

Implementation of Human Rights at Work Place: an Innovative strategy for achieving inclusive sustainable growth in organizations – A Case of Coca-Cola and ITC , India Ltd.

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ABSTRACT

Today in the competitive environment it is essential for an organization to sustain growth and survive in the rat race. For this , organizations use and apply a number of strategies. One such strategy worth mentioning is achieving human rights and implementing them in such a manner which would result in improving the employee satisfaction and his performance leading to an improvement in the overall performance of the firm and achieving industrial growth and peace.

New York Times noted as early as 1999 that “ the ideal of universal human rights is one of the most important political legacies of the century ”. Many debates have been initiated on the above issue and one of the most significant is the increased recognition of the link between business and human rights.

The recently adopted Guiding Principles for the Implementation of the United Nations ‘Protect, Respect and Remedy’ framework places an obligation and responsibility on businesses to respect human rights . Further now-a-days it is envisaged that corporates should periodically hold awareness sessions on human rights for their employees as well. Thus organisations need to value relationships with their employees to foster open and inclusive workplaces that are valued and inspired to be the best they can be in a given culture and climate . This is the essence of practically establishing healthy industrial relations and not simply as required by statutory laws.

Thus issue of human rights is central to good corporate citizenship and to a healthy bottom line. Today, human rights is a key socio-economic performance indicator for corporations all over the world whether in public or private sector. In this context the case of Coca-Cola and ITC India Ltd. is worth consideration.

Key Words: Human rights, implementation, employee satisfaction, performance, inclusive sustainable growth

Introduction

To survive in the fierce competitive business environment of this century , organizations use and apply a number of strategies like achieving human rights and implementing them in such a manner which would result in improving the employee satisfaction and his performance leading to an improvement in the overall performance of the firm and achieving industrial growth and peace.

Promoting equality, human rights and inclusive working can help to increase productivity, improve motivation and retention, and provide an inclusive and adaptable service to customers and clients. Many people spend more working hours at work than at home. Hence getting relationships right in the workplace leads to right relationships in the wider community as well. Incorporating inclusive

working into the key values of an organisation can therefore have a threefold effect:

- 1) Betterment for business,
- 2) Good for staff, and
- 3) Good for the community around oneself.

Literature review

Roy Adams defines human rights – “ *Every person is entitled to certain fundamental rights, simply by the fact of being human.* ” In other words all human rights spring from one and only source , and that is Human Dignity.

Human rights standards have been established by international agreement as detailed in The Universal Declaration of Human Rights' (UDHR) . A number of these human rights standards can be applied in varying degrees to the private sector. They can be categorized as follows:

- Principles that directly affect a business' employees
- Principles that involve a company's business partners, and their employees, both in the public and private sector
- Principles that affect the community and general human rights environment in which a company operates
- "Hybrid issues" that may implicate a company and public institutions to various degrees, or may involve concern for individual human rights, the environment, and community concerns.

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The Indian Constitution in its Chapter III & IV of Fundamental rights and Directive Principles of State Policy respectively also envisages for implementation of human rights and enhance its practice.

Guiding Principles for the Implementation of the United Nations 'Protect, Respect and Remedy' framework places an obligation and responsibility on businesses to respect human rights . The Global Compact, launched by the Secretary-General at the 1999 annual meeting of the World Economic Forum, challenges individual corporations and representative business associations to support the nine principles listed in para below which emanate from universally agreed standards found in United Nations documents. US-based Business for Social Responsibility operates a Business and Human Rights program that offers its members and their supply chain partners, as well as other companies and stakeholders, a range of tools for developing and implementing corporate human rights policies.

Objectives of the study

1. To study the applicability and importance of human rights at work place.
2. To understand the role of human rights in building an inclusive workplace and the benefits therein
3. To gauge the level of implementation of human rights at workplace in private sector

Human Rights at Workplace and their importance in business

A company may be expected to address a broad range of human rights issues. Some may be straightforward and direct, such as the protection of human and labor rights of workers employed by a company or its supply chain partners. Other issues may relate only in part to a business but are still relevant to the environment in which they operate, such as calls on business to seek to influence governments to improve the general human rights climate in places where they operate. Thus :

1. Businesses should support and respect the protection of international human rights

- within their sphere of influence; and
2. make sure their own corporations are not complicit in human rights abuses.
 3. businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
 4. the elimination of all forms of forced and compulsory labor;
 5. the effective abolition of child labor;
 6. the elimination of discrimination in respect of employment and occupation.
 7. businesses should support a precautionary approach to environmental challenges;
 8. undertake initiatives to promote greater environmental responsibility; and
 9. encourage the development and diffusion of environmentally friendly technologies.

