



Factory workers in Bangladesh who benefit from an ESD partnership that makes reproductive health and family planning services available through their employer.

The Extending Service Delivery (ESD) Project, funded by USAID's Bureau for Global Health, is designed to address an unmet need for family planning (FP) and to increase the use of reproductive health and family planning (RH/FP) services at the community level, especially among underserved populations, to improve health and socioeconomic development. To accomplish its mission, ESD has strengthened global learning and application of best practices; increased access to community-level RH/FP services; and improved capacity for supporting and sustaining RH/FP services. ESD has worked closely with USAID missions to devise tailored strategies that meet the RH/FP service delivery needs of specific countries. A five-year Leader with Associate Cooperative Agreement, ESD is managed by Pathfinder International in partnership with IntraHealth International, Management Sciences for Health, and Meridian Group International, Inc. Additional technical assistance is provided by Adventist Development and Relief Agency International, the Georgetown University Institute for Reproductive Health, and Save the Children.

## Integrating Family Planning/Reproductive Health in the Private Sector through Health Systems Strengthening in Manufacturing and Agriculture

This paper describes the Extending Service Delivery (ESD) Project's innovative approach to private sector health system strengthening in manufacturing and agriculture that (1) leverages existing global institutions that influence the behaviors of private corporations and their suppliers and (2) designs best practice tools, data, and programs specifically for the business sector. The mission of ESD is to extend family planning and reproductive health services and best practices to poor people at the community level—and the private sector workplace is an essential part of any community. ESD saw the need for a systematic approach to strengthening the private sector health systems in manufacturing and agriculture workplaces where millions of workers access health care.

Factories, farms and other private sector workplaces have health services, facilities, and programs that as a whole represent a health care system almost as large as the public health care system. In fact, in some areas, workplace and company-supported clinics are more numerous than government-run facilities.<sup>1</sup> Yet the existence and extent of this private health system are often overlooked by donors and public health groups, which tend to target facilities operated by the government, NGOs, and private physicians. These workplaces employ hundreds of millions of poor workers, large numbers of which are women and migrants. Many lack access or connection to the local community or its public health facilities. For migrants alone, the International Labour Organization (ILO) estimates that there are approximately 214 million such workers and 50 percent of them are women.

To the extent that health programs have tried to reach these workers, the model most used has been to negotiate deals whereby individual corporations allow outside groups to expand

family planning, reproductive health and other services at the workplace. While this model has achieved some success especially within USAID projects (eg. TIPS, CATALYST, etc.), it is neither truly cost effective nor replicable. And it contains few, if any, incentives for a company to sustain the family planning and reproductive health services beyond donor involvement. Despite some excellent work with individual corporations, there has been no systematic approach to strengthening health systems of the private sector to reach the millions of employed poor people, particularly women of reproductive age.

ESD's systematic approach has focused on influencing the growing class of largely non-governmental organizations (NGOs)—often global institutions—that, in turn, exercise increasing influence over the private sector beyond what is typically known as Corporate Social Responsibility, or CSR. These institutions fall into four interconnected categories that act as a system for changing corporate norms and ensuring compliance with CSR codes or

<sup>1</sup> WHO notes in *The World Health Report 2006, Working Together for Health* that the official count of health workforces "often omits services outside health organizations, for example doctors employed by mining companies or agricultural farms, because they classify these employees under the industries that employ them. WHO estimates these workers make up between 14% and 37% of all health workers in countries.

## CSR Infrastructure: *How it all works*



*Four types of global institutions act like an interconnected system over multinational companies (or “brands”) and their supplier companies:*

- **CSR Advisory/Policy Institutions:** These assist companies in designing, implementing and evaluating CSR efforts, and formulating policies for business overall. Business membership organizations, like **Business for Social Responsibility**, NGOs, coalitions, accounting and consulting firms, universities, and individual consultants assist companies in designing, implementing, and evaluating corporate CSR policies and programs.
- **Global Standards Setting Institutions:** These set standards or codes to improve company social performance on labor, environment, and other social criteria and try to create common expectations for all companies. CSR standards range from broad principles (**U.N. Global Compact**) to more detailed, contractual obligations (**World Bank’s Performance Standards**) to topic/industry specific environmental standards (**Rainforest Alliance**).
- **Code Enforcing and Certifying Institutions:** These are independent NGOs, like **Verité**, or private firms that companies hire to enforce CSR standards by performing environmental and social audits through site visits to their supplier factories. Strategically important because their audits are the “sticks” in the system, independent monitors help companies earn consumer trust. Companies also have internal company monitors to ensure their standards are met.
- **Reporting Institutions:** These organizations require companies to report publicly on their compliance to codes on a regular basis and develop “reporting” templates and protocols for companies to adopt. **The Global Reporting Initiative (GRI)** has created a common reporting standard for companies, like General Accepted Accounting Principles (GAAP) standards.

standards. By forming strategic partnerships with key institutions and developing business-suitable best practices, ESD’s private sector partnership model has been able to demonstrate the effectiveness of a health systems strengthening approach in the manufacturing and agriculture sectors.

