

University of Nottingham Rights Lab

# Social Progress and Responsible Business Practice

A study on Outland Denim's Cut and Sew Facility in Cambodia (2019)

OUTLAND DENIM

# FOREWORD

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# OUTLAND DENIM AND THE FREEDOM DIVIDEND

Driven first by curiosity I began working on modern slavery in the 1990s. At that time everyone **knew** that slavery ended in the 19<sup>th</sup> century, but working in human rights I kept bumping into situations that couldn't be anything **but** slavery. To find answers, I went into some grim corners of Mauritania, Thailand, India, Pakistan, and Brazil, and found extensive and deadly slavery everywhere. I also met slaves and looked deeply into the abyss of bondage – and that changed me. I had started curious, now I was driven by the heart-breaking truth of slavery. I had to do whatever I could to end it. That was 25 years ago, and over that time the truth of slavery came out, a modern anti-slavery movement was born, and hundreds of thousands of slaves have come to freedom. The successes are accelerating, but there is still a long way to go.

Slavery is what it has always been, the complete and violent control of one person by another, with the aim of using and exploiting them. Our best conservative estimate is that there are 40.3 million people in slavery in the world, they're found in every country, and not surprisingly they are often the dirty and dangerous first link in supply chains that lead directly to us.

Even though slaves are a tiny part of the world's workforce, slavery is bad for global business (unless you are a criminal). Slaves produce little and consume almost nothing. The criminals that control enslaved workers, whatever the job, pay them nothing, and provide the minimum possible subsistence. In fact, slaves today are *disposable*, temporary and expendable inputs into criminal enterprises. Population growth has generated a glut of poor and vulnerable people, often unprotected by the state or law, making slaves easy to acquire. They can be lured and tricked with promises of work, or simply captured and enslaved.

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The average cost of acquiring a slave in today's global economy is around \$100. Their cost is so low they are no longer seen as capital investments, but as disposable inputs in the product chain. They're disposable<sup>1</sup>, like plastic cups you use once and then throw away. Slaves contribute to the earnings of criminals, but very little, if at all, to the wider economy, and nothing to their own well-being or that of their families. Wages for free workers are depressed when slavery is present, and criminal profits are not cycled back through the community or into schools, healthcare, and services. Where slavery flourishes, the economy is dragged down.

Happily, the reverse is also true: where slavery is suppressed, the economy grows – and for survivors of slavery, this can mean the chance of a great transformation. When freedom comes to formerly enslaved people, and includes the enjoyment of human rights, learning and training for job skills, access to medical and psychological care, something almost miraculous happens: a *Freedom Dividend* enjoyed by the whole society. This benefit spreads widely, increasing life satisfaction, economic attainment, and education levels, reducing health problems and improving lives along many other measures.<sup>2</sup>

The *Freedom Dividend* is both an assertion and a fact. It is a theory about change, and the strategy and work of Outland Denim is a courageous *affirmation* of that powerful idea. Outland Denim may be a perfect example of the triple bottom line<sup>3</sup>, but it is more than that. Outland's impact reaches far beyond the fashion market, generating a *Freedom Dividend* through creating a workplace where people freed from slavery rebuild lives of meaning and purpose. From that foundation they go on to create stronger families and communities and futures.

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Outland is showing the world that effective anti-slavery rehabilitation and reintegration with women workers brings effective and measurable improvements to the lives of these women, their families, and the wider society. And, crucially, this transformative work and training is *not charity*, but simply one key part of producing economically profitable, high-quality clothing that is ethically and environmentally sound.

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James Bartle and Outland Denim often talk about the four pillars of their work: *training; living wages; opportunity;* and *education*. Their revolution, their innovation, grew from listening to women workers and then building a company altogether. In quiet but powerful ways, it also means bringing *opportunity* and *education* to fashion consumers as well – the *opportunity* to change lives (and the way the world works) through purchasing, and *education* about how to grow businesses that do well **and** spread freedom. There is so much here that consumers can learn about how their purchases can transform lives and, at the same time, help protect and restore the environment.

It is only recently that we've learned how human trafficking is closely linked to environmental destruction and climate change. All over the world criminals force enslaved people to wreck and steal from the natural world. Crimes like illegal slave-based deforestation and brick making have such a large environmental impact that *if slavery were a country it would be the third largest emitter of CO*<sub>2</sub> *in the world after China and the USA*.<sup>4</sup>

# "If slavery were a country it would be the third largest emitter of $CO_2$ in the world after China and the USA." <sup>4</sup>

The global clothing industry isn't helping much either. A significant amount of cotton, for example, is grown by slaves in ways that are bad for the environment, picked by slaves,

processed by slaves, made into thread and woven into cloth by slaves, dyed (using noxious chemicals) by slaves, sewn, packaged and shipped by slaves. The lungs of the young women forced to work in cotton mills with no safety equipment fill with plant matter, bacteria, fungi, pesticides and other contaminants: the result is called 'brown lung' and there is no cure. I have been in those mills and met the teenage girls with drained faces and hacking coughs. They were lured into work on the promise of earning enough for a marriage dowry, now they were trapped and unlikely to live long enough to marry.

Today there are some 22 million climate refugees, forcibly displaced by the impacts of global warming. Like all refugees they are vulnerable and ripe for enslavement. In a vicious cycle, once enslaved, they are forced into work that further destroys the environment, and it is all paid for by the things we buy - from electronics to food to clothes.<sup>5</sup> But **this** vicious cycle can be reversed ... and become a virtuous circle.

As this report was being written, Outland Denim launched the Supply Network Intelligence System, branded locally in Turkey as *Sağ Salim* (meaning 'safe and sound') - a program developed to support some of the most vulnerable workers in the garment industry's supply chain by uncovering instances of deliberate exploitation, slavery, and unsafe working conditions, and taking action to resolve these problems. Since May 2020 the program has reached over *1.5 million* people, uncovering pay discrimination, lack of safe drinking water, and dangerous working conditions due to the lack of personal protective equipment.

Crucially, the Supply Network Intelligence System, while established and supported by Outland, is not intended to provide answers and protections just for the workers that supply Outland Denim. Taking the bad treatment and precarity out of cotton is the primary goal, but right next to that is the idea that this is a system that can work for all companies that want to do good for both people and the environment. Outland has opened up the Supply Network Intelligence System to any and all companies that want to join.

