatives that include voice of workers. The UN Global COMPACT initiatives, for example, or at the ILO in Geneva, worker representatives are invited to take part at the negotiation table. At the Asian Development Bank, representatives of workers also gain voice in some decision-making processes. Furthermore, when markets and companies internationalise, worker representation must also internationalise. International framework agreements (IFAs) are mentioned as a solution.

Worker representatives are part of global agenda settings and bring cases directly to the negotiation tables. IFAs have been regarded as important tools for providing workers a voice and negotiating with employers that operate in highly internationalised markets. These agreements represent the attempt to establish fundamental rights for workers, including the right to representation, in multinationals and, in many cases, their suppliers. A more pluralist perspective on IFAs looks at a broader set of factors that may explain whether IFAs will create space for new social dialogue, as well as a tool to forge coalitions with NGOs, other unions and social movements to organize workers around the globe (Tapia et al., 2015).

However, the link between global platforms with the real struggles on the ground is still large. Recognition and voice at the global level does not automatically result in effective regional, national or local interventions or legislations to improve voice and agency of workers. Regarding IFAs, the reality is that only a few IFAs are signed—about 150 (60 are of global nature and 80 are European-based)—and not all are active anymore (Tapia et al., 2015). They are motivated from business perspective and not from the workers perspective.

4. Effectiveness of interventions

**Efforts to strengthen worker representation**

1. **In the informal sector**

Common strategies to strengthen informal workers include awareness-building and mobilisation around issues, collective bargaining, negotiating and advocacy and (often) legal struggles (Chen et al., 2015). Action on these different fronts feeds into others in a circular, interactive, reinforcing manner. Common barriers and constraints include an inappropriate or hostile institutional environment, competing vested interests and the mindsets of influential stakeholders (Chen et al., 2015). **There is a role for supportive NGOs or other organisations to help start and build the capacity of informal workers’ organisations, but they must learn when and how to hand over the leadership and administration of these organisations to leaders elected by the membership** (Chen et al., 2015). Chen et al. (2015) also highlight the role for experienced, informed and committed supporters, including academics, lawyers, urban planners and others, to support the legal and policy reform campaigns of these associations. From the literature, it can be concluded that the key role for government and international agencies is to recognise organisations of informal workers and invite representatives from them to relevant policy-making and rule-setting processes.

Eaton et al. (2017) present nine case studies of successful collective action to strengthen voice and agency of informal workers resulting in better recognition, working conditions and wages. All case studies show that **building alliances or a platform for dialogue and cooperation is required**, which could include trade unions or not. Efforts to strengthen informal workers’ self-organisation need to consider the differences between ‘informal wage workers’ and ‘self-
employed informal workers’. Eaton et al. (2017) argue that traditional unions are not always the right vehicle for organising and advocating for informal workers, particularly those who are self-employed, something that any support for self-organisation should be aware. Cooperatives or associations are often a more effective form for raising standards for own account workers (Eaton et al., 2017). For example, Brazilian waste pickers have successfully organised themselves in cooperatives and street vendors in Liberia are self-organised in associations, without direct links with established trade unions (see Box 3).

Eaton et al. (2017) also argue that too often a strict focus on collective bargaining from traditional trade unions excludes informal worker or creates conflicts of interests. As Eaton and Schurman (2015) argue in a conference presentation that in cases where member-based organisations of informal workers actually affiliated with national unions or union federations (and some have actually been subsumed under the union), “these relationships are fraught with potential conflicts over organisational culture, governance issues and control.” Agarwala (2013) argued that informal workers in three Indian states have been most successful in improving their lives by essentially giving up on attempting to bargain better pay and standards with their employers and instead demanding state-provided social benefits such as housing, education and health care. She argued that, in states where the success of at least one political party depends on addressing the concerns of the poor (but that that party also supports economic liberalisation policies), informal wage workers have been able to succeed in their demands for benefits.

