



# Workers Sabay\*: Looking Back, Thinking Ahead- Best Practices and Lessons Learnt

\* Happy Workers



Project funded by the  
EUROPEAN UNION

## ACKNOWLEDGEMENTS

ACTED wishes to thank the European Union for funding the Workers Sabay project, Cambodia Hotel Association and Cambodia Restaurant Association for their partnership and support, and all of workshop participants for their valuable feedback on the project activities and Code of Conduct.

This document has been produced with the financial assistance of the European Union. The contents of this document are the sole responsibility of ACTED and can under no circumstances be regarded as reflecting the position of the European Union.

## WHAT IS WORKERS SABAY?



### Introduction

Workers Sabay: Labour Rights for Hospitality Workers is an EU-funded project implemented by ACTED and local partner Cambodia Food and Service Workers Federation (CFSWF) since 1<sup>st</sup> March 2014, until 30<sup>th</sup> April 2017.

Workers Sabay is a certification scheme that rewards hospitality businesses (bars, hotels, restaurants, spas) that

provide fair working conditions to their employees.

To obtain certification, hospitality establishments must comply with the Workers Sabay Code of Conduct, comprised of 9 articles and based on the Cambodian Labour Law.

Once compliant, businesses are certified and promoted on different local and international platforms, including magazines, ethical tourism websites, as well as the Workers Sabay website, interactive map and social media pages, so as to attract more tourists wishing to travel responsibly during their stay in Cambodia.



Certification of Park Café, February 2016

### Background

Although the 1997 Cambodian Labour Law provides hospitality employers and employees with clearly defined rights and responsibilities, the law itself is poorly implemented in businesses, leading to employee vulnerability and labour rights abuse in the workplace.

At the beginning of the project, ACTED conducted interviews with 144 employers and 702 employees in the hospitality sector. 42% of employees declared working 10-hour days or more, only 3% of respondents declared benefitting from one day off a week, with a majority of respondents (77%) benefitting from 1 or 2 days off a month. Whilst 60% employers declared having written policies, 77% of employees admitted not knowing what safety and health in the workplace consisted of.

This high level of non-compliance with the Cambodian Labour Law can be explained by a lack of governmental enforcement, lack of employer knowledge paired with a lack of human and financial resources within businesses to ensure correct implementation, supplemented by a lack of employee knowledge on their rights and responsibilities under the Labour Law. Moreover, many hospitality establishments in Phnom Penh are small to medium sized, family owned and run businesses; they do not have the resources or feel the obligation to provide staff with all of the benefits they are entitled to under the law.

In 2016, ACTED conducted a survey to assess Labour Law knowledge and

compliance within non-targeted hospitality businesses so as to update the information obtained in 2014. The study shows very low levels of both basic Labour Law knowledge (11%) and compliance (38%).

### The Workers Sabay Pilot Scheme

Piloted in Phnom Penh, Workers Sabay works directly with employers, engaging them to provide fair working conditions to their staff. This consensual approach provides them the opportunity and responsibility to adapt their contracts and policies according to the Code of Conduct, triggering sustainable behavioural change, and *in fine*, increasing Labour Law compliance.

The Code of Conduct was developed during the first year of the project in collaboration with a group of employers and employees, business associations Cambodia Hotel Association and Cambodia Restaurant Association, and relevant ministries (Ministry of Labour and Vocational Training, MoLVT, and Ministry of Tourism, MoT) to embody commonly defined minimal standards for fair working conditions. These include limited working hours, paid overtime, annual, sick and maternity leave, as well as policies on non-discrimination and prevention of harassment in the workplace.

The Workers Sabay cycle consists of 6 steps: business approach, employer training, one-on-one mentoring, certification, employee outreach, and monitoring of certified businesses.



1. Business Approach: The field staff visit businesses, introduce the scheme and invite owners and/or managers to join the employer training

2. Employer Training: Owners/managers join a one-day training session on the Cambodian Labour Law, the Workers Sabay scheme and the voluntary Code of Conduct

3. Mentoring: Programme staff provide one-on-one mentoring to businesses, assessing their compliance with the Code of Conduct and supporting them adequately (notably on policy and staff contract drafting) until they are compliant

4. Certification: Compliant businesses are pre-certified then certified by ACTED and Cambodia Hotel Association / Cambodia Restaurant Association

5. Employee outreach: Employees from certified businesses are provided with an outreach session on their rights and responsibilities under the Workers Sabay scheme

6. Monitoring: The ACTED monitoring and evaluation team performs monitoring visits to assess employees' knowledge of the Labour Law as well as businesses' compliance with the Code of Conduct.