Human rights in general are important for the individual because as he claims his rights, he is bound by his duties.

Businesses are increasingly focused on the impact they have on individuals, communities and the environment. It is clear that one of the central measures of a company's social responsibility is its respect for human rights. And while most companies recognize the moral imperative to operate consistent with human rights principles, recognition is growing that respect for human rights also can be a tool for improving business performance.

Some of the reasons concern for human rights is important to business include:

- **Increasing Worker Productivity and Retention:** Protecting the human rights and labor rights of employees and business partners' employees leads to increased productivity, as workers who are treated fairly and with dignity and respect are more likely to be productive. Enterprises that avoid human rights and labor rights violations can also reduce employee turnover and achieve higher product quality.
- **Enhancing Risk Management:** Predictability is essential to stable and productive business operations. The denial of basic human rights often leads to social or

political disruption. This in turn can cause labor strife, restricted access to goods and services, or delays in the movement of finished products. And avoiding public controversies reduces the direct costs of resolving high-profile disputes.

- **Satisfying Consumer Concerns:** Increased media attention to business' role in protecting human rights has led to increased consumer awareness of the treatment of workers producing goods for the global marketplace and demands for public accountability. Several companies have found themselves the targets of campaigns by human rights, labor rights, religious or consumer organizations highlighting allegations of human rights abuses. Establishing and enforcing a meaningful approach to human rights can help to avoid such campaigns, limit their impact on the company if they occur as well as protect the overall image of the company.
- **Building Community Goodwill:** A multinational's presence can be viewed locally as positive or negative. Avoiding human rights violations will help maintain positive community relations and contribute to a more stable and productive business environment.
- **Keeping Markets Open:** As United Nations Secretary-General Kofi Annan has noted, advancing social values "will help ensure that markets remain open." The recent WTO Ministerial demonstrated how broad concerns about the intersection of business and human rights, amongst other issues, hinders the further development of trade agreements. In the United States, both nationally and at the state level, as well as in the European Union, trade sanctions have been established or proposed for a number of countries that are viewed as having widespread human rights violations. Companies can help to ensure that sanctions do not limit their ability to conduct business globally by promoting greater respect for human rights in such nations.

- **Applying Corporate Values:**
The denial of basic human rights in ways that hinder a company's ability to conduct its business consistent with its stated values can undermine the faith of employees and external stakeholders in company integrity.
- **Compliance with both Local and International Laws:**
Human rights principles are contained in national and international law. Ensuring that business operations are consistent with these legal principles helps companies avoid legal challenges to their global activities. In recent years in the United States and in other countries, courts have considered lawsuits alleging that multinational companies, sometimes through their business partners, have contributed to human rights violations in their global operations.

Human rights identified at Work place , which affect the employer and employee relations are listed as :

- Right to Equality , non discrimination, respect and recognition
- Right to Payment of Wages and Standard hours of Work Satisfaction of pay , compensation and working conditions and hours. Demand and supply and Job security. Structure of labour force. Family compensation upon happening of accidents and hazards.
- Right of Freedom of Association , Right to Strike & Bargain Collectively. To Associate , organize & collectively bargain. Role & functioning of Trade Union. Building clear communication pathway.
- Right to Safety & Security
- Right to Custom & Tradition, Worker value system , customs and traditions
- Right to Clean Environment , health & hygiene
- Right to Institutional protection forming Collective Agreements , adequate policies , standing orders and legislation

An inclusive workplace

An inclusive workplace is one where the human rights principles of fairness, respect, equality, dignity and autonomy are promoted and are part of the organisation's everyday goals and behaviour. There is a workplace culture where everyone feels valued and welcome . Policies are in place concerning equality and human rights, working conditions, dignity at work, employee welfare and fair recruitment and procurement practices . Members of staff at all levels are aware of the inclusive values and are actively consulted and involved in policy development. The workforce is representative of the local community or customers. All employees are encouraged to develop and progress, and any barriers faced by specific groups are identified and action taken to address them. Unnecessary hierarchies and occupational segregation are discouraged.

The organisation is aware of any potential tensions within the workplace, and takes action to anticipate and address them. Inclusive strategies are fully supported and promoted by senior staff as well who even turn out to be employee champions and mentors

Organisations' action on equality and human rights issues can also have a significant impact upon their brand reputation.