Hence, the needs of informal workers goes beyond collective bargaining on wages and work conditions. The necessity of building alliances or a platform for dialogue to negotiate different forms of cooperation and affiliation is important because of the interplay between informal workers’ associations, trade unions, civil society organisations and governments to organise actions for informal workers (Chen et al., 2015). However, trade unions could play an important role in strengthening worker associations, often through inclusion of informal workers into the legal framework that structures the collective bargaining regime and by organising an employing entity with which to bargain. In Uruguay, in particular, the Gender Department of the trade union PIT-CNT provided support in re-energising the SUTD after the economic crisis of 1998-2002 and has provided ongoing support ranging from use of premises and facilities to assistance during negotiations. The assistance with negotiations extends to having PIT-CNT leaders participate in the negotiations (Budlender, 2013). Eaton et al. (2017) mention the case of hospitality workers in South Africa and mini-bus drivers in Georgia who in a complex and timely process became affiliated with trade unions. In the case of South Africa, the union accepted a certain level of non-standard employment while also attempting to bargain for equity in pay and benefits, while the Georgian trade union collectively bargains for drivers regardless of their employment relationship. Elbert (2011) also describes a successful campaign to improve the conditions of informal workers in a food processing plant in Argentina. The campaign’s success hinged in large part on the support from formal workers and their union.

Budlender (2013) notes that associations do not usually have experience with collective bargaining and may not have a strong tradition of member control. In such cases, leaders may negotiate on behalf of members without proper mandates. Budlender (2013; by citing Horn, 2005) suggests that alliances with trade unions and access to trade union education and training on collective bargaining and negotiation can assist in filling these gaps. Affiliation offers the potential for access to both education and training and to solidarity and support. On the other hand, cooperatives have a good basis for democratic and accountable collective bargaining,
while usually better developed administratively and institutionally. This places them in a better position to monitor agreements than the less formal associations (Budlender, 2013).

From the case study on Uruguayan domestic workers self-organisation it can be learnt that for success it is not only important to focus on strengthening the organisation of the informal workers (e.g. technical assistance, capacity building on leadership, governance trainings), but also to the counterpart organisations. In this case, the Sindicato Único de Trabajadoras Domésticas (SUTD) was able to collectively bargain contracts with the “housewives league” (Liga de Amas de Casa, Consumidores y Usuarios de la República Oriental del Uruguay) who was initiated in 1995 to organise housewives, but was asked by the Uruguayan government in 2008 to represent the counter organisation in collective bargaining with the domestic workers, something they had not anticipated on before (Eaton et al., 2017; Budlender, 2013).

Box 3. Two case studies on informal worker representation (self-employed)

Waste Pickers in Brazil. In 2011, bargaining among various stakeholders including government representatives, leaders of waste picker cooperative and of NGOs in the Brazilian state of Minas Gerais resulted in the passing of the Recycling Bonus Law. The case describes the background to the passage of the law, which established a monetary incentive to be paid by the state government to waste pickers who are members of a cooperative or workers’ association. It is the first law in the country that authorizes the use of public money for ongoing payments for work done by waste pickers. Provision of a monetary incentive aims to reduce loss of reusable materials and to supplement the income of waste pickers who primary earn money from selling recyclables within specific product markets. Some waste picker advocates view the Bonus law as an important gain in their ongoing campaign to become a recognized and formal part of the waste management system while others are afraid it will divert waste picker energy away from more important goals such as bidding for solid waste contracts. This case also reviews bargaining over the initial implementation of the law.

Street Vendors in Liberia. Soon after her election as president of Liberia, Ellen Johnson Sirleaf appointed a new mayor of the capital Monrovia and gave her an explicit mandate to “clean up” the city and the city administration. This included reigning in the activities and locations for street vendors who are alleged to contribute to congestion and uncollected garbage in the streets. The case details how street vendors have organized to fight back attempts to constrain their activities. Street vendors marched in protest of the repeated harassment from police, pushing the mayor to agree to negotiate with them. There have been repeated negotiations between street vendors associations and various political authorities. The topics of the negotiations include a formalised registration process, continued police harassment and attempts to concentrate vendors in particular plots of land in the city. Recently, the negotiations resulted in a formal Memorandum of Understanding.