The *Freedom Dividend* is also the work of many years. Liberation from slavery may be an event lasting just moments, but the long hard climb into true freedom can last a lifetime. That path is not easy and it's not always smooth, but the result can be the magnificent realisation of human promise. A life that had been reduced to pain and degrading work can become a life of meaning and purpose, a life that builds, a life that inspires change in other lives. And when many lives change for the better, whole societies can heal and grow. The report that follows is a snapshot taken as the Freedom Dividend was being planted and cultivated at Outland Denim's facility in Cambodia in 2019. And it is only a snapshot capturing a moment in the full-length feature film that is Outland's response to the needs of Cambodian women for education, healthcare, a political voice, job skills, and, for some, basic freedoms. While inroads are being made to progress the rights of women and girls, it is important to remember that many women in Asia and the Pacific region are still expected to be subservient and modest second-class citizens. Their futures and prospects take a back seat to that of boys and men. Many of these women are illiterate, domestic violence is common, and few women are aware of their own rights. But the vicious cycle of sexism and oppression can also be reversed - women don't just 'hold up half the sky', they are the foundation of communities. When women earn, their earnings are especially directed toward children, nutrition, education, and health. When women learn, their children (and sisters) learn as well. What's good for women is good for the whole society, and a virtuous circle of knowledge and growth begins.

In the short time of this research project we found dramatic and significant changes in the lives of Outland workers – we also witnessed struggle as women who had arrived at the facility illiterate or who had suffered in trafficking and slavery worked to build a new way of being. There are other well-meaning businesses that provide work for survivors of

<sup>1</sup> See, Disposable People: New Slavery in the Global Economy, University of California Press, 1999. Also published in Spanish, Portuguese, German, Italian, Norwegian, Russian, Turkish, Korean, Arabic, Chinese, Polish, and Japanese. Winner of the 2000 Premio Internazionale Viareggio Versilia, awarded to a book that promotes social justice and peace.

<sup>1</sup> See, for example, Bales, K. Ending Slavery: How We Free Today's Slaves, University of California Press, September 2007. Winner of the Grawemeyer Award for Ideas Promoting World Order 2011; also published in Japanese and Finnish. Chapters 2 and 8

B The Triple Bottom Line is an accounting framework that incorporates three dimensions of performance: social, environmental and financial. This differs from traditional reporting frameworks as it includes ecological (or environmental) and social measures that can be difficult to assign appropriate means of measurement. The Triple Bottom Line dimensions are also commonly called the three Ps: people, planet and profits. See: John Elkington, "Towards the Sustainable Corporation: Win-Win-Win Business Strategies for Sustainable Development," California Management Review 36, no. 2 (1994): 90–100.

<sup>4</sup> To learn more see: Bales, K. Blood and Earth: Slavery, Ecocide, and the Secret to Saving the World, Speigel&Grau (Penguin: Random House) 2016; also published in Chinese and Japanese. Awarded the Green Prize for Sustainable Literature 2017.

#### <sup>5</sup> Blood and Earth, as above.

<sup>6</sup> Minh Dang is CEO of the <u>Survivor Alliance</u>, and currently completing a PhD in the Rights Lab at the University of Nottingham UK, focusing on the wellbeing of survivors of slavery and human trafficking. Until 2017, she lived in the San Francisco Bay Area region of California. Minh earned her B.A. in Sociology, and a Masters in Social Welfare with an emphasis on Community Mental Health at the University of California, Berkeley.

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slavery, but what was happening at Outland was different. My colleague Minh Dang is an expert on surviving slavery. She explains that in recovering from the trauma of slavery -"Survivors are engaged in two key existential questions: why be alive? and what to do with this life? The question of why be alive is a question of meaning. The question of what to do with this life is a question of purpose."<sup>6</sup> The young women in Cambodia who emerged from slavery didn't want to be treated as pathetic victims, they wanted what we all want (and deserve): lives of meaning and purpose. Outland Denim's approach first addressed their purpose through training and living wages, then building on that through education and opportunity, to foster meaning as well.

The report that follows set out in much more detail the way in which a business can build a Freedom Dividend, and while it is written in a rather dry and factual way, it is one of the first careful assessments of new and pioneering ways to do business. What's the take-away for the fashion industry? Put simply, there is a virtuous circle of doing right by workers and the environment that can grow your business and your profits. The Freedom Dividend rewards everyone who invests in it.

"Put simply, there is a virtuous circle of doing right by workers and the environment that can grow your business and your profits. The Freedom Dividend rewards everyone who invests in it."



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#### APPENDIX

A copy of this Report with an Appendix of the relevant statistical tables can be obtained by contacting the Rights Lab at the University of Nottingham at: **rightslab@nottingham.ac.uk**.

This study was commissioned and paid for by Outland Denim and conducted by the Rights Lab, University of Nottingham.

# I. EXECUTIVE SUMMARY

Outland Denim has made a public statement of the ambitions, intentions, and goals that align with its wider aim to help achieve social justice:

Outland Denim was founded as an avenue for the training, employment, and career progression for women who had experienced exploitation. Today we welcome employees from varying backgrounds of vulnerability and social injustice to elevate people into prosperity via skills acquisition, living wages and educational opportunity. We have proven that a sustainable career path and holistic approach to supporting our staff is the key to true social change in not only the lives of our staff but their families and communities.<sup>1</sup>

In many ways, this study explores and tests the interface between the goals and outcomes of this company, between its intentions and ambitions, and how those ambitions are realised alongside existing and emerging operational realities.

As part of these efforts, Outland employs, at their cut and sew facility in Cambodia ("the site"), a number of survivors of modern slavery as well as other people who have faced exploitation and severe adversity.

Approximately half of the employees working at the site were interviewed for this study, and the workers' responses were divided into two groups for analysis.

One aim was to understand how Outland's programme of education and opportunity served both 'regular' employees and those who had previously been caught up in modern slavery. To answer this question, we divided workers' answers into a 'focus group' (trafficking and adversity survivors) and a 'reference group' (other employees). It is important to note that at no time were the workers treated differently in the research process. They were all interviewed with the same questionnaire by the same interviewer and she was not always aware of which worker might fall into which grouping. The only distinction made was the separation of responses in the data file so that groups could be compared. That separation of responses allowed us to better understand the backgrounds of the worker respondents.

The study considers the company's strategy of 'four pillars' (training; living wages; opportunity; and education) and tests the overarching concept of the freedom dividend<sup>2</sup> in an effort to add to shared understandings of the benefits of freedom on an individual and societal level.