### BACKGROUND

Over the past 20 years, a steadily growing movement—broadly known as Corporate Social Responsibility (CSR)—has greatly influenced corporations to assume more responsibility for the social and environmental effects of their business operations. This movement grew with the rise of the global economy that changed the basic business structure of product development and manufacturing. Major corporations, or “brands,” increasingly managed the design and marketing of their products, but turned the manufacturing or growing of them to national manufacturers, or “suppliers,” in developing countries. Suppliers, largely in Asia and Latin America, but elsewhere as well, produced shoes, clothing, electronics, toys, processed foods, and other goods in local factories and farms and shipped them to Western markets where they were sold under a brand label.

Activists around the world soon became concerned about poor working conditions in the supplier factories and farms and the harmful effects of these lightly regulated companies on the environment and communities. Civil society organizations, followed by governments, began demanding more accountability from multinational companies for the social and environmental consequences of their business, which includes their suppliers. Besides ensuring protections, many in the CSR movement also saw the positive role for the private sector in social development through this system.

Over time, a group of global institutions began overseeing an increasingly sophisticated system of standards and mechanisms to hold companies accountable and establish policies and programs to protect workers, communities, and the environment. Furthermore, these standards and mechanisms began shifting from the old CSR voluntary approach to a framework of more structured, even mandatory, compliance. This shift included the now common use of independent workplace monitors to visit factories and farms to

ensure compliance—not just with CSR standards or codes but also with national laws that local companies regularly flouted.

Yet one area that is often missing in these standards and enforcement mechanisms is health, particularly family planning and reproductive health. That is because the initial stakeholders in the CSR movement came from environmental or labor rights backgrounds, so any focus on health was from an occupational health standpoint. Most existing CSR health standards, therefore, focus on important, but very basic safety issues: wearing protective equipment, providing adequate ventilation and lighting, and the like. Without strong advocates, family planning and reproductive health have been largely absent in standards and enforcement mechanisms. Furthermore, the matter of properly utilizing workplace health facilities was completely unaddressed in setting standards.

*As a result, corporations and their suppliers have had no incentives to make family planning and reproductive health a priority because the standards, mechanisms, and policies that determine their actions are largely silent on women's health.* There are millions of factories and large-scale farms that employ women, large numbers of which, by law or policy, have health providers or clinics on site.<sup>2</sup> By and large, these company health providers offer little direct health care beyond treatment of minor wounds and ailments. Thus, a major opportunity exists to leverage key global institutions that influence company behavior to strengthen the health care systems that already exist in factories and farms and extend reproductive health and family planning to millions of workers.

## **ESD'S APPROACH TO STRENGTHENING PRIVATE HEALTH SYSTEMS**

ESD developed a two-pronged approach to (1) work through four types of global institutions that can exert systemic influence over companies and (2) develop best practice tools, programs, and data designed for companies that support their effort to strengthen their health systems.

### **1. GLOBAL INSTITUTIONS**

#### **CSR Advisory/Policy Institutions**

ESD partnered with two of these advisory institutions—

large membership organizations—to pilot family planning and reproductive health projects, and to leverage their networks for replication.

#### **a. Business for Social Responsibility (BSR)**

BSR is the world's leading CSR advisory group and business organization with 300 multinational members. In 2007, BSR launched a women's health initiative called the Health Enables Returns Project (HERproject) with ESD as its primary technical partner. HERproject was designed to show how factory-based women's health programs simultaneously improve worker health and factory productivity. HERproject uses peer educators to communicate health information to their co-workers and develops the skills and knowledge of factory nurses. The broader goal is to develop the business case for brand and supplier investments in women's health in factories and thus to make such investments a common CSR practice.