(Source: Eaton et al., 2017)

Several case studies describe how the informal workers received foreign assistance and support from various sources. Such support is necessary, particularly, in cases where worker representation is new, leaders and members have limited experience of organising, and workers with relatively low education are engaging on issues that are highly technical and complicated. The need is heightened when the organisation has few, or no, paid officials. The Brazil case study on waste pickers provides evidence of strong support from a relatively wide range of actors, including the church, environmental NGOs and academics. WIEGO international network has also supported waste pickers over the years. One of the early supporters from the Catholic Church later became the lead official of the government agency that dealt with waste picking in Belo Horizonte, providing a strong internal ally. In many other cases the workers and their organisations could draw on assistance from the larger groupings to which they were affiliated. Some studies observe that workers may turn to government or big business for assistance. However, this support could undermine their independence and their ability to represent the interests of their members. In Tbilisi, Georgia, actors higher up in the “vicious
scheme” attempted to get the transport drivers on their side and against the municipality. However, the drivers decided that their primary interest – to protect their jobs – was better served by working with the municipality (Budlender, 2013).

The ITUC also conducts several project to support informal sector workers. One project covering Mali, Senegal and Togo to support trade unions in their efforts to engage with informal workers’ associations concluded that self-empowerment capacities of informal workers is often high, giving them ownership over their progress is therefore important. Assistance should be tailor-made, on leadership, awareness raising and increasing capabilities. ITUC also concludes that linking assistance not only to governance and organisation, but also in entrepreneurship skills in general helps trade unions to increase cooperation and meaningful participation with informal workers.4

2. In the formal sector

The OECD (2019) reports a significant number of workers that fall in a ‘grey zone’ between the usual definition of employee and self-employed. For those workers, who share vulnerabilities with salaried employees, and for some self-employed workers in unbalanced power relationships, adapting existing regulations to extend collective bargaining rights could be necessary (OECD, 2019). For instance, several OECD countries have already sought to grant collective bargaining rights to some of these workers through tailored interventions in the labour law or explicit exemptions to the law prohibiting cartels.

Strengthening these workers representation often goes through social partners who have developed strategies to reach potential members in non-standard forms of work, first in challenging workers’ status and classification, but also through lobbying on behalf of non-standard workers, adapting their bargaining practices to be more inclusive, or engaging in initiatives aimed at strengthening these workers’ voice. The OECD (2019) notes that in some OECD countries, unions have adapted their legal status to allow self-employed workers to become members, while others have created dedicated branches for non-standard workers. New independent unions have also been created. However, these initiatives are further developed in high-income countries and less in LMICs. With trends in LMICs, in particular in emerging economies, similar to high-income countries regarding a surge in ‘grey zone’ mostly platform economy workers, exchange of experiences that come from initial interventions and channels of organising these workers’ voices should be promoted.

New channels for representing workers’ interests have been developed, however, while these self-organised workers’ organisations can improve links and communication between non-standard workers, they cannot replace unions (e.g. they do not have the legal mandate to bargain collectively on behalf of their members or the ability to deliver on negotiated agreements). Instead of refocussing support to trade unions, there is a case that these worker organisations can complement unions rather than be a substitute for them; co-operation between traditional and new forms of workers’ organisation is now emerging in some contexts. Creating the spaces for dialogue and cooperation, therefore, is important as Saundry et al. (2012) show in the context of freelance networks in the British audio-visual industry. The freelance networks were more successful than unions in creating a sense of identity and community among freelance workers, but lacked the resources to achieve industrial

4 Information retrieved from ITUC website https://www.ituc-csi.org/organising-and-training-informal
relations successes and the legal framework to sign and guarantee the validity and binding nature of collective agreements. More generally, the OECD (2019, p.) report stated: “[N]ew forms of workers’ organisations can coalesce non-standard workers whom traditional unions have a harder time reaching out to, for practical and historical reasons... The combination of efforts from both traditional and new actors is necessary to fully address the challenges posed by the evolving world of work, and should be encouraged.”

