



SOCIAL ACCOUNTABILITY 8000 STANDARD AS A CONTEMPORARY CHALLENGE IN HR MANAGEMENT

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ABSTRACT

This study is aimed at presenting the requirements of the Social Accountability 8000 standard as the only certifiable standard in the corporate accountability area. Standard implementation is a significant challenge for many entities. This article discusses the areas where SA8000 implementation is most difficult and offers some practical tips, useful for further standard implementation. Workplace relations and care about the business ethics should be the foundation of any responsible business operations.

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INTRODUCTION

Each entity, to adapt to permanent changes in its environment, should benefit from any opportunities and values promoting development. It is impossible to neglect here the significance of intellectual capital for the development of contemporary organisations operating in the global economy conditions. Implementation and maintenance of standardised ethical processes in human resource management becomes a key challenge for a growing number of organisations. A well-known collection of practices and guidelines, offering an opportunity to apply them voluntarily, is PN-ISO 26000 standard called "Guidance on Social Responsibility", being a guide for organisations with respect to applying the rules of social and environmental accountability. This publication is devoted to the significance of the Social Accountability 8000 standard (hereinafter referred to as SA8000 standard) for creating and shaping ethical culture supported by an efficient

management system. This standard is restricted to a workplace and, as opposed to the above-mentioned PN-ISO 26000 standard, is the only certifiable standard in the social accountability area. The comparison of both standards' initiatives comprises surely human rights, labour practices, fair operating practices, social accountability identification, identification and involvement of stakeholders, corporate social accountability understanding, improving reliability referring to the social accountability, overview and improvement of organizations' actions and practices related to the social accountability (PN-ISO 26000).

It should be stressed that the SA8000 standard discussed is a relatively new tool for ethical culture management in Polish entities (the total number of SA8000 certificates in Poland is ten (SAAS 2015)). Its implementation is not easy which is why it is worth devoting special attention to it. This article is an overview but still enables every organisation to implement many standard requirements based on the author's experience gained during the implementation and improvement of the management standard discussed. It presents the foundations for meeting specific standard requirements and offers valuable tips for efficient implementation of more difficult standard aspects. This publication helps to face the challenge of SA8000 standard. It is also addressed to those who have not had the chance to read the standard, but are eager to create the ethical culture in their organisation.

The Social Accountability 8000 Standard was created with a view to ensuring implementability worldwide. It refers to employee rights and is the only certifiable CSR standard, comprising ethical and employee-related aspects, with global recognition. Its purpose is to protect all employees participating in the product manufacturing process or providing services for the company. It refers to the personnel employed directly by the company and by its suppliers/subcontractors and subsuppliers, as well as to the ones doing outwork. By definition, an outworker is a person bound by the agreement with the company, supplier, subsupplier or subcontractor who does not do work in their facilities (SA 8000. Polish Guideline 2013). Another important aspect is strengthening the employee's position in the area subject to corporate impact and control. The standard is based on national regulations, Conventions of the International Labour Organisation and international human rights.

It should be pointed out that in Poland many aspects are governed by the labour law but in some areas the standard is stricter than the Polish regulations. This is the case for the delivery chain which needs to be checked under the said standard. In this respect SA8000 may be a valuable tool for building global security and transparency of international delivery chains. This has become immensely important because of the globalisation. A company may have an unverified supplier who violates basic regulations, e.g. by using penal or child labour which is not permitted by the standard. Under SA8000, the recipient needs to control the supplier and know how they operate. Surely, not all areas covered by the standard refer directly to the Polish business. However, some problems, e.g. gender discrimination, can be applicable. SA 8000 standard can be very useful in the Polish conditions as although the law governs also ethical aspects, there are numerous deviations in companies. Standard implementation and detailed verification of all its requirements is a valuable tool for the entity to revise the existing management system in terms of labour ethics and, at the same time, to complement the missing system components. Many organisations develop ethical reports which can be

found on the Internet. For the report target readers, it is of key importance to authenticate the information included therein which is why SA8000 requirements are checked e.g. by the so-called evidence-based certification body audits. Standard requirements' application is verified universally, regardless of the company size, its geographic location or sector it operates in.