Building inclusive workplace and reaping benefits

Attract new talent

Working teams that are diverse in their make-up are able to come up with a wider range of solutions to

business problems. Inclusive workplaces that openly communicate their values and strategies on equality and human rights are able to attract a wider pool of applicants and talent including the candidates from minority groups.

Retain productive and committed staff

Inclusive workplaces that understand the needs of their employees and make staff feel valued and respected also have greater success in retaining staff. Having a range of policies and facilities in place to ensure that all employees are able to balance work with other aspects of their lives has a positive impact on job satisfaction, productivity and commitment.

Create wider customer appeal and access to untapped markets

If employees come from diverse backgrounds, and company values are based around inclusion and fairness, the business has much greater potential to reach further into different sections of the community, appealing to a wider customer and supplier base. This can be done by recognising and then embracing and utilising the diverse skills, experience and knowledge that staff have.

Create, extend or improve policies on equality and human rights to ensure they are inclusive and make sure other policies are equality proofed

Such policies act as a point of reference for all and set out the standard of behavior that everyone should expect as well as the provisions and rights provided for employees

Take immediate action to address and tackle discrimination, harassment and bullying

A 'zero tolerance' policy on harassment, bullying and discrimination is an important way to demonstrate the organisation's commitment to creating an inclusive workplace

Training for all staff on inclusive working, equality and human rights

Training on equality and human rights for all staff is crucial if working culture is to be changed. This should include both learning about the different equality areas and what employers and employees must do to avoid discrimination, and exploring cultural and other differences between staff so that respect and understanding is promoted. Training should be participative and address both the conscious and unconscious ideas and stereotypes that can persist within workplaces.

Making inclusion a key management approach

Without dedication to equality and human rights by managers and senior staff, attempts to create an inclusive workplace are likely to fail. Senior managers set the standards and play a vital role in promoting inclusion, by:

- Ensuring that policies on equality and human rights are fairly implemented.
- Ensuring that equality and human rights are seen as key strategic priorities.
- Championing equality and human rights ,
- Acting as role models by treating others with dignity and respect.

Line managers have an opportunity to encourage and reward inclusive behaviour among their staff

when setting and assessing performance objectives. For example, an objective suitable for all staff would be to 'act with dignity and respect and work towards and welcome a diverse workforce'.

Encourage employee networks and forums

Employee networks and forums provide an important space for staff to meet and discuss common issues. They not only promote inclusion but also bring business benefits, acting as reference groups for new policies and procedures.

Take an inclusive approach to recruitment, promotion and development

If some groups are under-represented in an organisation, or remain at the bottom of the career ladder, the recruitment process should be used to promote the organisation's values on equality and human rights, making commitment to inclusive working and respect for others part of the job description. By collecting and analysing data on the people applying for positions within organisation and the people who are successfully appointed, one can work out whether recruitment and selection procedures are fair. The same procedures should be followed with internal promotion and development opportunities. Stating on job advertisements and recruitment information about an equal opportunities employer, using the 'positive about disabled people' symbol, and having information publicly available on website about equality and human rights policies are good ways to show commitment to inclusion and also to encourage candidates from minority groups to apply.

Staff involved in making decisions and dealing with job applications need a strong understanding of equality and human rights issues to ensure that they do not inadvertently discriminate. Opportunities for selectors to exercise discretion

should be minimised. Decisions must be transparent and based on a fair evaluation of the candidates' ability to meet the job specification and key competencies.

Volunteering is an activity that can produce changes in attitudes and behaviour, and promote increased understanding and respect among employees. Businesses that have set up employer assisted volunteering programmes have noticed a range of benefits as a result, in terms of employee skill development, changed outlooks and attitudes, and their reputation both within the local community and more widely.

Build a culture of inclusion and respect across the workplace that spreads to communities

In order to demonstrate the importance of inclusion within organization, one needs to take responsibility for workplace culture and spread equality and human rights beyond the human resources team, across the organisation. Give inclusion recognition by ensuring that it is integrated into all key business and performance objectives and that inclusive thinking becomes part of everyday working life. There are a range of activities that can be organised within the workplace to promote cultural learning and sharing of ideas and outlooks. Bringing people together to debate and discuss different issues can be an important learning tool, as can organising events where employees from different backgrounds celebrate cultural events, share information, food, entertainment or participate in activities together. Inequalities and stereotypes spread into the workplace from the wider society outside its doors and societal barriers to equality, human rights and inclusion can be amplified in the workplace. But this process can also work in reverse, with cultural change within the workplace spreading outwards into the wider

community, as colleagues learn more about each other and pass on this knowledge to others. Creating change at work can bring benefits that

spread much further than the confines of one organisation's walls. For many companies, especially those based in developing countries, the primary intersection of human rights and business is focused on community development and social infrastructure.