The digital technology used by platforms can also be mobilised to organise workers and improve job quality. One way in which governments could help social partners to seize this opportunity would be through the setting up of common knowledge platforms to share practices and experiences among actors. However, most digital tools and online communities are non-union workers. A good example of this is Turkopticon. Silberman and Irani (2016) show that Turkopticon has allowed workers on Amazon Mechanical Turk, a platform where online workers are hired for small tasks, to review the “requesters” (individuals or companies posting tasks to be executed by workers). It helps workers to identify “bad” requesters, who tend to pay late or never, and to find good ones. Other websites facilitating the organisation of workers include Coworker.org, which helps workers to create company-specific networks to collect data and to aggregate their demands into coherent campaigns (OECD, 2019).

Strengthening online worker groups starts with increasing incentives to build and improve digital technology instant messaging applications, social media groups, online fora as well as online polls. They all play a very important role for workers who do not share a common physical workplace and lack the ability to discuss work issues face-to-face with each other. These technologies allow them to exchange information about clients and tasks, warn each other about scams, discuss best practices and set informal price norms, and to co-ordinate actions. Such online communities are increasingly a tool to organise micro-workers and online freelance workers in countries like Nigeria, South Africa, Kenya, the Philippines, Malaysia and Vietnam (Wood et al., 2018). Improving awareness raising and initiating direct support to these online communities could be considered.

While each country’s situation and traditions are different, a well-functioning system of labour relations can contribute to shaping a more rewarding and inclusive future of work. According to OECD (2019), depending on the national context, policy makers should consider:

- Promoting national consultations and discussions on the future of work with both social partners and other organisations representing workers and employers to establish a joint diagnosis about challenges, and share practices among actors on new initiatives and technological innovation through common knowledge platforms.
- Leaving scope for collective bargaining and incentivising self-regulation among actors on these issues by making a limited but strategic use of legislative interventions.
- Ensuring broad-based access to training and lifelong learning by promoting collective bargaining over these issues.
- Accompanying the efforts of unions and employers’ organisations to expand their membership to non-standard forms of work and new forms of business without discouraging the emergence of other forms of organisation.
- Enforcing the correct classification of workers’ employment status and fighting misclassification is the first step in ensuring that workers have access to collective bargaining (there would still be scope for potential adaptation of existing regulations to allow collective bargaining for workers).
Thorpe et al. (2019) goes further by mention enabling conditions to strengthen meaningful participation of workers (and other stakeholders) in firms and other organisations. From their analysis of case studies, they mention, among others, the following important factors:

- **Democratising knowledge:** Narrow control of knowledge and expertise (e.g. on ‘technical’ subjects like the economy) often limits participation. Overcoming these barriers means recognising ‘experiential knowing’ as the basis of alternative expertise. It also means democratising technical knowledge, e.g. through increased transparency and information flow, and translation (between languages or from jargon to everyday language). People may also access new knowledge, e.g. through engaging technical ‘experts’ to analyse policy, gather evidence or map the economy, provided that the terms for this engagement are set by the users of the information.

- **Working in coalition:** There is strength in numbers when working to overcome exclusionary economic institutions, e.g. in advocating for change. These efforts can be made even more effective through drawing on resources at multiple (local, national and global) levels. However, care must be taken that access to new resources through multi-level networks does not negatively affect power relations and undermine participation.

- **Mobilisation:** Workers’ participation implicitly requires people have the awareness, capacity and ambition to engage; however, this cannot be taken for granted as a system of self-management would not suit all workers. These attributes can be supported through links with NGOs or through access to some public funding to raise awareness of opportunities, create spaces for deliberation and enable access to new resources.

### Entry points for donor interventions

For this rapid review some donor evaluations of interventions to strengthen worker representation have been included. Some observations from this literature show that the main focus of interventions are on export sectors in more industrialised countries, mainly in Asia (e.g. Bangladesh, Vietnam). In this sense, interventions mainly focus on formal sector jobs and therefore often do not respond to needs and demands for worker/self-employed self-organisation in sub-Saharan Africa. Interventions are mainly focussing on capacity building and creating dialogues (bi- and tripartite) with traditional stakeholders. Interventions seem increasingly related to partnerships in supply chains that involve large companies that are based in the donor’s country that also include civil society organisations.