The study has three strands, the first of which examines the differences in the lived experiences of Outland Denim's employees before they worked for the company. When asked about their childhood, the two parallel tracks emerged amongst the respondents. In contrast to the reference group, members of the focus group reported more severe poverty, precarity and feelings of fear as part of their childhood experiences.

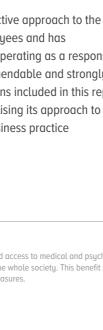
Secondly, the study examined Outland Denim's efforts to operationalise principles of socially responsible business practice. Through its corporate culture and training programme, Outland Denim has supported positive outcomes for survivors and other employees. These include equipping them with a range of job-related skills as well as life skills and a basis for self-empowerment through holistic education in financial literacy, health and wellness, and self-defense.

Thirdly, the study measured the change in the lives of the respondents since childhood. There were clear indications of improvements for respondents in both groups against the three indicators of social progress that were considered for this study: health; education and literacy; and socio-economic position. Further, despite different starting points, respondents in both groups articulated clear plans and ambitions for the future, a commitment to those plans, and confidence in their ability to realise their ambitions.

Outland Denim has taken a proactive approach to the holistic development of its employees and has demonstrated a commitment to operating as a responsible business. These efforts are commendable and strongly encouraged. The recommendations included in this report aim to support the company in formalising its approach to survivor employment and responsible business practice more generally.



<sup>2</sup> When freedom comes to formerly enslaved people, and includes the enjoyment of human rights, learning and training for job skills, education and access to medical and psychological care, the result is a *Freedom Dividend* – an increase in productivity, incomes, human capital and stability enjoyed not just by slavery suvivors but the whole society. This benefit spreads widely, increasing life satisfaction, economic attainment, and education levels, reducing health problems and improving lives along many other measures.





# **II. THE STUDY**

Companies are increasingly extending the concept of 'ethical business', moving beyond the core economic questions of profitability and growth, to consider their environmental and social responsibilities. This report analyses Outland Denim's approach, which has evolved since its beginnings as a notfor-profit entity that was created to provide employment opportunities for survivors of human trafficking in Cambodia. It explores how the company has approached the building of human capital within its workforce and what changes can be observed in the lives of its employees over time.

This report presents an analysis of Outland Denim's ('Outland') efforts to implement a set of values and create a corporate culture that aligns with its wider aims to help achieve social justice.<sup>3</sup> It also presents findings on the observed changes in the lives of Outland's employees as measured by four indicators of personal and social progress which collectively contribute to what is conceived as 'human capital'.

The study does not suggest that employment at Outland's cut and sew facility is the only direct cause of the observed changes in the lives of its employees; life is more complex. However, it considers the approach taken by the company to be a significant contributing factor to those changes.

The study also tests the overarching concept of the freedom dividend. Within the field of international development, there is clear recognition of a peace dividend that comes in the wake of conflict, and the importance of a gender lens to acknowledge the benefits of enabling and supporting a new and inclusive vision of the roles of women. In recent years, research has also supported the idea that when freedom comes to formerly enslaved people and includes the enjoyment of human rights, learning and application of job skills and access to physical and psychological care, there is a freedom dividend. This benefit spreads widely, increasing life satisfaction, economic attainment and education levels, reducing health problems and improving lives along many other measures.<sup>4</sup> If the concept of the freedom dividend is a thesis, a theory about change, then this research addresses a specific hypothesis - that doing effective anti-slavery work of restoration and reintegration can also provide effective and measurable improvements for these individuals and the wider society.

The findings of this study are divided into three sections which aim to answer the research questions included below.

#### **Parallel Tracks**

All of the respondents are Cambodian women who work for Outland in its cut and sew facility in Kampong Cham province, Cambodia. Among them are some survivors of trafficking and others who have faced severe hardships. Through interviews, we learned about the respondents' lives growing up, particularly with reference to living conditions, education and their experiences before they worked for Outland. The study considers:

What are the parallel tracks that led these women to Outland's facility? How do they help us understand the lived experiences of the workers we are studying?

#### Assessment of Outland's Approach

Outland has publicly committed to being a socially and environmentally responsible business that aims to provide sustainable employment opportunities for its employees. This study considers two key elements of its approach, namely, Outland's training programme and its internal corporate culture, to understand the extent to which these are aligned with and achieving the company's stated aims. The study considers:

What is the nature of the training programme and how do Outland's employees perceive and receive a benefit from participation? What components of the company's corporate culture support its stated aims? How can Outland improve its approach?

#### **Changing Lives**

Changes in the respondents' lives were measured against three social progress indicators: health, education, and socio-economic position. The study also included a fourth indicator: the presence or absence of feelings of ambition, hope and empowerment. These measure the extent to which the respondents can demonstrate progress on key elements of the freedom dividend. The study considers:

What are the key points of progress (or regress) that can be measured for these employees? Do these points of progress indicate the accumulation of human capital? For the respondents who have come from situations of exploitation, do they demonstrate a freedom dividend?

It is currently estimated that there are approximately 250,000 people in modern slavery in Cambodia, and some 40 million globally.<sup>5</sup> However, of these, only a very small proportion are liberated and reintegrated each year. It is therefore intended that this study will provide some valuable insight into possibilities for employment as a form of survivor reintegration and the creation of a freedom dividend by survivors of modern slavery.

#### **Methods and Sample Size**

For this mixed-method study, we conducted semi-structured in-depth interviews with 44 respondents who are current and former Outland staff. The information analysed in this report is a mixture of first-hand accounts and responses from Outland's current and former employees that we interviewed, and specific data that could be recorded in numerical form from the interviews and from company records.

The respondents were divided into two groups for the purposes of analysis. Eight respondents formed the 'focus group'. These respondents had been identified as survivors of modern slavery or human trafficking and includes people who were referred to the company by local NGOs. The other thirty-six respondents were not so identified, and their replies in the in-depth interviews did not suggest that any had faced the same challenges. This second group is referred to as the 'reference group'.

Given the size of the group interviewed, we do not suggest that this is a representative random sample. Random samples are normally drawn from much larger populations, and can bear the weight of extensive statistical analysis. However, some descriptive statistics will point to differences or trends amongst this group that are relevant to the research questions. The interviews were conducted by an independently contracted and experienced female Cambodian researcher using a semi-structured interview schedule. The researcher carefully explained and often repeated that respondents could terminate the interview at any time, choose to have their answers deleted and choose which questions they wanted to answer. The interviewer also invited the respondents to add, explain, clarify, correct, or retract the information they had offered in the interview. With the respondents' consent, interviews were recorded and transcribed to enable longer verbatim responses to be included in this analysis and report.