The Workers Sabay certification is valid for one year, renewable upon a further monitoring visit. If non-compliance with the Code of Conduct is noticed during the monitoring visit and/or signaled by an employee of a certified business, the certification can be retrieved in accordance with the complaint response mechanism developed internally.

## ACHIEVEMENTS

Since 2014, the project has:

- ◆ Provided training to 337 employers (253 businesses) on the Code of Conduct and the Cambodian Labour Law;
- ◆ Provided one-on-one mentoring to 80 businesses, supporting them to draft staff contracts and internal policies, to sign up to the National Social Security Fund (NSSF), and giving advice on Labour Law compliance;
- ◆ Pre-certified and certified 74 business outlets, and aim to certify 100 by the end of the project implementation period;
- ◆ Provided 174 outreach sessions to approximately 1900 hospitality workers on their rights and responsibilities in the workplace.



Employer training, November 2016

## CHALLENGES

The Code of Conduct was developed in collaboration with public and private stakeholders; it was drafted with the aim to cover basic labour rights provisions that businesses could easily implement. Throughout the pilot implementation period, it became apparent that businesses found it more difficult than anticipated to comply with the Code of Conduct.

As a result, a large number of businesses dropped out of the programme between the employer training and mentoring phase, as well as throughout the mentoring phase. In total, out of 253 establishments trained, 80 proceeded to the mentoring phase, and 34 were effectively/ are expected to be certified, including a total of 104 outlets.

When asking the businesses what accounts for these drop-outs, the following reasons were provided:

- ◆ The business does not see the benefits of increasing Labour Law compliance compared to the cost of compliance (e.g: paying for overtime, annual leave, or providing staff one day off per week);
- ◆ The business perceives the requirements of the Code of Conduct as too numerous ;
- ◆ The business prefers providing the benefits of its choice rather than the ones required by the Code of Conduct (e.g: provision of motos for staff but not all public holidays provided and/or compensated);

- ◆ The business does not have the human resources to ensure compliance (e.g: drafting contracts, ensuring benefits, signing employees up to NSSF)
- ◆ Certain provisions of the Code of Conduct are perceived as too rigid for the sector (e.g: some businesses in the hotel sector claim they need to enable their staff to work more overtime due to night shifts)

Overall, most business who dropped out did so because of the perceived cost of compliance compared to the benefits it provides. These challenges were recorded and compiled over time; and were used as guiding principles for the organisation of the project's final workshop.

## FINAL WORKSHOP

### Purpose of final workshop

The objective of facilitating a final workshop was to bring together project stakeholders (employers, employees, members of businesses and organisations working in similar fields) to discuss the project's achievements and challenges, with an overall aim to provide ACTED recommendations for future implementation. Moreover, ACTED committed to share best practices, lessons learnt and recommendations with actors working in Labour Law compliance, corporate social responsibility (CSR), or setting up certification schemes, so as to enable them to learn from ACTED's experience.

### Workshop outline

The final workshop took place on 22<sup>nd</sup> February 2017 at Cambodiana Hotel. Participants included 15 businesses enrolled in the Workers Sabay project, 5 businesses working in similar fields, 7 CSO representatives, and one EU representative. They were asked to give their input and feedback through two participatory exercises: group discussion workshops and a post-it feedback activity.

#### i- Group Discussion

Participants were divided into three groups to discuss (i) The Workers Sabay

cycle, (ii) The Workers Sabay Code of Conduct, (iii) The employer training, mentoring, and employee outreach activities. After a 30 minute discussion, one participant from each group presented the group's findings in a plenary session, followed by Q&A.

#### ii. Feedback Activity

Throughout the workshop, participants were given the opportunity to answer the two following questions:

- According to you, what are the benefits of the project?
- How can we work together to increase Labour Law compliance in the hospitality sector in Cambodia?



Group discussion during final workshop, 22nd February 2017



Participants noted their ideas on coloured post-its which were then put up on a whiteboard, compiled by the organising staff, and discussed during a second plenary session.