In the limited time of this rapid review, very few projects or programmes could be identified that had a strong focus on using new technologies for worker representation in LMICs. Exception is Taylor and Shih (2019) that did a research on interventions that included technologies for collecting worker feedback to support corporate responsible sourcing. The study concludes that due-diligence-oriented technology tools help control risk in supply-chain hot spots, but rarely identified modern slavery due to gaining little trust from workers, and business clients not being ready to expose or address modern slavery. Empowerment-oriented worker feedback tools were found to regularly identify modern slavery, forced labour, and human trafficking and to assist exploited workers, but most had no connection to business’s due diligence (Taylor & Shih, 2019).

The International Labour Organisation (ILO) is on the global level very active in the worker representation. A review of its interventions on social dialogue, noted that a widespread trend in interventions across all areas is to seek to enhance the capacity of social partners and promote tripartite/bipartite social dialogue at national, regional, sectoral and/or local/enterprise levels (ILO,
2017). Overall, capacity-building activities seem to be most recurrent in the promotion of tripartism and social dialogue. Activities of this type target mainly bipartite/tripartite constituents, bringing together – in some countries or areas of intervention – actors who previously had only been engaged separately (ILO, 2017). Activities that promote awareness, recognition of social partners and social dialogue mechanisms, as well as institutional capacity, are also widespread. Specific attention is paid to contextual factors and conditions, while outcomes related to sustainability and gender mainstreaming are taken into account. The ILO review (2017) mentions many programmes of different kind of social dialogues that had positive impacts on social protection, work conditions and workspace safety, workers’ representation and capacity, gender equality and collective bargaining. The ILO has implemented several forms of social dialogue interventions in its decent work country programmes. Some important points from this review, are (ILO, 2017):

- Sustainability is an issue, in particularly because of a lack of commitment from stakeholders. However, by creating a feeling of ownership and creating project interventions, which are clearly linked to the day-to-day mandates/functions of all tripartite partners and sector players, programmes and projects could secure political commitment and a feeling of ownership by stakeholders to improve industrial relations.

- In most cases, the main target groups for ILO interventions/activities in the domain of social dialogue were ILO tripartite constituents (governments, employers and workers): workers’ organisations, employers’ organisations, governments – notably ministries of labour – and their relevant agencies, e.g. labour inspectorates, labour administration officials. However, in more specific projects, sectoral and/or regional/local stakeholders also have to be targeted outside the traditional partners, as were specific groups such as women, younger workers or workers in particular sectors.

- Creating synergies and complementarities with other ILO programmes was also recommended. For example, while it cooperated with Better Work and other projects in the implementation phase of national plans of action, the Swedish-funded project “Promoting Freedom of Association and Collective Bargaining in the Rural, Export Processing and Domestic Work Sectors” (GLO/11/57/SID) did not sufficiently take into account other relevant ILO work in the field of freedom of association and collective bargaining.

Another ILO evaluation in Vietnam’s export sector shows that organising worker representatives outside the existing unions on the firm level had the most success in gaining trust and improvement in working conditions and wages (Chi, 2012). Less effective were initiatives of employee participation through team leaders and through trade unions. The first, because they do not represent directly the workers, and the second because of the specifics of distrust with trade unions in Vietnam (Chi, 2012).

On the bilateral level, several donors are involved in worker representation, through employment empowerment, worker rights and right of associations, and decent work programmes. A Norway and Sweden funded ILO programme on worker representation including multiple developing countries, concluded that one of the main advantages of Outcome-Based Funding is the ability to be flexible and responsive to the needs of workers’ organisations in developing strength, independence and representativeness in a wide variety of economic, political and historic contexts. However, this posed a significant challenge for overall programme management. Another important point that was made, is industrial peace and civil society cannot be achieved
through tripartism alone, but has to be supported through activities specifically for workers’ organisations (ILO, 2014).