The information and analysis offered in this report has been anonymised and identifying data is not available to the public or the company.

# Limitations

This study examines a single facility operated by a single company and data collection was completed over a period of three months. This means that it is limited in sample size and scope.

All current employees working at the company's facility in Kampong Cham Province, Cambodia, (approximately 85 employees) were invited to participate in this study. In total, 38 current employees were interviewed for this study. The total sample, which included former employees, comprised 44 persons, of which eight respondents formed the focus group. Therefore, this sample should be thought of as indicative rather than representative of the relatively small but identifiable population of Outland employees and former employees. While we ask about their experiences reaching back into childhood, we can only analyse and share what they have chosen to share with us.

# Terminology

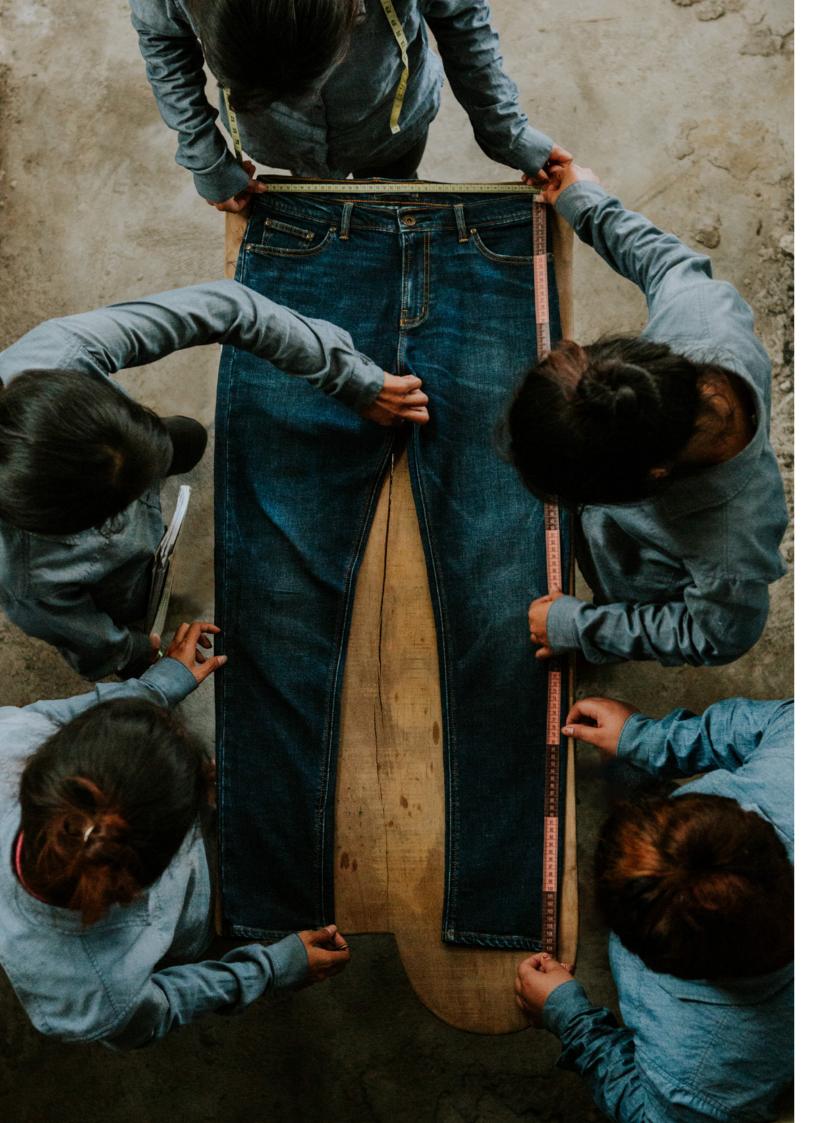
Unless otherwise specified, modern slavery is used in this report to refer to the offences of slavery, servitude, forced labour and human trafficking as codified in the UK Modern Slavery Act 2015.

# **Research Team**

This study was commissioned and paid for by Outland Denim and conducted by the Rights Lab, University of Nottingham. The research was led by Professor Kevin Bales. This report was authored by Arianne Griffith and Professor Kevin Bales. The authors wish to thank Kanika Chhit who conducted the interviews for this study, for her valuable contribution to this work.

<sup>&</sup>lt;sup>3</sup> <u>www.outlanddenim.com</u>. Accessed 1 November 2019

<sup>&</sup>lt;sup>4</sup> See, for example, Bales, K., *Ending Slavery*, (2007) Chapters 2 and 8



# III. FINDINGS

## 1. The Parallel Tracks

The subjects of this study are almost all young, working-class women, 70% of whom come from rural backgrounds. They are all Cambodian. Their life experiences, however, suggest that there are two distinct groups within the sample. On one of two parallel tracks are members of the reference group, the workers whose lives may have been hard at times, but represent a fairly normal life amongst the Cambodian rural working class. On the other track are the members of the focus group, the women who have faced exploitation and significant disruption to their lives.

To understand the lived experience of the workers we are studying and any differences in the backgrounds of these two groups, we have had reference to what they shared about their lives when they were below the age of 12, and prior to joining Outland. Consideration is given to their experiences in four areas:

# i. Food and Nutritionii. Housing and Shelteriii. Education and Literacyiv. Personal Safety

The childhood and adolescent years of the two groups were similar in a number of ways. Their access to healthcare and the frequency of health problems was about the same, as was whether their families had debt, though we have no indication of the extent of the debt. These measures all point to the similar origins of these young women in the rural working class.

However, there are clear differences between the early lives and experiences of the respondents in the two groups. Generally, the women in the focus group tended to experience more severe poverty, precarity, and food insecurity as children. Their home lives were described as more chaotic, were marked by parental substance abuse and a regular sense of fear and insecurity. Focus group respondents also reported fewer years in school and had an increased chance of exploitation, for some respondents this occurred in a foreign country.

Although we cannot assume a causal link between these precarious early life situations and experiences and subsequent exploitation of the women in the focus group, early disadvantages operate as indicators of vulnerability and a higher risk of exploitation. The inquiry looked at a number of prevailing conditions in the homes of the respondents when they were children.