To state an example of Tata Group of companies in India, which has made a substantial, long-standing commitment to assisting women and children through vocational training, community health with a focus on women's and children's health, and other forms of community development. This is the kind of initiative that goes beyond the compliance framework of codes of conduct, and includes training focus groups and building awareness in the public at large. Tata seeks to "facilitate programs which go beyond providing tangible help and to develop participatory skills to create 'can-do' empowering confidence through education and learning from action."

Case I

Features and applicability of workplace human rights policy of Coca-Cola, India

The Coca-Cola(India) is committed to working with and encouraging independent bottling partners to uphold the principles in its policy and also to adopt similar policies within their businesses.

The policy includes the following components on workplace rights for its employees :

Freedom of Association and Collective Bargaining

The Company respects employees' right to join, form or not to join a labor union without fear of reprisal, intimidation or harassment. Where employees are represented by a legally recognized

union, it is committed to establishing a constructive dialogue with their freely chosen representatives and bargaining in good faith.

Forced Labor

The Company prohibits the use of all forms of forced labor, including prison labor, indentured labor or bonded labor.

Child Labor

Coca-Cola (India) adheres to minimum age provisions of applicable laws and regulations. The Company prohibits the hiring of individuals that are under 18 years of age for positions in which hazardous work is required. The Company's prohibition of child labor is consistent with International Labor Organization standards.

Discrimination

The Company values all employees and the contributions they make and has a long-standing commitment to equal opportunity and intolerance of discrimination. It is dedicated to maintaining workplaces that are free from discrimination or physical or verbal harassment on the basis of race, sex, color, national or social origin, religion, age, disability, sexual orientation, political opinion or any other status protected by applicable law. The basis for recruitment, hiring, placement, training, compensation and advancement at the Company is qualifications, performance, skills and experience.

Work Hours and Wages

Coca-Cola(India) compensates employees competitively relative to the industry and local labor market. It operates in full compliance with applicable wage, work hours, overtime and benefits laws. It offers employees opportunities to develop their

skills and capabilities and provide advancement opportunities where possible.

Safe and Healthy Workplace

The Company provides a safe and healthy workplace. It is dedicated to maintaining a productive workplace by minimizing the risk of accidents, injury and exposure to health risks.

Workplace Security

There is a commitment to maintaining a workplace that is free from violence, harassment, intimidation and other unsafe or disruptive conditions due to internal and external threats. Security safeguards for employees are provided as needed and will be maintained with respect for employee privacy and dignity.

Community and Stakeholder Engagement

The Company recognizes its impact on the communities in which it operates. It is committed to engaging with stakeholders in those communities to ensure that it is listening to, learning from and taking into account their views as well while conducting business. It believes that local issues are most appropriately addressed at the local level. It is also committed to creating economic opportunity and fostering goodwill in the communities in which it operate through locally relevant initiatives.

Guidance and Reporting for Employees

The company creates workplaces in which open and honest communications among all employees are valued and respected. It is committed to following all applicable labor and employment laws wherever it operates as well.

Case II

Features and applicability of workplace human rights policy of ITC, India

ITC upholds the spirit of human rights as enshrined in existing international standards such as the Universal Declaration and the Fundamental Human Rights Conventions of the International Labour Organisation. It believes and ensures that in the management of its businesses and operations all its employees must live with social and economic dignity and freedom, regardless of nationality, gender, race, economic status or religion. Hence the company does not condone human rights abuses, and creates and nurtures a working environment where human rights are respected without prejudice.

The policy includes the following components on workplace rights for its employees , which themselves are subpolicies as well

Ensure applicability of Human Rights Policy across the Supply Chain

ITC is a large and multi-product enterprise whose products and services are benchmarked nationally and internationally on superior quality and value. It sources its technologies, equipment and inputs from reputed international and Indian manufacturers and suppliers hence common values, relating to human rights performance, are shared across the entire supply chain and it expects its business partners to establish a human rights compliant business environment at the workplace and performance of existing and potential vendors/suppliers is mapped and progress monitored on human rights performance as well. This is because ITC is committed to the importance of a socially

responsible and accountable supply chain to build community and stakeholder goodwill .