Compliance with the social accountability requirements specified in SA8000 will enable the company to (SA 8000. Polish Guideline 2013):

- establish, implement and maintain policies and procedures enabling to manage the issues which it can monitor or control;
- demonstrate to the stakeholders in a credible way that the existing corporate policies, procedures and practices comply with the standard requirements.

Basing on the statistics, SA8000 is certified mostly by companies with 51 to 250 employees and those with 1-50 employees. Somewhat more rarely, the certificate is applied for by large companies, with more than 251 employees. The range of SA8000 standard expressed as the number of employees is presented in Table no. 1 while the certificate structure broken into the represented countries and industry in Table no. 2.

Table 1 SA8000 expressed as the number of employees (as at 31 March 2015)

Number of employees	Number of certificates	Total
1-50	964	28%
51-250	1,242	37%
251-1000	760	22%
>1000	394	12%

Source: *Social Accountability Accreditation Services* [on-line], 2015 [Accessed 14 July 2015]. Available in World Wide Web: <http://www.saasaccreditation.org/certifacilitieslist>.

Table 2. SA8000 and the number of certificates (as at 31 March 2015)

Number of certificates, including:	
total number of employees	18 911 163
represented countries	74
represented industry	65

Source: *Social Accountability Accreditation Services* [on-line], 2015 [Accessed 14 July 2015]. Available in World Wide Web: <http://www.saasaccreditation.org/certifacilitieslist>.

For the efficient implementation and certificate of SA8000 standard, it is worth paying attention to the standard structure, including but not limited to its areas requiring greater involvement of the management team and employees in its implementation within the company.

STRUCTURE OF SA8000 STANDARD

SA8000 standard is based on eight aspects, i.e.: child labour, slave labour, occupational health and safety, right to organise and collective bargaining, discrimination, disciplinary practices, working hours and wages. The scope of SA8000 requirements is presented in figure no. 1.



Figure 1. Scope of Social Accountability 8000 standard

Source: *Standard Social Accountability 8000*, materials from the project called "New HR Solutions as a Key to Increase Adaptability of Polish Companies", developed by Pracodawcy Rzeczypospolitej Polskiej, Crido Taxand Polska, 2014.

Child labour

The first problem discussed by the standard is child labour. This item states that the company shall not support or get involved in using child labour. A child is any person below 15 unless the local regulations specify a higher minimum age to start work or finish school. In such circumstances, a higher age level shall apply (SA 8000. Polish Guideline 2013). Moreover, it shall not expose children or adolescent workers to any hazards, incompliant with OH&S or posing a threat to health in the workplace. An adolescent worker is any worker above the child age defined above before their 18th birthday (SA 8000. Polish Guideline 2013). In Poland, this area is clearly regulated by law, but in some countries the practices of employing children or adolescent workers are frequent which is why this requirement was included in SA8000. Despite numerous existing legal regulations in this respect, the practice is to implement a procedure to discover child labour aimed at ensuring that firstly, there is no child labour in the organisation or in its suppliers and sub-suppliers and, secondly, at efficient management of remedies if any child labour was identified in the company, or in the business of its suppliers or sub-suppliers. According to the standard, the company may employ adolescent workers but when they are still at school, they may work solely outside the school hours. The total time for school learning, work and transport shall not exceed 10 hours a day. They shall not work more than 8 hours a day. They cannot work at night. Slave work is defined as any work done by children meeting the definition for a child, outside the cases

stipulated by the Recommendation of ILO no. 146 (SA 8000. Polish Guideline 2013). Implementing SA8000 within the applicable corporate policies and procedures, it is worth including a formal requirement to verify the candidate employee age in the management system.