### i. Food and Nutrition

Respondents were asked how many meals their family ate each day when they were under the age of 12. Two thirds of the reference group responded 'three' meals per day with over 90% of the group indicating that they had at least two meals per day. In contrast, members of the focus group responded 'one' or 'two' meals per day.

A follow-on question asked the respondents to describe what they typically ate for the main meal of the day. Focus group respondents made clear this could be meager, *"my parents couldn't afford to buy rice and food for us so sometimes we ate only boiled corn or potato."* 

Another reported that while she might have more than one meal a day, they consisted of just a little rice porridge, and that one meal might be just *"some leaves picked up around the farm."* 

This food scarcity stands in contrast to the reference group. Common responses were *"we always had regular food, and we always had enough meat and vegetables for every meal"*. One reference group respondent noting, *"we would have grilled dried meat and vegetable soup."* 

#### ii. Housing and Shelter

All respondents described simple childhood dwellings reflecting their rural upbringing, generally with no electricity or sanitation facilities and comprising a single room. The number of inhabitants ranged from three to thirteen per household across the sample, with a median of seven. However, women in the focus group were much more likely to have grown up in a house in which the roof leaked when it rained. One respondent explained that if it rained, *"we had to gather our net and pillows and sit at the place where it was not leaking."* About the same proportion in both groups owned their own home.

There was a stark difference between the availability of running water in childhood homes with all but one member of the focus group reporting having no running water in the home, while 33 of 36 in the reference group reported having running water at home.

Further, two members of the focus group reported that their homes burned down while they were living there.

#### iii. Education and Literacy

For the women of the focus group the chaotic, often violent, nature of their early lives also meant a schooling deficit. The mean age for school-leaving for the focus group was nearly three years younger than the women in the reference group. Amongst the focus group respondents, three of eight reported leaving school at age fourteen or younger while a much lower proportion of respondents from the reference group (8 of 36) were similarly placed.

Literacy rates also varied. Among the reference group, only four women (11%) are illiterate. In the focus group, three of eight respondents reported being unable to read or write when they left school and that they are are currently illiterate.

Linked to this amongst the focus group was a significantly younger age for leaving school, or being sent away from home. Critically, some of these women were able to later receive support from a non-governmental group, which helped to stabilise them and foster recovery. It was these supporting groups that later served as the conduit that brought them to Outland.

#### iv. Personal Safety

When analysing the backgrounds of the workers in the focus and reference groups, the measure of childhood fear is a key indicator. Respondents were asked, "thinking back to when you were at home with your family, did you feel safe most of the time, or were you sometimes fearful of being hurt, of being threatened, or not being safe?" Respondents in the focus group seemed to know fear from an early age. They regularly described feeling unsafe, often specifying the cause. This was very different to the reference group who very rarely reported feeling unsafe.<sup>6</sup>

Half of the respondents in the focus group were abused by their father or another relative, in some cases this included serious violence and sexual assault. These abusive men were all described as heavy drinkers. One explained,

"My dad is a drinker, when he drank he became violent and he beat my mother, once he beat my mother until her head was broken. I used to be beaten too."

In another family with an absentee father, an older brother took his place.

"My older brother was the only man in the family so he always hit my sisters and me ... he hit us all whenever he was angry at something. He hit us with whatever he could find nearby. Sometimes he used a hammer or cutting board to hit us. If it happened today, he would be arrested, then it seemed normal."

In addition to difficult and abusive domestic situations, members of the focus group also described being trafficked in other countries and otherwise being sent away from home to work. Three of the eight women in the focus group reported being 'sent' to Malaysia to work, one of them at the age of seven.

#### 2. Assessing Outland's Approach

Outland's origins as a not-for-profit entity before evolving into a for-profit model in 2016 has shaped the company's brand and underlying values. While the company continues to employ some survivors of trafficking through its partnerships with local NGOs, many other Outland employees report having faced periods of hardship and social injustice.

This section assesses Outland's efforts to operate as a socially responsible business by focusing on the company's Training Programme and its Corporate Culture which is considered under three heads:

#### (a) Company Reputation; (b) Company Policies; and (c) Workplace Relationships.

The data show that the company has a strong reputation in the community in which it operates. This is consistent with the evidence of Outland's ongoing efforts to respect key principles of decent work, to invest in its employees through the provision of training and to otherwise maintain a respectful, healthy workplace. Adding worker (and survivor) focused policies and practices into the workplace is a dynamic process.

Finding the balance between having an effective employment structure and a more 'democratic' approach to worker participation requires finding a new way to ensure, for example, adequate provision for sick leave, parental leave, and breastfeeding time for mothers. In addition, care is needed to manage the dynamics of the workplace and to ensure that policies and practices are survivor-informed and sensitive to the needs of survivors.

Respondents with prior experience working in a garment making factory in Cambodia were clear in their approval of Outland's operations on the basis of both its workplace culture and training programme. Outland's key formalised mechanism for promoting the empowerment of its workers is its training programme, which respondents from both groups unanimously described as beneficial.

#### i. Training Programme

Central to Outland's efforts to develop the human capital of its workers is its training programme, which has two components. Notably, employees are permitted to receive training as part of their workday, for which they are paid.

First, employees are afforded opportunities to 'cross-train', learning various cutting, sewing and finishing skills that are required at different phases of garment construction. To this end, Outland permits intermittent rotations between teams to upskill employees. This is a deliberate and commendable effort at capacity building and skills training which primarily benefits the employees since there is no apparent efficiency gain for the company in the short term - though the long-term gain is that these highly trained workers can pivot to roles as they are most needed.

Second, Outland offers employees training that is not directly related to their responsibilities at work. This programme is run on an ad hoc basis, allowing the company to respond flexibly to the demands of its production schedule.

Company records show that it completed nine training sessions<sup>7</sup> during our research project, available to all employees at the Kampong Cham facility during the period May 2018 to May 2019.8

<sup>9</sup> This is a composite list. It is noted that none of the respondents attended all of the sessions. On average, respondents recalled three training sessions that they had attended.

Sessions were generally facilitated by volunteers from affiliated NGOs and partner organisations that Outland has developed relationships with for the provision of training and social services beyond the scope of the business and are held at Outland's production facility in Kampong Cham province. This has allowed the company to offer these sessions at little to no additional cost.

