Social & Labor Convergence Program (SLCP)


SLCP Data Quality & Integrity Webinar
March 2022
Objectives

- Provide stakeholders with an overview of the SLCP Verification Oversight & Quality Assurance strategy
- Highlight recent & upcoming strategy developments that strengthen SLCP data quality & integrity
- Share insights from VO & QA processes and findings
- Signpost stakeholders to further information & resources
SLCP strategy for:
Verification Oversight & Quality Assurance

Goal:
Build trust in and credibility of SLCP and its data through comprehensive and rigorous processes that improve precision, consistency and integrity of SLCP verifications over time, resulting in quality verified data.

Verification Oversight Organization (VOO)
Overarching body responsible for ensuring integrity of SLCP verification and quality of verified assessment data.

- Verifier and Verifier Body (VB) qualification requirements
- Entrance exam and e-learning trainings for Verifiers
- Quality Assurance Manual
- VB Terms of Use
- Written VB Requirements
- Qualification process and requalification
- VB systems check
- Non-APSCA VB systems special Check

Continuous Improvement
Feedback and partnerships

Process Oversight
Assessing performance, quality and integrity of verification process

Personnel
Establishing & maintaining qualified Verifier Bodies and Verifiers

- VOO activities onsite and offsite
- VB scoring
- Quarterly Calibration Webinars
- Integrity Oversight Program
- Transparency Communication of Oversight Data via public QA site
- Ongoing support to Verifiers/ VBs with Helpdesk and online Q&A Knowledgebase

- Stakeholder QA program
- Feedback Mechanisms
- APSCA Collaboration
- Transparent Communication (public QA site)
- Verification Oversight Technical Advisory Committee
Personnel
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Approval of Verifier Bodies & Verifiers

Verifier Applications in 2021  +/- 62% success rate

- Verifier Applications Submitted: 478
- Applications Approved: 384 (+/- 80% success rate)
- Exam: 298
- Applications Approved: 298

Process:
- VBs and Verifiers must meet eligibility criteria.
- Verifiers must take e-learning and pass an exam.
New: Clearer VB & Verifier Responsibilities

Updates to:
- VB Terms of Use
- QA Manual
- VB Requirements Document

Better documentation of:
- Qualification process
- How to maintain qualifications
New:
Greater alignment with APSCA

In 2021, SLCP and APSCA signed a 3-year collaboration agreement on Verifier/Verifier Body quality.

Streamlined application process:

- APSCA/Non-APSCA differentiation for VB onboarding (Provisional Status)
- Non-APSCA members need to go through additional (paid) VB management check
- APSCA certification equivalency for Verifier application approvals
- APSCA certification equivalency for maintaining SLCP approved Verifier status year over year. SLCP process aligned with APSCA Continuous Professional Development (CPD) requirements

Benefit for SLCP:
Aligning with existing frameworks for audit body & auditor integrity
New:
Greater alignment with APSCA

Additionally:

• APSCA status published on [VB public list site](#)
• As per Verifier Body Terms Of Use, SLCP permitted to communicate findings of ethics and integrity investigations to APSCA

APSCA & SLCP in 2021

• 51% of Verifier Bodies are APSCA members
• 85% of verified assessments were conducted by APSCA members
Building on Success

Vision
Members are trusted professionals in Social Compliance Auditing

Mission
To increase the value and effectiveness of independent social compliance audits by enhancing the professionalism, consistency and credibility of individuals and organizations perform them
The APSCA Journey

**Foundational Initiatives**
- APSCA
- Stakeholder Board

**Formation of**
- Executive Board
- Working Groups to develop Code and Competency Framework
- 1st AGM

**Executive Director**
- APSCA Incorporated in USA
- Auditor Exam Pilot in Chinese
- Launch Audit Firm Application
- Launched first Part of three Part exam in English

