

# Decent Work: From Academia to Shareholder Activism

Kevin Chuah  
6<sup>th</sup> June 2019

## Agenda

- 1. Academic perspectives on decent work**
- 2. Activism on the Living Wage**
- 3. Investor engagement on worker rights**



## UNDERSTANDING AND TACKLING SOCIETAL GRAND CHALLENGES THROUGH MANAGEMENT RESEARCH

GERARD GEORGE  
Singapore Management University

JENNIFER HOWARD-GRENVILLE  
University of Cambridge

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Pennsylvania State University

LASZLO TIHANYI  
Texas A&M University

“Grand challenges” are formulations of global problems that can be plausibly addressed through coordinated and collaborative effort. In this Special Research Forum, we showcase management research that examines societal problems that individuals, organizations, communities, and nations face around the world. We develop a framework to guide future research to provide systematic empirical evidence on the formulation, articulation, and implementation of grand challenges. We highlight several factors that likely enhance or suppress the attainment of collective goals, and identify representative research questions for future empirical work. In so doing, we aspire to encourage management scholars to engage in tackling broader societal challenges through their collaborative research and collective insight.



## SUSTAINABLE DEVELOPMENT FOR A BETTER WORLD: CONTRIBUTIONS OF LEADERSHIP, MANAGEMENT AND ORGANIZATIONS

Submission deadline: July 1 to July 30, 2018

**Guest Editors:** Jennifer Howard-Grenville (U. of Cambridge, UK), Jerry Davis (U. of Michigan, USA), Thomas Dyllick (U. of St. Gallen, Switzerland, CH), Chet Miller (U. of Houston, USA), Stefan Thau (INSEAD, Singapore) Anne S. Tsui (U. of Notre Dame, USA)

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### OVERVIEW

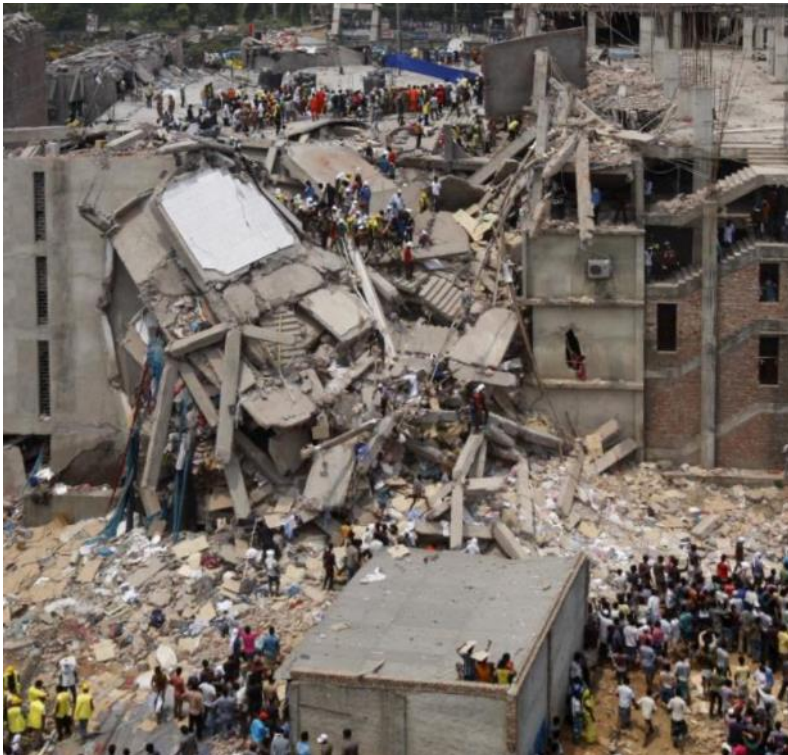
On September 25th 2015, all 195 member countries of the United Nations adopted a set of 17 “Sustainable Development Goals (SDGs)” to **end poverty, protect the planet, and ensure prosperity for all** as part of their new global “Agenda 2030”. Achieving these goals will require the concerted efforts of governments, the business sector, society, and individual citizens. Innovative leadership and management will be essential for organizations in any sector to integrate these development goals into strategic plans and operational activities in service of realizing the 2030 aspirations. The integration of SDGs into business strategies challenges traditional business practices including those that already address