Implementation of the standard requirement concerning child and adolescent labour is covered e.g. by Cieślak, Różycka (2014):

- efficient information for the personnel and other stakeholders about the policy and procedure rules with respect to remuneration for child labour;
- ensuring appropriate financial and other support, e.g. by employing the closest available relative of the child or ensuring a financial aid to cover the lost earnings of the child or by offering support at founding an educational facility;
- the total time for school learning, work and transport shall not exceed 10 hours a day for any adolescent worker on any account;
- adolescent workers must not work at night. The standard permits to use the regulations of national labour codes to determine the definition of overtime, should those be stricter;
- hazards at work that is non-performance of hazardous activities, e.g. lifting heavy loads not proportionate to their build, operating heavy equipment, producing weapons, contacts with violence-promoting objects and any other activity likely to threaten the physical and mental health and development of children and adolescent workers.

Slave labour

Meeting the requirements of SA8000 standard defined in the section devoted to slave labour, the company shall not support or get involved in using any slave workers for any tasks, that is works or services which were not offered by a given person voluntarily and this person is forced to do on the pain of punishment or retaliation or which are required from the said person to repay their debt (SA 8000. Polish Guideline 2013).

Practically speaking, this means also that neither the company nor any entity providing workforce to the company shall withhold any portion of the remuneration, benefits, property or documents of the personnel to force them to continue work for the company's benefit. Moreover, the personnel shall be entitled to leave the workplace after the standard working day is completed and to terminate employment if the reasonable term of notice is ensured.

During the implementation, it is worth checking if the said practices are not identified and also informing the personnel responsible for employing new workers about the said limitations.

Occupational Health and Safety

It should be stressed that the problem of the occupational health and safety is one of the most developed requirements of the standard. This is especially apparent during this area verification in the course of external audits by the certification bodies. The problem of the occupational health and safety comprises offering and meeting legal requirements

related to the occupational health and safety for a given job and ensuring proper hygiene and sanitary conditions (clean sanitary and staff facilities, drinking water etc.).

One of the most difficult components when implementing this area is efficient actions to prevent any accidents and health impairment of employees resulting from, related to or occurring during work and to create a system for detecting prospective hazards for personnel health and safety, their avoidance or reacting to them. Obviously, the records documenting the accidents in the workplace as well as in the facilities controlled by the company are required for that purpose. It is worth offering a communication tool to employees and to instruct them how and when they should report near misses and incidents to their superiors.

An additional obligation of the company in the efficient implementation of this standard component within its business is to appoint a senior management representative, accountable for ensuring safe and healthy work environment for the whole personnel and for implementing the OH&S components included in SA8000 standard.

Another obligation of the company is to ensure personal protection equipment, access to clean toilets, drinking water and sanitary conditions for food storage (wherever required). Implementing this component of the standard, besides a general analysis of OH&S hazards, it is necessary to carry out risk assessment for young and future mothers as a result of their work. The company needs also to plan actions to minimise the identified risk. This requirement is to ensure that young and future mothers have appropriate protection by identifying that some tasks may be especially hazardous to their health and safety. The company is obliged to communicate the results of such an analysis to its employees.

Surely, the implementation of the standard section devoted to the occupational health and safety is not a serious challenge for a company possessing an OH&S management system to PN-N 18001, though for other companies it needs special attention and additional activities during the implementation process.

Right to organise and collective bargaining

According to the standard, the company should inform the personnel effectively of the ability to join or create a trade union. Starting such communication, it is necessary to explain to the personnel clearly that joining or creating a trade union will have no adverse effects for any employee. Practically speaking, training employees on the assumptions and requirements of SA8000, it is worth reminding the employees of their right to join any trade union of their choice again. Moreover, also new workers should be informed thereof, regardless of the kind of their employment. Such information can be passed e.g. during induction training organised by the company for new employees.