Outland has adopted a commendably holistic approach to this programme and respondents indicated that the training sessions covered a wide range of topics including the following:9

- Self-defence
- Personal Health and Wellness
- Integrity
- Human Trafficking
- How to Save and Manage Money
- Reproductive Health (also referred to as 'Birth Control')
- First Aid
- Child Care
- Makeup
- Clothing Design
- Transparency
- Domestic Violence

When asked about the training courses they had taken, one respondent replied, "Too many! [giggle]." In many ways that "giggle" is indicative of the relaxed and positive response that was found for all respondents when discussing their participation in training. Assessments were uniformly upbeat, and though no respondent specifically used the term, it was clear they saw the training as empowering.

Comments included.

"It improved my knowledge a lot!"

"I have more confidence now in my life after learning all these things in training."

"It helped me to know about human trafficking so I can avoid it."

<sup>&</sup>lt;sup>7</sup> The focus area for the nine sessions were: general health; sexual and reproductive health including childcare (2 sessions); healthy relationships; financial management; human trafficking; self defence; company values; make-up ('just for fun').

<sup>&</sup>lt;sup>8</sup> Additional training was offered to company management staff on health and safety, human rights and trauma informed care.

"I feel valued and cared for by Outland and gain more knowledge."

"Every training is important for me ... For example, when we learn about love and how to communicate with other people, I started to make friends with other people and know how to communicate with them. When I build my own family, I know how to maintain my relationship with my husband and I know how to take care of my kid as well. Some people already have 2 to 3 kids but they still don't know how to properly take care of the kids." (focus group respondent)

"They hire staff and they select the lesson which is the one of the staff's favorites. They ask for staff opinion. Mostly, they choose the lesson which is what the staff want." (focus group respondent)

"After the training about health care, we know how to take care of our health. And after we learnt about self-defense, we know how to protect ourselves and what to do when we encounter conflict. Those trainings are very useful for us." (focus group respondent)

Respondents unanimously concluded that the programme was beneficial. Correspondingly, it is worth noting that there were no negative assessments of the training, no assertion of irrelevance or time being wasted.

Only two respondents reported having received training with a previous employer; and those who had been helped and/or housed by an NGO reported attending reported some training courses within their period of support.

Multiple reference group employees with previous experience of working in other garment factories in Cambodia noted that Outland's model is radically different to the customary approach in industry whereby workers are required to perform isolated repetitive functions repeatedly. In addition, respondents with previous factory experience reported a general lack of investment in the development of employees within the industry, particularly where the development is not job related.

#### ii. Corporate Culture

After working initially with only survivors, Outland Denim saw the need to create a healthy environment with a level of 'normalcy' in its workplace. The reasoning was that only having employees from a background of trauma was not authentic community integration for survivors and not a sustainable business model. Quality and consistency within a garment production facility require a team of individuals of varying levels of skill and experience. The survivor workforce was initially predominately very low skilled employees, which was not conducive to creating consistent, high-quality products that would better ensure the financial viability and therefore the sustainability of the business.

Opening the doors wider to include non-survivors provided upskilling opportunities for the 'survivor workforce' and also opened up opportunities to those with physical disabilities who were not connected with an NGO, but struggling to make ends meet and get work in the garment factories.

Within the workplace, there is no obvious distinction (from the Outland side) between survivors and non-survivors. In fact, Outland works hard to minimise and avoid elements that noticeably distinguish the two groups to foster a healthy work environment in which both can flourish. This includes the creation of worker committees with a mix of individuals who are able to be part of making certain decisions within the business.

However, sometimes NGO support/counsellor/social workers come alongside initially with their client when considering Outland Denim as a place for the employment of their client. When onboarding trainee staff, Outland will ask the NGO for details about how long they will continue to support their client once coming to Outland. Notably, all staff, not just survivors, are invited to share their stories and backgrounds in as much or as little detail as they like.

Outland Denim has a Mental Health and Trauma Policy for its management team, which was presented to all leadership in 2019 following a management Trauma-Informed Care workshop run by International Justice Mission (IJM). The policy spoke to instances where an NGO client may be showing signs of trauma and how to respond, but also provided response options for when non-NGO clients needed support and a safe space to share.

Outland Denim has now employed its first trained counsellor in-house at its Cut and Sew Facility. This has already provided an opportunity for private mental health and personal care support meetings to be undertaken by both NGO and non-NGO employees. Outland Denim assigns a personal care meeting number for all employees to access, if they need to share a personal (non-work related) concern with Outland's in-house trained counsellor. Outland Denim management is immediately notified when a survivor is in a challenging situation and the leadership immediately works closely with specialist/NGO partners to provide the best support possible. This same support would be activated for a non-NGO employee, should they be in a dangerous situation.

#### (a) Company Reputation

Most of the reference group employees had prior experience working in other garment factories and referred to Outland's reputation as a 'good factory' when asked why they had decided to come to work there. Respondents noted that Outland provided a better work environment that was free from the pressure and abuses that were common in other factories and that had a negative impact on their mental health and family life.

This provides some evidence of Outland's positive reputation within the community in which it operates. Respondents from the focus group described Outland as providing an opportunity, as well as a form of refuge. One focus group respondent's description of how she came to join the company, is illustrative.

[Asked about her reasons for coming to Outland] "... well, not really and reasons because at that time I was lost and didn't know that Outland had a sewing team. I didn't know what I could do in Outland, I only found out later that they have sewing team. The social affair team had asked me if I could go back home and if my family treated me well. I explained to them about how my family treats me and how I don't feel safe at home. They interviewed me again after I came back from visiting my family and they told me they would send me to Outland. They asked do I feel comfortable to go there? I told them I can go anywhere as long as the organization arranged for me, because I trust them that they won't put me in a bad place and it is better to go to any other place rather than my home.

This respondent went on to describe an evolving, positive relationship with the company and a strong sense of support. However, another focus group respondent noted that care given to survivors of slavery and exploitation might be too influenced by their past experiences.

"I want the company to change. Sometimes, it's as if they want to protect the workers too much! [Our experiences in adversity were] something that happened a long time ago and they keep referring to them. Sometimes, it affected our feelings." This respondent is expressing a common concern held by survivors of slavery or those who have suffered other trauma – that they are seen (even with sympathy) as victims and not as survivors; that they are assumed to need to be treated with extra care and attention, when their goal is to simply to lead 'normal' lives. Finding the balance between care and guidance, between sympathy and helping someone to independence is difficult. Concerted efforts in this respect, should be shaped by input from survivors.

#### (b) Relationships in the Workplace

Personal relationships present a further challenge at Outland's facilities.