Through this partnership, ESD has accomplished the following:

- Leveraged BSR's corporate membership to reach 100,000 women workers in 75 factories with HERproject programs in China, Egypt, India, Pakistan, and Vietnam. 3 Program results and products are disseminated through BSR's networks with 300 multinational members, the BSR annual conference, and the HERproject web site ([www.herproject.org](http://www.herproject.org)).
- Helped introduce family planning for women workers into a factory's on-site health clinic in Pakistan and family planning counseling and outreach in two Egypt factories. Managed "Return on Investment (ROI)" studies in four HERproject factories to monitor and document the business case for companies to provide family planning and reproductive health information and services to workers. The ROI studies took place in factories that are suppliers to Levi Strauss and Co., which helped fund HERproject along with the Levis Strauss Foundation. In Egypt, both factories saw large decreases in absenteeism and turnover and reported fewer error rates. In Pakistan, employment data was inconclusive because of ongoing social unrest. However, the factory management believed the program had benefits to both the business and the women workers.

<sup>2</sup> According to the International Labor Organization, just one sector—garments—employs millions of women globally. Bangladesh, for example, has 4,000 garment factories, which are required by law to have a health professional on site, and employ 3 million women. In Kenya, 150 flower farms, which ship to international markets and are subject to codes, employ 10,000 workers, many of whom are women.

<sup>3</sup> ESD did no work in China or Vietnam.

## How do the CSR standards, policies, and mechanisms developed by global institutions work?

Thousands of independent “monitors” and “brand” officials visit supplier factories and farms every day to check compliance with legal standards and CSR codes. For instance, the mobile phone company Ericsson reported in its 2010 CSR report that it audited 530 supplier factories in 2009, which employ more than 250,000 workers.

Brands that adopt standards or codes developed by global institutions and business organizations for specific sectors grade each supplier according to their compliance to CSR standards and productivity metrics. These grades influence company decisions about which supplier will get their future business.

- In Egypt and Pakistan, women peer educators became empowered as effective health advocates, and the nurses in the factory expanded their roles to provide preventive services, rather than curative services alone. Very sensitive issues of family planning were able to be discussed openly. The management of one factory said HERproject had “broken the code of silence” on reproductive health issues.
- The Egypt factories see HERproject as a part of its workforce development, and plan to continue to program after the HERproject technical assistance ends. [See ESD’s “Return on Investment” studies for Pakistan and Egypt]. The Pakistan factory management believed the overall benefits justified expanding the program and its health and family planning

services to its 2,000 male workers as well.

## b. Global Business Coalition (GBC) for HIV/AIDS, TB and Malaria

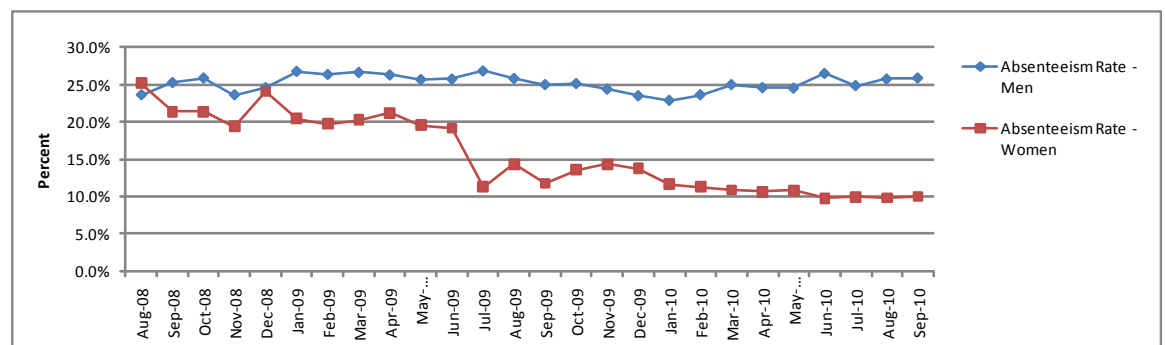
GBC is the global organization galvanizing the efforts of its 213 business members to combat HIV/AIDS, TB and malaria. ESD partnered with GBC in Kenya to replicate an ESD workplace health education and services improvement project, called Healthy Images of Manhood (HIM), which seeks to change behaviors of men and encourage them to improve their own health and that of their families. ESD first piloted HIM at Unilever Tea Tanzania, Ltd. HIM integrates FP and HIV through a holistic approach to health education services.

Through this partnership, ESD:

- GBC has made HIM a centerpiece of the male engagement component of its “Healthy Women/ Healthy Economies” initiative it launched in March 2011. It has reprinted the HIM Facilitators Training Manual and Peer Educator Workbook to be distributed to member companies interested in working on male engagement with their workers.
- Replicated the HIM approach with more than 26 companies in Kenya and provided HIM training for five organizations that implement workplace health programs. With ESD, GBC convened a one-day HIM orientation in Nairobi for company human resources officers that was over-subscribed with 70 organizations sending representatives. (See the two companion legacy papers: Healthy Images of Manhood and The Business Case for Health Investments).