**2002-15**
- Launch final part of exam in 4 languages
- First Audit Firm Ethic Committee meeting

**2015**
- 42 Certified Auditors

**2016**
- Adopted – Code of Conduct, Competency Framework
- Enrol Auditors
- Auditor Exam Piloted in English

**2017**
- Launched first two parts of three-part exam in 3 additional languages
- Pilot Part III in 4 Languages
- Adopted Code & Standards
- First Ethics Board Meeting
- 42 Certified Auditors

**2018**
- Launch first two parts in six new languages
- 1,200 Certified Auditors

**2019**
- First Audit Firm Ethic Committee meeting

**2020**
- Launch first two parts in six new languages
- 1,200 Certified Auditors

**2021**
- Launch final part of exam in 4 languages
- First Audit Firm Ethic Committee meeting
APSCA - Today

102 Countries
55 Firms

11,000+ Exams

Over 4,700 Auditors

More than 1,350+ CSCA's
Becoming a Member Firm

AVG. APPLICATION PROCESSING TIME: 3-7+ MONTHS

1. Submission of complete application and payment of fees
2. Interim Report Issued to Applicant for Review/Action
3. Pending no major issues, Interim Report shared with APSCA
4. Applicant put forward to the Exec. Board for Membership Decision
5. Application submitted to Specialist for review + Third Party Review + Member Comments
6. Final Report Issued to APSCA prior to Exec. Board consideration
7. Membership decision communicated to Applicant following Exec. Board Decision.
Becoming a Member Auditor

Part I
Exam
Registrar with APSCA
Auditor must work for APSCA Member Firm to enrol

Part II
Exam
Study and work with Firm
ASCA works on Audit teams

Part III
Exam
Don’t be scared—be prepared
CSCA leads Audit teams
Membership Reporting

Quarterly Reports on Audits conducted by Member Firms

102 COUNTRIES
55 FIRMS

OVER 4,500 AUDITORS
Ethics Team Overview and Workflow

1. Process Allegations/Complaints

2. Assess Allegations:
   ✓ Are they credible?
   ✓ Are they within our scope?
   ✓ Do they violate the APSCA Code & Standards of Professional Conduct?

3. Following up, we may:
   ✓ Ask Member Firms to investigate and provide us with an investigation report.
   ✓ Follow up with subjects of the allegation and other parties involved, and request additional information.
   ✓ Facilitate a third party investigation, if needed.

4. Present case to Disciplinary Board for Member Auditors (DBMA)

5. Communicate DBMA decisions to relevant parties.
New:
Improved comms on Verifier capacity

Public list of Verifier Bodies

<table>
<thead>
<tr>
<th>SLCP Active Verifier Body (VB) List</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welcome to the SLCP Verifier Bodies List!</td>
</tr>
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<td>The table below can be used to quickly scan the active SLCP Verifier Body (VB) list. Use the search field to look for a specific country or name.</td>
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<td>Countries/ regions included in overview: Note that the table shows availability of Verifiers in countries/regions both where SLCP is currently active and where SLCP will be active. Therefore, viewing a country/region on this list does not mean that verification can be completed for facilities located there. For the up-to-date list of SLCP country/region activity, please visit the Gateway homepage.</td>
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<td>Facilities can use this table to understand which VBs are active in their country/region. The list includes the contact details for each VB. Before selecting a VB for a verification, a facility should contact them to understand costs and availability. After choosing a VB, the facility can select them from a list on their Accredited Host platform. See the SLCP FAQ’s for facilities for more details.</td>
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To see additional info on Verifier numbers by location:
- Chart of Verifiers by Country and VB |
- If you don’t see a VB with approved Verifiers in your country/region, click here to view a list of VB that are approved for additional countries/regions but don’t yet have Verifiers. You can contact them to check when Verifiers might be available. |
- VBs Approved for Countries but No Verifiers |
- You can view a list of countries/regions with local Verifier capacity risks by clicking this button |
- View Local Verifier Capacity Risk |
- If you know the family/last name of a Verifier and the Gateway ID you can check approval status here. |
- Check Verifier Status
New:
Improved comms on Verifier capacity