Outland's period of rapid expansion and growth in 2018, when the core workforce quadrupled in size in ten months, may have contributed to some disequilibrium in workplace culture.

While company guidelines and efforts are important, relationships at work reflect the personalities of the workers and, in part, generate the 'personality' of the workplace itself. It is well understood that when working through the trauma of exploitation, survivors of slavery often find it difficult to achieve certain levels of trust. This adds a layer of complexity in Outland's workplace and merits a careful, empathetic response.

A distinguishing feature of Outland's operations in Cambodia is its Cultural Liaison Manager, who is employed by the company on a part-time basis. The Cultural Liaison Manager, who speaks fluent Khmer and has a strong understanding of the socio-cultural context in Cambodia, acts as the interface between the management staff and other employees. In this capacity, she helps company management to appropriately navigate sensitive issues, promotes mutual awareness of cultures and facilitates effective vertical communication between employees and management. This has been particularly valuable in the case of communications between Outland's foreign management staff and Australian headquarters on the one hand and its Cambodian employees on the other. This laudable initiative demonstrates a commitment on the part of the company to understand and communicate effectively with its employees.



#### 3. Changing Lives

There are a number of observed changes in the lives of respondents. It is noted that multiple factors would have contributed to these observed changes. Among them, is the positive impact of gainful employment coupled with Outland's commitment to education, training, and clearly stated opportunities.

The parallel tracks examined above show different starting points in the early lives of the respondents. While providing helpful context, they do not form a comprehensive set of baselines. The measures appropriate for understanding their present lives were not applicable to their lives as children and youth and therefore, changes will not be directly compared.

This section uses three indicators of social progress to consider the extent to which changes could be observed in the lives of respondents from both groups. Alongside these, we have included a fourth indicator that speaks to feelings of empowerment, hope and ambition. The latter is connected to survivors' prospects for long-term and sustained recovery and to broader questions of wellbeing for all respondents. Though intangible, changes in feelings of empowerment, hope, and ambition can be a powerful indicator of recovery.

The following indicators are considered as key points of progress (or regress) most relevant to their present lives:

#### i. Health

ii. Education and Literacy iii. Socio- Economic Position iv. Empowerment, Hope and Ambition

Our findings demonstrate that there is clear evidence of a freedom dividend in the lives of the respondents.

#### i. Health

Approximately one third of respondents indicated that they did not have access to healthcare when they were young. In this respect, the proportions were the same in the focus and reference groups. Most respondents reported being within 30 minutes ride from the doctor or clinic, but some respondents indicated that despite the proximity, they could not afford to go to the doctor when they were ill.

When asked about current access to healthcare, this had improved considerably across the sample. All but two respondents indicated that they do currently have access to healthcare. The proximity of services remained at a similar level with 39 of 44 respondents reporting that they now lived within 30 minutes ride of the doctor or clinic.

On the issue of sexual and reproductive health, respondents were asked whether they thought that they could get help to limit the number of children and babies that they have. 3 of the 7 respondents who answered 'no' or 'probably no' were from the focus group. Of these 3 focus group respondents, only one is a current employee at Outland and that respondent specifically remembered reproductive health as a topic on which she had received training since joining the company.

When asked to recall the kinds of training they received, most respondents, some 36 of 44, recalled receiving training about health, including former employees who had received training before leaving Outland. This may be indicative of the value of that training session to these women.<sup>10</sup>

Several respondents mentioned being able to access healthcare because they held a "poor citizen certificate", referring to the government issued Equity Card which forms part of Cambodia's Identification of Poor Households Program 'IDPoor'. It is noted that widespread systemic failures persist with respect to the availability and quality of healthcare in Cambodia which has a disproportionate negative effect on low-income households.

#### ii. Education and Literacy

As noted above, the focus group, both at the time they left home and today, are more likely to be illiterate or report difficulties with reading and writing. Their earlier departure from school, and, for some, the time spent in situations of extreme exploitation, means that they missed this core skill set. It is worth noting that some of the employees who have been subsequently supported by NGOs reported only minimal literacy training. A lack of literacy is an often-concealed condition, and those who are illiterate or semi-literate often develop a number of coping mechanisms to hide their situation – which is why it may not have immediately come to the notice of Outland and why these research results may not reflect the true picture.

Clearly it is beneficial to increase the literacy of employees. Our assumption is that some progress has been made, since it is difficult to undergo training programmes without learning and using literacy skills. Unfortunately, we did not include a specific question in our research on progress in literacy.

<sup>&</sup>lt;sup>10</sup> Other training sessions such as those covering self defence and financial management were frequently referred to as valuable by the participants.

#### iii. Socio-Economic Position

Most respondents reported coming from working class backgrounds and experiencing poverty as children. As noted above, several respondents mentioned that they qualified for a government issued Equity Card through Cambodia's nationwide system that identifies its poorest citizens. Since this was mentioned anecdotally, we do not have complete data on the proportion of the respondents who have been identified by the State as living in poverty.

Measures of changes to the socio-economic positions across the sample included considerations of levels of debt, savings, and the number of income earners in the household. Almost all respondents, in both the focus and reference groups, reported greater stability and income today than in their childhood years, as well as having a positive outlook about earnings.

When asked about family debt as children, one quarter of the sample did not respond. From the responses we received, approximately half of the respondents in the reference group indicated that their families were in debt when they were children. Respondents in the reference group appeared slightly more likely to have given that response.

Approximately two thirds of the sample reported currently having debt. However, the proportion of respondents with debt was the same in the focus and reference groups. Despite the higher levels of debt reported now, it is noted that much of that debt is reasonable within the ages and circumstances of the respondents. Generally, it was reported that the debt was incurred in order to buy or build housing, to buy land, or to buy machinery.

Only five respondents who currently had debt reported not having another income earner in the house. Notably, focus group respondents reported having at least one other income earner in the house and articulated cogent plans about the future, indicating a heightened level of stability.<sup>11</sup>

One quarter of the sample, in both the focus and reference groups, confirmed that they had a bank account. What was interesting in the interviews was that while bank accounts were uncommon, respondents of both groups described keeping track of finances and budgeting. Most seemed to have a good understanding of the loans they were carrying and clear ideas about saving and financial management. The foregoing demonstrates a measure of financial stability in both groups. Notably, there seems to be little to no discernable difference in the current socio-economic positions and levels of financial stability amongst the respondents in the reference and focus groups.