Discrimination

Implementing this component of the standard means that the company will not support or get involved in any discriminatory actions related to its employees (including employment opportunities, remuneration, availability of training, promotion, employment termination or retirement, based on racial, national or social background, social group, caste, religious beliefs, disability, gender, sexual orientation, family obligations, marital

status, trade union membership, political beliefs, age or any other factors likely to be grounds for discrimination).

With a view to increasing the awareness of managers in this respect, it is worth organising training for managers and employees on anti-discriminatory actions in the workplace, in line with the practices, code of conduct or most frequent problems in the company.

Disciplinary practices

The grounds for meeting the requirements related to the disciplinary practices is treating all employees with dignity and respect. The company shall not allow for or get involved in any corporal punishment, mental or physical coercion, or verbal insults towards the employee (SA 8000. Polish Guideline 2013). The above-mentioned prohibited disciplinary actions are widely practised and accepted in many cultures. This culturally-grounded acceptance does not abolish the prohibition to apply such actions by the local law (in some cases) and by SA8000 (in all cases).

The intent of this standard is to ensure the candidate or existing workers are aware of the disciplinary policy and procedures in sufficient details. They should be informed of any conduct resulting in disciplinary actions and negative evaluation of the employee. Employees must have defined disciplinary rules in writing, including the appeal measures for employees who do not accept punishment imposed by the employer or a negative evaluation of their work.

The phrase "the company shall not get involved in" was extended to "the company shall not *accept or* get involved in". Thanks to that, the standard prohibits the companies explicitly to use the services of employment agencies or suppliers involved in disciplinary practices unacceptable under SA8000. The employer's obligation to respect this prohibition fully does not finish behind the company's doors.

Working hours and remuneration

An important role in relations between the employer and employees is played by aspects related to working hours and remuneration (chapter seven and eight of SA 8000 standard). The standard is aimed at restricting the widespread practice of working time abuse, especially in reference to overtime. The rule, advocated by the standard, that overtime work must be actually and clearly voluntary in most cases needs to be taken highly restrictively. Implementing this section of the standard, the company should check if the working time of any employee exceeds the level indicated in the standard (overtime work should not be more than 12 hours a week and should not be provided on a regular basis). If such situation occurs, the organisation needs to analyse the reasons for such occurrence (e.g. poor labour organisation, excess number of tasks for a limited staff etc.). In such circumstances, it is worth developing a remedy plan to reduce the number of overtime hours.

The implementation action initiated can be e.g. to introduce a procedure based on which each case of exceeding the overtime limit would trigger a response from a person accountable for managing compliance. This person would try to investigate the causes

of such exceeding and instruct the person exceeding the limit and their manager that such a practice is incompliant with the rules adopted by the company.

If the company has an additional work recording system, it is worth checking the work records of all employees.

Implementing this section of the standard, it is necessary to verify local legal regulations referring to working time and rest of employees, including the employees during business trips (Crido Taxand 2014).

It can be observed that with respect to remuneration SA8000 standard is similar to the guidelines on the social responsibility of ISO 26000 which recommends the organisation should strive to achieve balance between professional and private life. It is possible provided the company offers conditions comparable to the ones offered by similar employers in a similar location – wages and other remuneration forms compliant with the local law and regulations or provisions of collective bargaining agreements. The company shall ensure also that the remuneration received for a standard working week always meets at least the legal or sector minimum requirement and is sufficient to meet the basic needs of the personnel and offer some additional income. This means the organisation should consider the general remuneration level in the territory, subsistence costs, social security benefits and standards of living in other social groups. According to the requirements of SA8000, the company shall respect the employees' right to remuneration satisfying at least the lower subsistence limit. Remuneration satisfying at least the lower subsistence limit means a remuneration thanks to which the employee, having worked a standard working week, is able to satisfy one half of the basic needs of an average family, given the local prices near the workplace (SA 8000. Polish Guideline 2013).