Functionality to check the local Verifier capacity risk

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</tr>
<tr>
<td>Level 2 Risk (No Local Verifiers, No Pipeline)</td>
</tr>
<tr>
<td>Level 3 Risk - No Local Verifiers</td>
</tr>
<tr>
<td>Level 4 Risk (High Ratio)</td>
</tr>
<tr>
<td>Level 5 Risk (Within Target)</td>
</tr>
<tr>
<td>Level 6 Risk (Risk of Over Capacity)</td>
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New:
Improved comms on Verifier capacity

Check Verifier status
What’s coming next?

Q3/ Q4  Piloting Mandatory Verifier and Verifier Body Admin Training

- Identification of training topics and potential low cost or cost-free training courses and training partners
- Potential topics include identification of discrimination/ harassment, identification of forced labor, root cause analysis for VB admins to respond to VOO-issued Corrective Action Requests, collective bargaining and freedom of association in China, triangulation of findings and proper Verification Data narrative

Q2/ Q3  Preparation for Full Virtual Verification with launch of v1.5

- Update to Verification Protocol and Verifier Guidance - especially with inclusion of worker engagement technology (WE Tech) in the full virtual verification process
- Training for Verifiers and VB admins on requirements for execution of Full Virtual Verifications
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Continuous Improvement

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Outcomes of 2021 QA activities

Desktop Reviews

89% of reports reviewed were found to be of sufficient quality (ranging from acceptable to high quality)
Up from 88% in 2020 & 76% in 2019.

Desktop Reviews 2021 Ops:

Average of 6.55 ‘mistakes’ found per report, down from 7.9 in 2020 and 13 in 2019
(SLCP report on average contains approx. 1500 data points)

What happens if a report is found to be insufficient in quality?

• Corrective Action Request (CAR) issued to VB
• Feeds in to VB scores
• Significant issues result in report invalidation
Outcomes of 2021 QA activities
Shadow, Counter and Duplicate Verifications

**Duplicate**

<table>
<thead>
<tr>
<th>Duplicate Verification Findings</th>
<th>2020</th>
<th>2021</th>
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<tr>
<td>Max Variance</td>
<td>18%</td>
<td>26%</td>
</tr>
<tr>
<td>Average Variance</td>
<td>14%</td>
<td>13%</td>
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**Main issues found:**
- Verifier has different interpretation of laws and application
- Differing degrees of knowledge and experience between Verifiers

Process: Two VBs conduct a duplicate verification to insure consistency

**Shadow**

Average Verifier Score: 3.7/5 (3.2 in 2021)

**Main issues in areas of:**
- Time Management
- Procedure (e.g., explaining SLCP transparency; union/worker rep meeting before closing meeting)

Process: VOO representative joins an on-site verification as an observer

**Counter**

Average Verifier Score: 3.5/5 (3.2 in 2021)

**Main issues found:**
- Missing H&S issues during verification

Process: Onsite one-day verification conducted by VOO to conduct QA of key report aspects
Process Oversight Activities

- Complaints Investigated: 25
- Corrective Action Requests (CAR) Issued: 126
- VB Receiving CARs: 36
- CAR to Verification Ratio: 3%
**New Integrity Oversight Program**

**Context:**
- Individual Verifier performance is scored on a range of criteria including exam scores & QA outcomes
- Verifier scores feed into overall VB score, along with results of VB Management Checks

**Integrity Oversight Program**

Based on the distribution of VB scores, the VOO determines a risk scale:
- Level 3 Risk (highest risk)
- Level 2 Risk
- Level 1 Risk (lowest risk)

- VBs are assessed against the risk scale and assigned a risk-rating based on their overall VB performance score.
- Depending on the rating, a series of outlined actions take place, including mandatory additional QA activities paid for by the VB.
- VBs will be suspended if they receive a level 3 risk status more than twice
New QA Manual updates on bribery reporting

Bribery reporting enhanced

- Non-public communication
  - Via notes from VOO in Facility Profile on the Gateway only visible to subsequent VB

- Communication in the Gateway verified assessment report
  - Data visible to anyone with access to the report
  - VOO adds notes about the bribery incidence to the Assessment Information page of the Gateway report template; note identified as ‘Verification Oversight Organization Alert’
What’s coming next?