The Swedish development agency Sida has developed several projects and programmes that include social dialogue. In 2016, Sida highlighted their support for social dialogue in its new policy framework regarding employment and inclusive economy development strategies. Although social dialogue is not new to Swedish development policy, the new policy framework highlights its links to both the Global Deal initiative and the ILO Decent Work agenda. It promotes social dialogue on the international and national level through support to different organisations. On the global level with the International Labour Organisation (ILO). Other partners are Swedish civil society organisations who work at the international level as well as in developing countries. These are development NGOs, including the development-cooperation wing of Swedish trade unions. Some illustrations of how Sida deals with such interventions (Sida, 2017):

- Although most bilateral donors are focussing on the formal and exporting sectors, Sida has a long term partnership with WIEGO to empower women who work in the informal sector. It does this as Sida has recognised that many of their social dialogue programmes cannot be successful in many countries in sub-Saharan Africa due to high levels of self-employed in the informal economy.
- Since a few years Sida also has started to support a series of innovative initiatives in collaboration with the private sector to engage with them in supply chain. These are so-called public-private development partnerships (PPDPs) to promote Industrial Relations within the textile and garment sector in several countries. Projects are co-funded by Sida and large global buyers of ready-made garments like Hennes & Mauritz (H&M). Such PPDPs were launched in Cambodia (2014), Ethiopia (2015) and Myanmar (2016). A similar initiative, with the same tripartite actors and implemented by the ILO, is the Bangladesh Global Deal Project 2015-2020.
- Sida stimulates in broader employment programmes, focussing on job creation, productive employment and decent work, the idea of a social dialogue or worker representation. For example, it includes workers voice in productive employment and decent work programmes in Ethiopia, Kenya, Mozambique and Tanzania in Africa; and Bangladesh and Cambodia in Asia
- Sida also includes development NGOs in the programmes, for example, in the Swedish Workplace HIV/AIDS Programme (SWHAP) (2014-2018) in South Africa and ten other countries in Sub-Saharan Africa, to prevent HIV/AIDS among the staff of Swedish related companies. SWHAP uses social dialogue – based on partnerships between employers, employees and trade unions at company level – as a method for programme implementation. This approach has improved relationships at the workplaces, and created platforms and tools for dialogue and collaboration on issues beyond those initially intended.

USAID has several projects to enhance worker rights that include their representation. For example, USAID funds a project with implementation partner the Solidarity Center in partnership with the Vietnam General Confederation of Labour (VGCL) in key export-oriented production sectors, including electronics, footwear and leather, garments and textiles, and seafood. The project promotes gender equality and strengthens safety and health standards in industrial zones and workplaces in major cities around Vietnam. The mid-term evaluation of USAID funded Worker Empowerment Programme that is also implemented by the Solidarity Center, supports formation of independent worker organisations in Ready Made Garment, and shrimp and fish
processing (SFP) industries while strengthening their capacity to defend workers’ rights and collectively negotiate with employers in Bangladesh. Another component of this programme develops Worker Community Associations (WCA) in targeted factory clusters to help workers organise independently to address social and development challenges in their communities. The mid-term evaluation shows that through this programme worker participation in these industries has increased through establishment of worker associations, inclusion of women employees in the worker associations has increased, and awareness on labour rights improved through capacity building and trainings (USAID, 2018). However, the evaluation shows some critical points:

- Many unions, once formed, did not remain active due to unfair labour practices and factory closures. Some partners criticised support for worker organisers as unsustainable. There was also criticism of favouring Trade Union Federations over others as partners.
- There was mixed results of level of trust improvements between employees and employers. Also mixed results in results of collective bargaining.
- Regarding WCAs, they tend to effective facilitate advocacy, improving local government responsiveness, and linking community members to social services. However, the WCAs that have been formed to date are not sufficiently mature to be sustainable without programme assistance.
- There are signs that WCAs are changing into social enterprises with the risk that, over time, these associations will diminish their contributions to workers’ rights in favour of becoming self-help groups.

One of the recommendations of the USAID (2018) evaluation report was:

“SC [Solidarity Center] should implement programs that convene government and employers to facilitate relationship-building. Given the high degree of sensitivity around FOA [Freedom of Association], identify less controversial topics, such as worker health and safety, Alternative Dispute Resolution (ADR), and/or other areas where employer and worker interests overlap as topics for dialogue. In factories where unions already exist, support more workplace cooperation activities and training for middle management”

5. References


**Suggested citation**

About this report

This report is based on six days of desk-based research. The K4D research helpdesk provides rapid syntheses of a selection of recent relevant literature and international expert thinking in response to specific questions relating to international development. For any enquiries, contact helpdesk@k4d.info.

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