

Case studies of collaborative supplier capability building

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The world's largest technology company

- \$118 Billion in 2008 (Fortune 9)
- > 300,000 employees
- \$65 billion supply chain
 - Deliver 1 printer & 3 PCs every other second
 - 7500 servers / day
 - Over 10,000 active SKUs, with high refresh rate
 - Over 500 manufacturing and distribution suppliers



Leading the industry in sustainable supply chain practices

- Supplier Code of Conduct in 2003
- Co-creator of Electronic Industry Code of Conduct in 2004
- Published supplier list in 2008
- Publish carbon dioxide emissions data of largest suppliers in 2008
- >500 audits conducted to date
- Supplier capability building



Case study 1: Multi-stakeholder worker-rights training in China

“This two-year project can be very important for the sustainable development of the global electronics industry. It shows a way for a new CSR practice with multi-stakeholder collaborations”. Chantal Peyer – Bread for All



Challenge	Solution	Outcome
<p>Factories lack effective worker management communication systems that empower workers to safely participate and feedback into factory operations</p> <p>Workers are not sufficiently aware of their key rights and responsibilities</p>	<p>Worker training project pilot with two HP suppliers and the support of a local worker-training NGO in China. The training covered:</p> <ol style="list-style-type: none">1) Raising labor rights awareness2) Establishing worker hotlines3) Tailored instruction for worker representative committees4) Counselling skills and techniques for organizing communications programs.	<p>Training reached over 4,000 workers, helping them understand their labor rights and giving them a channel for communicating concerns.</p> <p>The trust formed between the supplier, HP and the NGOs strengthened the project and ultimately was key to its success.</p>



Case study 2: Productivity through improving women's health in Mexico

For every **US\$1 invested** in women's health, one Bangladeshi factory saw a **US\$3 return** through higher **productivity**, lower turnover and reduced absenteeism



Challenge	Solution	Outcome
<p>The general and reproductive health needs of women working in the electronics industry were going unmet.</p>	<p>BSR "Health Enables Returns" (HER) Project launched in 2007.</p> <p>Factory-based awareness training followed by peer-to-peer health knowledge sharing.</p> <p>In 2009 HERProject in Mexico was active in two factories owned by HP suppliers in Ciudad Juarez.</p>	<p>In one factory: 47 women (peer educators) were trained, and they shared their knowledge with 1,090 (or 94%) of their female co-workers.</p> <p>22% increase in female workforce who expressed supplier was a good workplace</p> <p>Increase in knowledge regarding sexually transmitted infections, especially Hepatitis B & C (+22% and +24%) and HIV/AIDs</p> <p>Expanding to China</p>



Summary

- Challenges in a global network of suppliers vary
- Phased system of assurance
 - supplier auditing
 - corrective action management
 - focussed supplier capability building
- Involvement from local stakeholders adds value and builds legitimacy
- Collaboration enables greater impact than working alone



Q&A