*of Management Discoveries (AMD), “to promote exploratory empirical research of management and organizational phenomena that our theories do not adequately explain.”*

### Business and the Sustainable Development Goals

Business managers increasingly recognize that addressing sustainability issues delivers benefits to society, the environment, and to companies themselves, through reduced costs and risks of doing business, increased brand reputation, increased attractiveness to talent or increased competitiveness (Bonini & Bové, 2014; Kiron et al., 2013; Kiron et al., 2012; Haanaes et al., 2011; UN Global Compact &

## ○ Workers' rights




Article

### **After Rana Plaza: Building coalitional power for labour rights between unions and (consumption-based) social movement organisations**

**Juliane Reinecke and Jimmy Donaghey**  
The University of Warwick, UK



Organization  
2015, Vol. 22(5) 720–740  
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DOI: 10.1177/1350508415585028  
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 SAGE

## ○ Employee relations in global supply chains

### Global supply chains and social relations at work: Brokering across boundaries

**Juliane Reinecke**  
King's College London, UK

**Jimmy Donaghey**   
University of Warwick, UK

**Adrian Wilkinson**  
Griffith Business School, Griffith University, Australia

**Geoffrey Wood**  
University of Essex, UK

human relations  
2018, Vol. 71(4) 459–480  
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DOI: 10.1177/0018726718756497  
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### CHALLENGES FOR GLOBAL SUPPLY CHAIN SUSTAINABILITY: EVIDENCE FROM CONFLICT MINERALS REPORTS

YONG H. KIM  
GERALD F. DAVIS  
University of Michigan

The vertically integrated corporation of the 20th century has been replaced by disaggregated global supply chains across many industries. Dis-integration can reduce costs, but also limits the ability to monitor and control critical processes, including labor



## ○ Firms' pay practices and income inequality

### HOW FIRMS SHAPE INCOME INEQUALITY: STAKEHOLDER POWER, EXECUTIVE DECISION MAKING, AND THE STRUCTURING OF EMPLOYMENT RELATIONSHIPS

J. ADAM COBB  
University of Pennsylvania

Focusing on developed countries, I present a model explaining how firms help determine rates of income inequality at the societal level. I propose that the manner in which firms reward individuals for their labor, how they match individuals to jobs, and where they place their boundaries contribute to levels of income inequality in a society. I argue that the determinant of these three processes is due, in part, to the effect of systems of corporate governance on the power and influence of different organizational stakeholders, resulting in variance in the types of employment relationships that pr  
conclude with a discussion of the research implications of em  
employment practices as key determinants of societal-level inc





# Activists Focused on the Living Wage

- NGOs / CSOs are focused on Living Wage campaigns



## IN WORK BUT TRAPPED IN POVERTY

A summary of five studies conducted by Oxfam, with updates on progress along the road to a living wage



STRAWBERRY PICKING IN MOROCCO



TEA PLUCKING IN MALAWI



FLOWER PROCESSING IN KENYA



PRODUCT MANUFACTURING IN VIETNAM



GARMENT STITCHING IN MYANMAR

Rachel Wilshaw, Siobane Hamilton, Julie Thérour-Séguin and Daisy Gardener

The Cardiff University logo, featuring the word "CARDIFF" in white on a red background, with "UNIVERSITY" below it.

Cardiff Business School  
Ysgol Busnes Caerdydd

## The Living Wage Employer Experience

April 2017

Edmund Heery, David Nash, Deborah Hann

The Living Wage Foundation logo, featuring the words "Living Wage" in white on a blue background, with "Foundation" below it.

The Citizens UK logo, featuring the word "CITIZENS" in red and "UK" in white.