Large institutions like BSR and GBC have shown their capacity to help replicate proven models and promote new policies quickly to large networks of companies. BSR is now piloting an idea promoted by ESD in a multi-

Figure 1. HERProject Egypt Factory - Absenteeism Rates



national brand will include women health incentives in their supplier rating system. Both organizations' advocacy and outreach thereby is helping to incorporate family planning and reproductive health policies into the CSR infrastructure.

### **CSR Global Standards Setting Institutions**

ESD partnered with a key CSR actor—the Calvert Group—in an initiative to develop CSR standards focused on women.

#### **Calvert Group Ltd.**

Calvert, America's largest socially-responsible investment firm, developed the Calvert Women's Principles (CWP) in 2006 as a set of global CSR gender standards to focus corporations on investing more in women inside and outside the workplace. ESD played a central role in incorporating family planning and reproductive health into these standards. As the CWP gained prominence, the United Nations Global Compact (UNGC) started working with Calvert to adopt and adapt the CWP to enhance their own standards, which failed to address women's needs adequately. This adoption of the Women's Principles will lead 6,000 signatory companies to improve their gender performance, including companies like Coca-Cola, Intel, Nike, and Newmont Mining.

Through its partnership, ESD:

- Provided technical assistance in re-drafting standards to emphasize family planning and reproductive health more prominently in the CWP and provided family planning- and reproductive health focused materials and advice in the development of CWP company guidance materials, tools, web site resources, and performance indicators. For instance, ESD developed an assessment tool by which companies can determine areas in which they can improve access to family planning and reproductive health and other health information and services for workers and other company stakeholders.
- Large companies such as Symantec, Deloitte, Chevron, Oracle, and Clorox are using the assessment tool. Hundreds more will have access to it through the CWP project web site and, as a result, outreach efforts to encourage companies to adopt the CWP will multiply to eventually reach hundreds of thousands,

even millions, of workers.

- ESD's strategy with the CWP demonstrated that if you can influence one set of standards, you can influence other standard-setting groups that want to have their own standards aligned. This, in turn, strengthens the incentives on companies to respond to the new standards.

ESD's strategy with the CWP demonstrated that if you can influence one set of standards, you can influence other standard-setting groups that want to have their own standards aligned. This, in turn, strengthens the incentives on companies to respond to the new standards.

### **CSR Code Enforcing and Certifying Institutions**

ESD partnered with a key enforcement institution, Verité, a leading NGO that audits workplaces and trains workplace monitors, as a mechanism to incorporate family planning and reproductive health into the audits of factories and large-scale farms.

#### **Verité**

ESD's partnership with Verité allowed ESD to influence workplace monitors "on the job" and the protocols and standards that monitors use when auditing workplaces. Verité operates a global system for training CSR officers and independent monitors and conducts hundreds of workplace audits annually. It also managed a U.S. government process to create training standards to accredit workplace monitors and develop training programs for monitors of the electronics industry. Finally, Verité provides advice on management systems to factory and farm owners and managers about CSR



CSR codes posted at a factory in Egypt that supplies jeans to Levi Strauss & Co.

compliance.

Through its partnership with Verité, ESD:

- Developed family planning and reproductive health training materials that have been incorporated into Verité's existing workplace monitor training programs. These influence hundreds of Verité trainees each year who work for or whose organizations are hired by the most influential companies in the world, with millions of workers in their supply chains. Specifically, ESD added training materials on identifying problems (and presenting solutions) related to the health needs of workers; identifying legal rights of workers to family planning and reproductive health and other health services and; addressing pregnancy and breastfeeding accommodations and other health and safety concerns. The impact from training monitors is enormous. Just one large company—Wal-Mart—reports that it does more than 14,000 audits annually. Now, because of ESD, it will use auditors trained with materials incorporating RH/FP standards.
- Incorporated information about sound health systems for workers (including family planning and reproductive health) into Verité's managerial guidance materials for factory owners. The manual is used to develop human resource and other managerial systems to meet CSR and legal standards, including those related to health. Thousands of factory owners will receive the guidance document when large multinational companies, such as Wal-Mart, the Home Depot, and Apple, distribute Verité's materials to their supply chain factories. Wal-Mart (8,000 suppliers) Nike (more than 700 large factory suppliers), food brands and retailers like Dole, McDonald's and many other brands routinely audit workplaces and farms worldwide.
- Incorporated family planning and reproductive health and related health issues into the final draft of standards for auditor accreditation, a process managed by Verité for the U.S. Department of State. The goal is to create a basic set of accreditation standards for the knowledge, skills and competencies expected of all CSR compliance officials and CSR code auditors. With ESD's input, the standard was changed to state that all workplace monitor training programs

worldwide should include required education on the health needs of workers (and special needs of women) and the legal and CSR requirements for provision of services and information.