A clearer picture of progress (there were no respondents reporting regress) comes through the personal reflections of the respondents, especially those in the focus group. For example, the respondent who was sent away from home to work at age seven and ended schooling at that age, not only reported her progress, but also articulated her cogent plans for further progress:

"I go to work and earn money and keep it in the savings whereas my husband is earning money to feed our children, so every day I keep motivating myself to work hard for my children.... My plan is when [I leave factory work], I want to open a shop where I can sew clothes. I don't want to lose sewing skill. I want to help divorced women by giving them a job which is sewing. That's the plan. I think that will be in about three or four more years because I want to get better first and now I'm asking my husband so that I can sew, and when I'm at home I want him to make a small school that teaches little children who don't have knowledge like me. I want him to make a school because I want those children to know how to earn money, to know about the alphabet so that they won't be fooled because I want them to have knowledge. And my husband does not want people to not have knowledge like me. He wanted to them to have a good life, a life like mine. It's hard to see people with knowledge and people who don't struggle in life, sometimes I see my husband read English and I cry because I want to read as well. But now my husband is teaching our daughter English. We let our daughter study English since nursery when she was two years old."

Another respondent who is a survivor of trafficking explains:

"In the next five years my life will be better because I have plan! I want a piece of land; I want to have my own house! I have the ability to save right now, I have no loans."



#### iv. Empowerment, Hope and Ambition

Respondents shared various hopes and ambitions. Virtually all of the respondents spoke of the high priority of ensuring better opportunities for education of their children, and many mentioned their hope of establishing their own business, often using the skills they have learned working for Outland.

"Even if I don't have anything to eat, I want my child to finish studying and graduate," stated one focus group respondent. "I bought land because my in-law family is poor as well ... and I can buy two plots of lands now for my son," said another.

Focus group respondents were not uniformly positive in their outlook. When asked *"Do you feel you have the ability to make your life better?"* Respondents from the focus group were ambivalent – three answering 'yes', three answering 'no or probably not', and two not answering. This possibly reflects a pessimism or fatalism that is known to affect survivors of adversity. In contrast, 40 out of 44 members of the reference group replied in the affirmative. The same pattern appeared with they were asked *"Do you feel you have the ability to make the lives of those around you better?"* 

When asked "When you think about the future, do you think things will be better, worse or no different for you in five years' time?" focus group respondents were more positive, five of eight replying 'better' and three not answering. Only one person in the reference group answered 'worse', the majority of the rest answering 'better'. Several respondents who had reported severe abuse and disruption in their childhood reported current stability in their lives and plans for the future. One focus group respondent shared:

"My future plan is to be able to provide my children better opportunity with their education and we are saving as much as we can for our children because I used to have nothing so I want to give as much as I can to my children."

Finally, a focus group respondent who is a survivor of trafficking, takes a strong stance for educating young women about the risks:

"I would like to tell the other young women that please do not go to another country. You could work or do small business in this country. Because [if you go abroad] they take us away on the road and sell us. No matter how difficult things are, you should not go. In Cambodia it is better. [Abroad] some people got beaten, I saw a lot of people who their boss beat and raped. I don't want to see our Khmer people being treated that way. Do not believe the [recruitment] company!"

On the issue of civic and political participation, it was also noted that virtually all employees reported having voted in recent elections.



# **IV. Recommendations**

This study assessed Outland's actions that related to its training programme and corporate culture. The following recommendations aim to support Outland's commitment to provide a sustainable career path for survivors and others who experience high levels of vulnerability and social injustice.

#### **Training Programme**

i. Continue to formalise the aims and scope of training on offer.

ii. Establish a mechanism to evaluate the effectiveness of the programme in meeting specified aims.

iii. In order to balance programme flexibility, the company's commitment to delivery, and competing production demands, consider committing to a minimum number of sessions within a designated period (quarter, 6 months, year).

#### Corporate Culture: Workplace Relationships

iv. Ensure that survivors of slavery are seen and heard by introducing measures to develop survivor-informed support for this group of employees.

iv. Continue the implementation of survivor-led measures to support this group of employees as well as the wider workforce.

v. Seek specialist advice to understand how survivors and non-survivors navigate trust and cooperation, and ways to enhance interactions between employees, from groups such as the Survivor Alliance.<sup>12</sup>

<sup>12</sup> www.survivoralliance.org

## Corporate Culture: Workplace Policies

- vi. Introduce a system to authorise a fixed number of hours or appointments within specified intervals (monthly, quarterly, annually) for survivors to attend appointments with their social worker, NGO or health professionals.
- vii. Incorporate survivor input into policy development to ensure sensitivity and responsiveness to survivor needs are part of an ongoing policy commitment.

# **Further Research**

- Further research could be conducted to support the development and maintenance of effective systems and policies if not already being undertaken internally:
- viii. Longitudinal research on the benefits and implications of meaningful employment and a supportive work environment for survivors' long-term recovery.
- ix. Research on the various and complementary benefits to the individual and to the company of company investment in employees' personal and professional development. This would include areas such as worker satisfaction, wellbeing and confidence, and measures of productivity, turnover and worker-originated innovation, as well as more outward indicators of success.

# V. Conclusion

This study fits within a larger theme of two global phenomena – firstly the fact of modern slavery and the human trafficking that feeds it, and secondly the fact of a modern anti-slavery movement.

This snapshot analysis of Outland's approach suggests an overall positive result in providing a supportive work environment and opportunities for sustainable employment. Specific programme-related efforts such as the training offered to staff are regarded as overwhelmingly positive by employees. The ongoing efforts to develop and formalise the company's policies and programmes that represent its approach and values are encouraging.

Although we cannot establish that the actions of the company are the only or primary cause of the observed changes in the lives of their employees, it is noted that respondents in both the focus and reference groups have progressed in several areas and it is clear that their experiences at Outland have contributed to this progress. For respondents in the focus group, there has been a measurable positive change in respect of education, health, housing, socio-economic standing and feelings of ambition, hope and empowerment before and after their experiences of trafficking, exploitation or severe hardship. Focus group respondents also reported a low debt load, higher saving frequency, ambitions for their children, feelings of empowerment and detailed plans for the future. The data from this study supports the finding that the workers who have come from a situation of exploitation are now both enjoying and producing a freedom dividend.

Outland should continue working to ensure that it provides and facilitates access to appropriate support for the survivors it employs. The recommendations included in this report are made in support of Outland's commendable work to support re-integration through employment for survivors of modern slavery and more broadly to operate as a responsible business in relation to all of its employees.