Launch of form for Verifiers and VBs to report suspicions and unsubstantiated findings that VOO can attach to the facility profile as applicable to inform the next selected/assigned VB

Starting to mine data to inform more efficient and streamlined selection of reports for desktop and onsite QA

How to further increase **transparency of VB performance.** Current measures include:
- Currently show Integrity Oversight Program outcomes on Verifier Body public page (probation status indicated, if applicable)
- Public dashboard shows average score of Verifiers and VBs

How to further encourage **honest data** from facilities in the self/joint-assessment. Current measures include:
- Signatories commit to honest data in the signatory charter
- Users of the CAF sign ToU committing to provide honest data
Continuous Improvement
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Continuous Improvement stats

Percentage of facility surveys with positive feedback:
- 2021: 63%
- 2020: 57%

Percentage of post-verification Verifier surveys with positive feedback:
- 2021: 89%
- 2020: 90%
New Stakeholder QA Program

The Stakeholder QA Program allows the Verification Oversight Organization (VOO) to use QA data gathered by brands and other stakeholders. There are 3 ways that data can be shared:

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<th>Conduct Shadow Verifications</th>
<th>Standardized Data Review</th>
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<td>Sharing ad hoc feedback with the VOO</td>
<td>Conducting a shadow verification and sharing the report with the VOO</td>
<td>Data in a standard digital format is shared with the VOO</td>
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What’s new: Updated communications on feedback mechanisms

- Feedback on a specific Verified Assessment Report
- Form for complaints concerning verification
- Contact slcp@sumerra.com directly regarding ethics issue
- Form for complaints concerning SLCP or VOO
- Video on how to provide feedback (English | Chinese)
- Find out more on how you can provide feedback here.
Conclusion
2021 Achievements & Learnings

Achievements

• APSCA alignment: Implemented a new ‘Provisional’ status program with enhanced VB checks
• Implemented a new ‘Integrity Program’ with escalating discipline for low quality scores
• Piloted a new QA Stakeholder program to get additional quality data from other stakeholder participants
• Onboarded approximately 300 new Verifiers into the program
• Improved transparency/communication of Verifier capacity
• Added several ‘risk’ based factors to the VOO process for selection of verifications for QA

Learnings

• There remain many opportunities for improvement in the consistency of verifications
• Opportunity to pilot additional Verifier training options
• As the data grows, there are opportunities to ‘mine’ this data for trends that can better focus our QA activities.
• Stakeholder QA program is expected to provide new insights into verification quality from stakeholder perspective.
# How to find out more

**New!**  
Data Quality & Integrity page on SLCP website with links to information on all areas of the strategy:  
[https://slconvergence.org/data-quality-integrity](https://slconvergence.org/data-quality-integrity)

## Personnel
- List of [Verifier Bodies](#)  
- [VB Requirements](#)  
- [QA Manual](#)  
- [VB Terms of Use](#)

## Process Oversight
- [Public SLCP QA Dashboard](#)  
- [FAQ on Integrity Oversight Program](#)

## Continuous Improvement
- [FAQ on Stakeholder QA Program](#)  
- [FAQ on providing feedback](#)

Or visit the [SLCP Helpdesk](#) to access all FAQs in 8 languages
Launch of credibility survey

We want to find out what YOU think about SLCP’s data quality & integrity.

Please complete our short survey!

We are seeking responses from all individuals – there is no limit on the number of respondents per company/organization. You do not need to be an SLCP user/ signatory to complete the survey.