- Provided FP/RH materials for the training sessions that all inspectors/auditors must take to qualify to perform audits of the Electronic Industry Citizenship Coalition (EICC) standards and other CSR codes. Nearly 500 inspectors/auditors will be trained each year. The first class of trained inspectors, alone, will be checking workers conditions (including compliance with health laws and requirements for access to health programs included by ESD) in 15,000 factories a year. The electronics sector employs more than 15 million, mostly women workers worldwide, particularly in developing countries that work in factories where Verité-trained inspectors will perform audits.

Workplace monitors have great influence on how companies and their suppliers prioritize worker rights and health in workplaces. ESD's incorporation of family planning and reproductive health components into training programs and accreditation standards will translate into long-term and sustainable attention by compliance officers to women's health issues in tens of thousands of factories and large farms.

### **CSR Reporting Institutions**

The Global Reporting Initiative (GRI), the CSR equivalent of GAAP, recently revised its reporting template to include gender, particularly in light of the Calvert Women's Principles. Although ESD's role was limited, ESD staff was invited to participate in the GRI consultation process. Through its partnerships with Calvert and Verité, which played prominent roles in the GRI process, ESD was able to help elevate family planning and reproductive health in the reporting protocols.

## **2. BEST PRACTICE TOOLS, PROGRAMS, AND DATA**

Modifying standards and compliance mechanisms to include women's health is not enough, alone, to create systemic change. Companies need guidance in meeting the new codes or standards to be adopted. They also require real-life examples and experience in business settings that demonstrate business value and easy replication of FP/RH programs or services. An essential part of ESD's private sector health system strengthen-

<sup>4</sup> ESD built on private sector relationships already established by Meridian Group International, Inc., ESD's lead partner on CSR activities. Find the resources at the CSR Publications page of the ESD web site: [http://www.esdproj.org/site/PageServer?pagename=Publications\\_CSR](http://www.esdproj.org/site/PageServer?pagename=Publications_CSR).

ing approach for manufacturing and agriculture has been developing tools, programs, and data that can be used by business. 4

The private sector has its own internal incentives that, with useful guidance, drive change. Companies operate in a competitive universe where best practices can be quickly adopted and have immediate, systemic impact because business leaders are always looking for ways to gain an advantage or show leadership. The adoption of new programs or policies by one company then spurs others to adopt them. ESD focused on three areas:

#### a. Business Case Metrics and Methodology

The business of most businesses is not the health of their employees. Business owners see health as the public sector's role, which accounts for why workplace health facilities are generally underutilized. Thus, they want to know the business case for making investments in worker health services. Very few studies exist in developing countries on the return on investment (ROI) to companies that invest in the health of their employees. In 2006, ESD completed an ROI study in a 450-worker (85% female) garment factory in Bangladesh that had no on-site health services. The factory owner provided a small space on-site for a clinic and hired a part-time doctor and nurse. After 18 months, absenteeism and turnover dropped, equating to about a \$3 return for every \$1 spent on the services. Employees said in surveys that the clinic made them less likely to be absent or search for work elsewhere. Finally, 30% of the clinic services were related to family planning and reproductive health.

Understanding the business case and the business perspective is the touchstone of ESD's systems approach for the private sector. It led to ESD's partnership with Business for Social Responsibility (BSR) on HERproject. ESD has developed simple methodology and metrics for tracking the business case. (See companion legacy paper: The Business Case for Health Investments). This helped ESD form partnerships and effectively promote family planning and reproductive health.

#### b. Program Design and Examples

Too often, workplace health programs are developed without consideration for the business setting. In Bangladesh, Egypt, Guatemala, Pakistan, Kenya and



Tea pluckers at Unilever Tea Tanzania, where ESD piloted its "Healthy Images of Manhood" (HIM) health project.