Additionally, the company should verify transparency of information on the rules concerning remuneration and benefits to ensure the employees understand them.

Management system

Having met eight initial conditions mentioned above, performance of section nine of the standard can be initiated, aimed at efficient control of compliance with the standard requirements. It should be pointed out that the proper management system is a foundation for good implementation of SA8000 in the organisation. This last section defines the management system referring to the social accountability, that is:

- social accountability policy;
- system planning and implementation;
- system operation monitoring;
- management overview;
- check of suppliers/subcontractors and subsuppliers in relation to their compliance with the social accountability rules;
- corrective and preventive measures;
- internal and external dialogue (communication).

It should be pointed out that the proper management system is a foundation for good implementation of SA8000 in the organisation. The implementation process frequently entails creation of new functions in the company, e.g. a representative for employees on SA8000, or competence extension of some employees, e.g. the representative

of senior management, introduction of changes to the existing documents or development of new procedures and instructions. A solution can be e.g. implementation of the Management System Log Book compliant with the requirements of SA8000. This is not, however, a standard requirement but only a solution facilitating its implementation.

As in many other management systems, before their implementation at the early stage, it is recommended to publish a System Implementation Declaration for a system compliant with SA8000. The standard offers a detailed description of senior management obligations to be included in the policy declaration (SA 8000, Polish Guideline 2013). The document should be in writing, in employees' language, in a noticeable place and a place it will be visible from and which is located within the company premises. The corporate policy should be made public efficiently so as it is known to all employees and key stakeholders of the company. It can be included e.g. in the SA8000 Management System Log Book and on the corporate website. The applicable policy rules shall be provided at every request of stakeholders.

To facilitate communication with the senior management in aspects referring to SA8000, 2008 standard recommends appointing an employee's representative for SA8000. This needs to be a person selected from among the organisation employees which is why the choice is made by employees other than managers. The stress on the decision-making competence, as illustrated by the phrases "employees have the right to representation" and "employees can select their representative for SA8000 from among themselves" ensures that the organisation understands the employees have the right to decide if they wish to be represented by their representative and if so, in what way. The employees can also decide not to appoint any representative for SA8000 or to appoint some representatives. Each decision shall be made by recognised trade unions or by direct elections. The key notion here is that their choice is what matters (SA 8000, Polish Guideline 2013). The role of the person accountable for communication between employees and managers related to SA8000 is the only role to be played by the employees' representative. This role and representative is not and cannot be an equivalent of trade union. S/he cannot also assume any trade union obligations.

As in most management systems, SA8000 standard requires the senior managers to carry out periodic Management Overviews. The basis is the overview of policy, procedures and results of organisation action related to meeting SA8000 standard requirements and other requirements stipulated by the company. The objective is to determine the applicability, adequacy and efficiency of the system. Contrary to other management system, the standard does not require any internal audits. The organisation should, however, develop a system for responding to issues and initiate corrective measures, ensure external communication and involve stakeholders.

Discussing chapter nine of the standard, it is necessary to stress an aspect related to monitoring suppliers/subcontractors and subsuppliers. Other ISO management systems also require to determine the criteria for supplier selection and evaluation, but SA8000 is much more rigorous. The organisation should keep records referring to the obligations of suppliers/subcontractors in terms of social accountability. Practically speaking, those are written obligations of the entity to comply with all requirements of SA8000 standard and to require the same from its subsuppliers, to monitor and identify major causes and implement immediate corrective and preventive measures, to inform of any significant business relations with other suppliers/subcontractors and subsuppli-

ers. Starting a system certification procedure, it is important to develop a documented procedure for supplier/subcontractor evaluation and selection (SA 8000, Polish Guide-line 2013). To meet the standard requirements, companies develop codes of conducts for suppliers, including SA8000 areas, organisation policy related to the code implementation among suppliers. The practices applied include also systematic inquiries of companies to their suppliers in relation to specific standard components, or, more exactly, what actions the supplier initiates in the delivery chain to improve their ethical system.