### Challenges and Limitations

- ◆ Workshop participants were given limited discussion time; as a result, they were only able to address certain aspects of their topics;
- ◆ Total freedom of discussion was given to participants: topics discussed were the ones considered most important by workshop participants; and do not necessarily reflect the priorities of all programme participants;
- ◆ Approximately half of the workshop participants were not directly enrolled in the Workers Sabay scheme; rather, they work for businesses or organisations in related fields, notably CSR,. Whilst their general feedback on compliance shed light on new considerations, they could not directly comment on the project activities.

### Workshop outcomes and results

The workshop was successful in confirming certain challenges faced by businesses having joined the scheme, and shed light on other points that had not been raised by businesses and/or organisations during the project implementation period. The points raised included employer resistance to join the

scheme, compliance with the Code of Conduct, and the challenges faced with employee outreach.

### 1- Employer reticence to join the scheme

Employer reticence to join the first step of the Workers Sabay certification scheme (employer training) is often explained by a lack of understanding of the benefits of the scheme.

- ◆ The field staff who visit businesses to promote the scheme rarely speak directly with the business owners or general managers, but rather with operations staff. As a result, owners receive third party information about the scheme and do not understand the objective or the benefits of the project clearly. To overcome this, a sales package (comprised of two promotional flyers) was developed internally during the course of the project; however employers explained that they only really grasp the benefits of the programme when it is explained to them in person;
- ◆ Employers who show interest in joining the employer training are often unable to free their schedule for a whole day and unable to join the training in consequence;
- ◆ Certain employers are reticent to comply with the Labour Law as they perceive the costs as too high; these usually cannot be convinced to join the scheme.

## 2- The Code of Conduct

Participants discussed the different articles of the Code of Conduct; comments were made both on the benefits and policies mentioned.

### 2.1 Benefits

- **Leave**

The Code of Conduct mentions different types of leave: annual leave, special leave, maternity leave. Smaller, family owned and run businesses find it difficult to grant all types of leave to their staff. Moreover, certain employers claim they do not see the point of providing these benefits, as even when leave is granted to employees, they generally do not make use of it.

- **Overtime**

Certain businesses in the hotel sector find it difficult to grant only two hours of overtime a day, as they provide long overnight shifts, and staff usually demand to work extra hours. One business claimed that if they do not grant staff extra hours, they will quit their job and find another one that will enable them to work more in order to earn more money; they therefore enable extra overtime for staff retention purposes. Businesses in the restaurant sector find it simpler to comply with the CoC's overtime requirements as shifts are shorter.

Only one business manager claimed they found it very simple to follow the Code of Conduct– claiming Cambodian Labour Law is based on European

Labour Law, and therefore very similar to implement. This shows a gap in perception between certain owners who see the application of Labour Law as compulsory, and others who perceive compliance as hindering profit.

### 2.2 Policies

- **Employer-employee communication**

Businesses claim that even if employer–employee communication policies are included in the business' internal policies, the staff will not usually dare speak to their managers when they face an issue in the workplace. Staff are either directed to the human resources or administration department, however the problem they face is at times directly linked to those departments. Overall, this challenge was pinned down as a cultural barrier; it is not perceived as natural for staff to talk to their employer when they have a problem.

- **Prevention of harassment in the workplace**

Participants debated the feasibility of implementing a policy preventing harassment in businesses in the entertainment sector, such as beer gardens and karaokes (KTVs), where harassment rates, notably towards female entertainment workers, are particularly high. Certain businesses claim the costs of stopping harassment in entertainment establishments would be too high compared to the benefits of following the Labour Law and signing up to the project. This was not raised as an issue for businesses in other sectors.

- **Occupational Safety and Health (OSH)**

Employers brought up the issue they face in implementing OSH practices in their businesses as no practical guidelines on OSH currently exist. Most of them are unaware of what practices they should be implementing in order to increase staff safety and/or comply with the Labour Law on this matter.

- **Training**

Due to the time consuming and costly nature of providing training to staff, supplemented by staff turnover, certain employers claim they cannot enable

their staff to benefit from training outside the internal training they obtain.

- **Employee Outreach**

Employee outreach sessions provided by ACTED upon compliance with the Code of Conduct are perceived as positive by businesses and organisations as they promote employer-employee communication, have the potential to reduce conflict in the workplace and influence employees to work more productively, leading to staff promotions, an increase employer and employee revenues, and *in fine*, to contribute to the general growth of the economy.