# Activists Focused on the Living Wage

- **NGOs / CSOs are turning to shareholder activism to raise concerns about the Living Wage**

## ShareAction»



### The Guardian

## City investors call on listed companies to pay living wage

Share Action campaign group has written to firms including Balfour Beatty and Vodafone



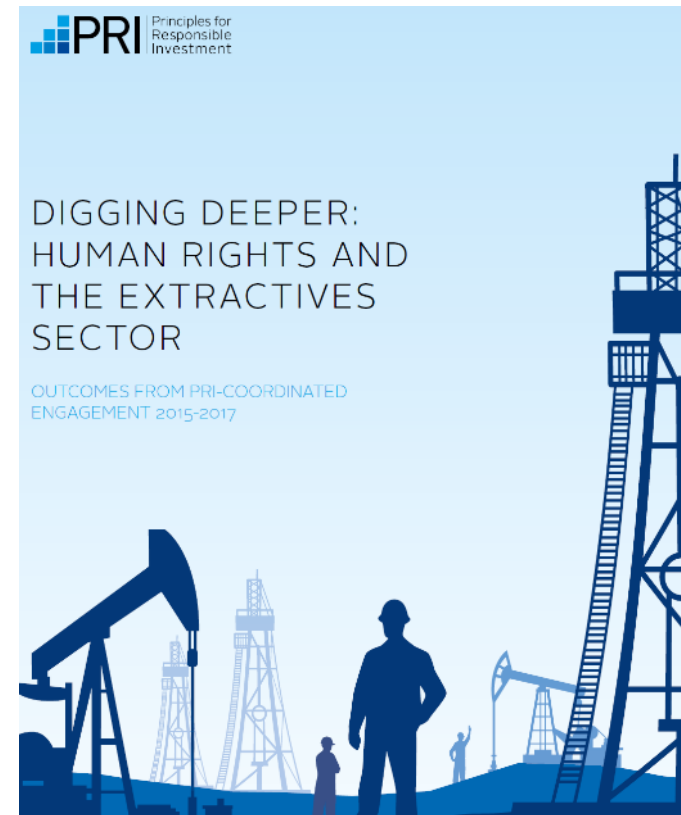
▲ A worker helps construct housing on a Bellway building site. The construction industry is particularly vulnerable to low pay, say campaigners. Photograph: Bloomberg via Getty Images

A group of City investors with assets worth more than £180bn has written to listed firms including Vodafone, Balfour Beatty and Severn Trent urging them to pay all employees a living wage.



# Investor Engagement on Worker Rights

- **Workers' rights are being viewed as a material issue for investors**



- 1. Academia is trying to engage more with the SDGs, especially on decent work**
- 2. NGOs / CSOs are continuing to encourage companies to improve their employment practices**
- 3. Investors are placing greater emphasis on workers' rights in their engagement with investee firms**

**Opportunities for collaboration between academics, civil society, investors, and business to promote the SDGs and decent work for all**

# Thank you!

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**Wheeler Institute for Business and  
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Kim, Y. H., & Davis, G. F. 2016. Challenges for global supply chain sustainability: Evidence from conflict minerals reports. *Academy of Management Journal*, 59(6): 1896–1916.

Reinecke, J., & Donaghey, J. 2015. After Rana Plaza: Building coalitional power for labour rights between unions and (consumption-based) social movement organisations. *Organization*, 22(5): 720–740.

Reinecke, J., Donaghey, J., Wilkinson, A., & Wood, G. 2018. Global supply chains and social relations at work: Brokering across boundaries. *Human Relations*, 71(4): 459–480.

## Other Publications

Living Wage Foundation: The Living Wage Employer Experience  
<https://www.livingwage.org.uk/news/employer-experience-living-wage>

Oxfam: In Work But Trapped in Poverty <https://policy-practice.oxfam.org.uk/publications/in-work-but-trapped-in-poverty-a-summary-of-five-studies-conducted-by-oxfam-wit-578815>

PRI: Digging Deeper: Human Rights and the Extractives Sector  
<https://www.unpri.org/social-issues/human-rights-and-the-extractives-sector/3426.article>

PRI: Moving the Needle on Responsible Labour Practices  
<https://www.unpri.org/social-issues/moving-the-needle-on-responsible-labour-practices-in-the-apparel-industry/472.article>

ShareAction: Workforce Disclosure Initiative  
<https://shareaction.org/wdi/2018-findings/>