SA8000 STANDARD IMPROVEMENT

The contents of SA8000 are revised every five years. The revisions are to ensure continued adequacy in the constantly changing conditions. In this way the standard follows the changes and changing expectations of stakeholders, and introduces new solutions based on the previous implementation and system auditing. The fourth version of SA8000 was published by Social Accountability International in 2014 in cooperation with a wide group of stakeholders, with revisions and public consultations. The attachment with the SA8000 Requirement Fulfillment Indicators presents a list of the minimum requirements to be met by any organisation intending to enter the certification process.

Important amendments to the standard include improved precision of terms, with the new definitions and expressions concerning corrective and preventive measures, incompliance with the existing standard, stakeholders' involvement, using the services of employment agency, risk assessment etc. Such terms as "a company" and "an employer" were replaced by "an organisation" which increases the available scope of certification. The attachment with the SA8000 Requirement Fulfillment Indicators presents the expectations of organisations which wish to declare compliance with the requirements of the above-mentioned standard. It is a list of the minimum requirements to be met by any organisation intending to enter the certification process. It seems that the said document will enable organisations, consultants and auditors to introduce solutions explicitly considered able to result in efficient implementation of the standard requirements and to reduce threats related to the workplace and in the delivery chain. Development of clear criteria for SA8000 comparison with other social accountability indicators can be of crucial importance for the companies which can be classified as buyers or standard-establishing entities in the delivery chain. Here, it is worth reminding that SA8000 standard appeared when there were individual codes of conduct on the market, dedicated primarily to production entities. The above-mentioned set of indicators results from accepting the most frequently adopted interpretations of standard requirements and comparing with the indicators popularly used by other organisations.

A substantial change in the updated version of SA8000 is a greater stress on the dialogue between employees and the employer by the obligation to appoint an OH&S Committee (3.5) responsible for continuous improvement of OH&S conditions in the workplace and by the detailed explanations referring to the work environment and related accountability. The Committee is composed of a well-selected group of managers and employees. The management system was developed and includes a requirement to appoint a dedicated Team for Meeting Social Requirements, composed of an Employees' and management representative accountable for the appropriate standard imple-

mentation. The stress on risk analysis and introduction of measures responding to those risks was increased. In the revised standard, greater attention was devoted to system-based actions, including but not limited to the schedule of employee training and monitoring its efficiency within the management system. Also the central role of the management system area was emphasized (Crido Taxand 2014).

CONCLUSIONS

As in most management systems implemented, also for implementing the Social Accountability SA8000 standard, employee training is a must as it improves employee's awareness related to the standard and the actions to be implemented by the company. The training should be aimed at acquiring information and analysing various issues brought by employees in other ways than via hotline channels frequently used by companies where employees can report their doubts and suggested changes. An important aspect when implementing and improving the systems is also the interdisciplinary nature of the implementation team which enables to involve many people and, at the same time, improve efficiency of the project.

To sum up, it should be stressed that workplace relations should be considered one of the most important areas of CSR. Care about the ethics should be the foundation of every accountable company operations. The analysed Social Accountability 8000 standard can be grounds for building ethical culture supported by an efficient management system. It is relatively universal which is why it can be implemented in many companies with various organisational forms. Many Polish companies have no standards implemented but care about following ethical standards. The standard discussed cannot, therefore, be considered the sole tool for ethics management. Certificate of compliance with SA8000, though so important from the social perspective, cannot win in tough business conditions where the interests of different delivery chain participants come to play. Obviously, thanks to the certificate the organisation has an unquestionable argument that it really carries out its operations based on the social accountability rules. It should be emphasized that it is important to apply the business ethics on a daily basis, any time, and the standard discussed can be only a pattern and help in improving the actions in this area. It is worth promoting business ethics and remembering that the application of any ethics-related standards is just an introduction to the overall management of ethics in any company.

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