Group presentation during final workshop, 22nd February 2017

However, businesses stressed certain difficulties regarding employee outreach:

- ◆ Certain businesses show resistance to the provision of outreach sessions to their staff, as they are time consuming and require them taking a break from their jobs. To overcome this, ACTED has reduced the number of outreach sessions from three to one, which is usually provided to the staff in small groups;
- ◆ Employers who have provided training on benefits and/or have had training provided by ACTED and/or by another organisation claim that staff do not remember the training content over time;
- ◆ Businesses insist that it is important to stress employees' responsibilities in the workplace as well as their rights; a lot of them face challenges with staff accountability and responsibility. For instance, staff members often do not respect their notice period if they decide to quit their job.

Overall, the feedback obtained through the project implementation period and the feedback obtained during the final workshop complemented each other. Participants in the final workshop were able to provide numerous suggestions, which were recorded, compiled, and added on to existing internal and external recommendations for the project.

## **RECOMMENDATIONS**

### **Increase the appeal of the Workers Sabay certification scheme**

Businesses enrolled in the Workers Sabay scheme and workshop participants agreed that, to build upon the pilot project and increase the number of certified businesses in a second phase of implementation, the scheme needs to appear as more appealing, through the creation of a network of businesses and an increase in service provision and visibility.

### **Create a network of businesses**

Participants suggested the Workers Sabay scheme would be stronger if a network were created between certified businesses and those wishing to join/ currently enrolled in the scheme. Certified businesses could be showcased as role models to businesses wishing to be certified through the organization of study visits. This would be beneficial for all parties; certified businesses would benefit from increased promotion and non-certified businesses would benefit from hands on information, which would then increase their interest and trust in the scheme.

### **Increase visibility of certified businesses**

Whilst ACTED ensures the promotion of businesses on local and international tourism platforms as well as on its own website and social media pages, certified individual businesses are not promoted extensively, due to this being a pilot project and thereby having limited budget.

Businesses and organisations stressed that businesses need to benefit from higher visibility in order to increase the appeal of the programme.

**Increase the services provided**

Participants suggested increasing the services provided to the businesses enrolled in the scheme. Instead of focusing on supporting businesses to draft contracts and policies and to sign up to NSSF, the programme could offer more comprehensive services, such as the provision of in-depth advice on the Labour Law, and/or on broader thematic such as CSR or OSH.

**Increase recognition of the scheme**

According to certain participants,

certifications would greatly benefit from recognition at a higher level. This could be achieved by getting a consortium of public and private stakeholders, including CSOs, ministry, business association and economic council representatives, to sign the certificates.

**Further adapt employer training to business' needs and constraints**

The employer training could be further adapted to employers' needs and time constraints. Instead of a one day session, the training could be cut down to a half day, making it more accessible to owners and managers. Participants also suggested providing more precise information surrounding the benefits of the programme and more advice to businesses during the employer training.



Mentoring with Express Food Group, February 2016

### Provide refresher employee outreach sessions

Employers suggested ACTED follow up with certified businesses every three to six months to provide refresher outreach sessions to employees, so as to make sure long term staff remember the information provided regarding their right and responsibilities at work, whilst making sure new staff are also trained.

### Provide practical OSH guidelines

Participants expressed a need for detailed, practical guidelines to implement OSH practices in their businesses and organisations. ACTED could compile such guidelines, based on international best practices, as an additional Workers Sabay service.

### Ensure sustainability of the scheme

The issue of the sustainability of the programme was brought up. As a pilot project, the scheme cannot be sustainable at this stage; however participants suggested ensuring sustainability of the certification scheme

upon a second donor-funded implementation period by creating a membership-based enterprise which would ensure support services to businesses, certification, promotion and quality control of the label. This solution would be ideal to ensure sustainability of the scheme however other sources of income would need to be secured to fund all of the aspects of the scheme accordingly.

## CONCLUSION

As the pilot phase of the Workers Sabay scheme reaches an end, it has been insightful to look back on achievements and challenges faced. The feedback collected throughout project implementation and during the final workshop are paramount to improve future implementation and increase the impact of Workers Sabay as a whole. The takeaways can also be used by other actors working in the fields of Labour Law compliance, corporate social responsibility, or wishing to set up a certification scheme, by providing guidance for their projects.

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