Prevent Discrimination at Workplace

A discrimination-free workplace for employees provides the environment in which diverse talents can bloom and be nurtured , since every employee brings a different and unique set of perspectives and capabilities to the team. To promote meritocracy the company does not engage in or support direct or indirect discrimination in recruitment, compensation, access to training, promotion, termination or retirement based on caste, religion, disability, gender, age, race, colour, ancestry, marital status or affiliation with a political, religious, or union organization or minority group. It is envisaged to provide an amicable work environment to women employees as well. The policy is communicated to all employees through induction programmes, policy manuals and intranet portals. Employees have freedom to approach higher officials beyond his/her immediate superior. Compliance is ensured through a robust grievance handling procedure and the violations are brought to the notice of the unit HR head by the union as well.

Freedom of Association and collective bargaining

ITC has a culture of cooperative relationships and high employee involvement that relies on building partnerships and interdependence to strengthen harmonious employee relations in the organisation. For this purpose the employees are allowed to organize themselves into interest groups as initiatives of the workers, independent from supervision by the management. The actualisation of this policy is evident from the filing of grievances , collective bargaining joint agreements and minutes of meetings that are signed between the union and the management.

Consultation on Changes - freedom of expression

ITC's core value is to align its employees with a shared vision and purpose of the Company. It thus harnesses the creative potential of all its employees by promoting a culture of partnerships to unleash relevant synergies between different groups. Business plans are shared with employees at all units through a series of formal communication meetings, and through the intranet portals. All major changes in operations involving work processes, manning norms and other productivity linked issues are carried out after discussions with the employees , who are free to express their views. Unionised employees are informed of all major changes well in advance through their representatives who also participate in consultative meetings culminating in joint minutes/agreements. Thus the employees are given enough time to consider the implications of change and an opportunity to discuss their apprehensions, if any, with the management.

Prohibiting Child Labour and Preventing Forced Labour from Workplace

For the benefit of the society and the organisation , ITC believes in the culture of cleansing the system from labour malpractices and abuses. It is committed to the elimination of child ,forced and compulsory labour practices . Further the Company does not employ any person below the age of eighteen years in the workplace since such people are not skilled and matured enough to deliver quality products and services. No employee is made to work against his/her will or work as bonded/forced labour, or subject to corporal punishment or coercion of any type related to work. This policy is publicly available throughout the Company and clearly communicated to all employees in a manner in which it can be understood through induction programmes, policy manuals and intranet portals. The responsibility for

the implementation of the policy rests with the Units HR Office and the security staff who do not permit underage persons to enter the factory as workers. Further audit and assessment is undertaken annually by Corporate Internal Audit who can perform a sample check of records like those of exit interviews to ascertain any incident of forced labour. This also extends to the supply chain as well and if any vendor is found to get the work done by child labour then the contract of supply can even be terminated.

A safe and healthy work environment

The Company is committed to provide a safe and healthy work environment on scientific evidence that people with HIV/AIDS do not pose a risk of transmission of the virus to co-workers by casual, non-sexual contact in the normal work setting. It provides a safe and healthy workplace to all its employees and that they have access to health and counseling services to prevent and manage HIV/AIDS. It would not discriminate against any employee infected by HIV/AIDS with regard to recruitment, promotions, training and other privileges and benefits as applicable to all employees since assessment of risk behavior and questions about HIV tests were already taken at the time of selection. An HIV positive employee is allowed to continue to work in his/her job unless declared medically unfit.

Findings of the Study

It has been assessed by analyzing the two cases of Coca-Cola, India and ITC that the human rights at work place are very much established across the organizations by the policy document itself which needs to be followed practically being binding on one and all. The policies deliberate on the aspects of:

1. Freedom of Association and collective bargaining
2. Prevention of forced and child labour
3. Prevent discrimination
4. Standard working hours and wages

5. Providing a safe, secure and healthy work environment
6. Involvement of the stakeholders and community engagement as well, may be throughout supply chain.
7. Freedom of expression and autonomy

Conclusion

The implementation and recognition of human rights builds up an inclusive workplace where the principles of equality, dignity, respect, non-discrimination and autonomy create an atmosphere of satisfaction amongst the employees which in turn motivates them intrinsically to perform with loyalty.

This leads to gradual growth of the organization *in toto* and also helps in brand building by providing that extra edge as compared to the competitors. This applicability extends further to the wider community which is the external environment for any organization to which it owes a corporate social responsibility. Thus it leads to an overall sustained inclusive growth for the social system in which the organizations operate.

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