Tanzania, ESD documented its experience in designing programs to fit the operational realities of businesses and the workplace. At Unilever Tea Tanzania, Ltd. (UTT), ESD piloted its Healthy Images of Manhood (HIM) health project by intentionally fitting the interventions into existing UTT health systems and programs as a way to strengthen them—leading to better utilization of services, integration of family planning into HIV services, transformation of gender roles, and improved worker-management relations.

The success of the program model in Tanzania and the credibility of the Unilever name were no doubt major reasons the Global Business Coalition became interested in replicating HIM in Kenya. A similar dynamic occurred in the BSR-ESD partnership: Levi Strauss and Co., which funded HERproject programs at two of its Pakistan supplier companies, decided to replicate the program in three Egyptian suppliers after evidence of success in Pakistan.

#### c. Tools and Guidance Materials

ESD has developed tools and guidance materials specifically for the private sector in manufacturing and agriculture. Some of this involved adapting family planning and reproductive health interventions, such as healthy timing and spacing of pregnancy, for the workplace. But other materials have helped business managers see how suggested health interventions can also strengthen their own systems—from data collection to employee training and communication to existing on-site services

## LESSONS LEARNED

ESD learned several important lessons:

1. A **systems approach** is a high-impact means to leverage the global institutions and CSR standards so that family planning and reproductive health program models can be brought to scale for millions of women.
2. The knowledge and **experience gained** from workplace programs are essential to developing the tools and programs that enable the incorporation of family planning and reproductive health into global institutions, CSR standards and business practices. “Business case” metrics for worker health investments are invaluable for promoting family planning and reproductive health. These must be supported by program examples proven to work in a business setting.
3. Companies and many global institutions often view family planning and reproductive health as controversial. Therefore, it is most effective to **promote family planning** and reproductive health programs and policies **as part of an integrated package** of women’s or worker health interventions.

4. Recommendations for CSR **standards and policies must be strategically targeted** and linked to pre-established health and safety categories. Family planning and reproductive health must compete with the demands and suggestions of many other stakeholders with worthy agendas.

The main challenge is that the process of change — updating standards, adding guidance documents, and incentives—takes time as global institutions and businesses often require lengthy consultation with stakeholder groups. Change requires patience and persistence, and active involvement in policy discussions as a stakeholder for family planning and reproductive health. Yet the payoffs will be large: strengthening private sector health systems with family planning and reproductive health to reach millions of poor workers.

## RECOMMENDATIONS FOR REPLICATION/SCALING-UP

ESD recommends that its health systems strengthening approach be expanded as part of the Global Health Initiative strategy for leveraging private sector and other efforts. The existing platform of institutions, standards, and compliance, if leveraged effectively, hold the promise of achieving essential family planning and reproductive health goals of best practice replication, scalability, and sustainability. To do so will require::

- **Targeting high-return institutions** that can incorporate family planning and reproductive health into policies, standards and incentives at the **global and country levels**. This includes developing a specific strategy for outreach and advocacy in the 10-13 priority countries.
- **Targeting multinational companies** and organizations that wish to **demonstrate CSR leadership in women’s and worker health** and where the business and health value of family planning and reproductive health programs can be demonstrated.
- **Piloting country and regional programs** that can create economies of scale for improving the skills of existing workplace health staff across sectors. This includes building the linkages between in-service training for private and public health providers.
- Developing **“business friendly” materials, tools and program designs** that enable brands and factory managers to easily adopt family planning and reproductive health programs into their operations. This includes further documentation of the business case and the health case for workplace health programs.

*This paper was written by:*

David Wofford, Senior Commercial Sector Advisor, ESD  
Shawn MacDonald, Consultant, ESD

*Published July 2010. Updated June 2011.*



ESD IS MANAGED AND DIRECTED BY:



PARTNERS INCLUDE:



This publication was made possible through support provided by the Office of Population and Reproductive Health, Bureau for Global Health, U.S. Agency for International Development, under the terms of Award No. GPO-A-00-05-00027-00. The opinions expressed herein are those of the author(s) and do not necessarily reflect the views of the U.S. Agency for International Development.

All brand names and product names are trademarks or registered trademarks of their respective companies.

### THE EXTENDING SERVICE DELIVERY PROJECT

1201 Connecticut Ave., N.W., Suite 700  
Washington, DC 20036  
Phone: 202-775-1977  
Fax: 202-775-1988  
www.esdproj.org

### PATHFINDER INTERNATIONAL

*(Contact for this project after September 2010)*  
9 Galen Street, Suite 217  
Watertown, MA 02472, USA  
Phone: 617-924-7200  
www.pathfind.org