Annex 13: How to Promote Capacity Building

This annex of the amfori BSCI System Manual guides amfori BSCI participants and their business partners on how to build capacities, competence, and knowledge in their supply chains.

INTRODUCTION

To react to dynamic market expectations, business enterprises continuously need to build skills, capacities, and expertise. This applies to:

- Business enterprises that have endorsed the amfori BSCI Code of Conduct and want to successfully integrate it into the business culture
- Auditing companies and other service providers that want to excel in the market

Business enterprises rely on competent and dedicated management and staff that can:

- **Acquire** knowledge, practices, and judgement to be autonomous and accountable for their social responsibility
- **Work** collaboratively with others so to contribute to positive impacts for people and the environment
- **Incorporate** the amfori BSCI Code of Conduct in their daily work

Continuous adaptation and learning is vital for a virtuous cycle to be set in motion within a business.

GAP ANALYSIS

The continuous learning process is started by conducting a gap analysis to identify:

- Abilities and knowledge that are missing within the business structure
- Tools or infrastructure needed to transfer the missing abilities and knowledge

amfori BSCI participants and their business partners (particularly producers) may use the courses available in the amfori Academy as a guide. These courses will help define the contents already available for their employees and those that are missing (or need to be customised to their specific needs).

The table below may serve as inspiration on the most common topics to be addressed by different departments or roles within a business enterprise:

<table>
<thead>
<tr>
<th>Department</th>
<th>Topics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management, CSR Staff</td>
<td>Introduction to amfori BSCI</td>
</tr>
<tr>
<td></td>
<td>Due diligence</td>
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<tr>
<td></td>
<td>Modern slavery</td>
</tr>
<tr>
<td>Human Resources and Legal, CSR Staff</td>
<td>Worker involvement and protection</td>
</tr>
</tbody>
</table>
### CAPACITY-BUILDING PLAN

Once the gap analysis has been conducted, a business enterprise should establish a capacity-building plan to:

- **Identify** the type of abilities and knowledge missing in the business enterprise structure
- **Define** a plan to address the gap
- **Use** the best tools to transfer knowledge within the business enterprise structure
- **Prioritise** the areas where the lack of abilities and knowledge may put the business at risk
- **Allocate** a realistic budget to address the gap
- **Set the Key Performance Indicators (KPI)** that will help in measuring progress

The amfori Academy offers a vast variety of courses in different languages to all relevant audiences related to the amfori BSCI system. Courses can be completed face-to-face or in an e-learning format.

The effectiveness of the capacity-building plan within the business enterprise should be regularly monitored and adjusted accordingly to ensure that the plan meets the expectations. The success of the capacity-building plan relies on the business ability to have:

- Conducted the gap analysis
- Selected the right course for the right audience
- Pursued a modular approach (e.g. increase the level of complexity)

Besides building capacities within their own management structures, the amfori BSCI participants, as well as their business partners, will need to assess the missing capacities in their respective supply chains. Having assessed the missing capacities, next steps can be taken to provide support toward filling those gaps. In this context, it is advisable that the amfori BSCI participant’s capacity-building plan includes its significant business partners as targeted. For further support see Template 14: Capacity-building plan in the amfori Academy.

Capacity building should be considered an investment that the business undertakes to embed its social responsibility in the business culture. Eventually, investing in capacity building for staff and business partners supports talent retention and long-lasting business relationships, which are proven to reduce social risks.
CAPACITY BUILDING FOR AMFORI BSCI PARTICIPANTS

Mandatory Introductory Course

amfori BSCI participants have up to six months from the time they have joined amfori to complete the mandatory introductory course.

It is advisable that every time an amfori BSCI participant engages new staff or teams to take care of the amfori BSCI system implementation, this new staff also completes the introductory course.

After the mandatory introductory course, amfori BSCI participants should have acquired sufficient knowledge on:

- The amfori BSCI values and principles
- The due diligence approach as part of their social responsibility
- How to map their supply chains and define significant business partners to be monitored
- How to analyse the information provided in the amfori BSCI audit report
- How to follow up on business partners’ continuous improvement (particularly Remediation Plans)
- How to communicate to business partners and external stakeholders the engagement with amfori BSCI

Tutorials on the amfori BSCI Platform

Learning how to best use the amfori BSCI platform is essential and enables amfori BSCI participants to succeed in the implementation of the amfori BSCI system.

The best way to learn about this IT tool is by using it regularly. Once amfori BSCI participants have got the necessary log-in, they can find all relevant tutorials to navigate the amfori BSCI platform and use it correctly. For more information see Annex 1: How to start with the amfori BSCI platform.

New Topics

The amfori BSCI participants can use the different governance channels to suggest new topics and/or new audiences to be included in the amfori BSCI capacity-building activities.

All courses completed through the amfori Academy by the amfori BSCI participant will be reflected in the amfori BSCI commitment formula (see Annex 11: How to understand the commitment formula).

CAPACITY BUILDING FOR PRODUCERS

Once the significant business partners are included in the capacity-building plan, amfori BSCI participants will take the necessary steps to ensure that the significant business partners:

- Have a profile in the amfori BSCI platform
- Are invited to complete the relevant course(s) available in the amfori Academy

Once the significant business partners have the log-in for the amfori Academy, they can enrol in any of the courses available that they may find relevant. They will get a certificate for every course completed in the amfori Academy.

Furthermore, all courses completed through the amfori Academy by the significant business partners will be reflected in the amfori BSCI commitment formula of all linked participants (see Annex 11: How to understand the commitment formula).
There are no mandatory introductory courses to be complemented by the business partners. However, as part of the capacity-building plan, amfori BSCI participants can define minimum learning objectives to be pursued in their supply chains. The table below may be used for inspiration:

<table>
<thead>
<tr>
<th>Target Audience</th>
<th>Learning Objectives</th>
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| **Producer Management Level** | • Understanding the labour rights and obligations that apply to the workforce, in the given sector and region  
                                   • Understanding the benefits of an effective Social Management System and how to implement it  
                                   • Understanding the benefits of an effective Remediation Plan and how to develop it  
                                   • Understanding the benefits of effective risk and impacts assessments and how to conduct them  
                                   • Understanding the benefits of effective grievance mechanism and how to implement it  
                                   • Understanding the role of internal assessments and supply chain mapping and monitoring |
| **Workers Training**        | • Understanding their rights and duties in the workplace  
                                   • Understanding how a grievance mechanism works (its potential and limitations)  
                                   • Understanding the importance of regular health and safety risk assessments and how to contribute to the maintenance of a healthy work environment  
                                   • Understanding how fair remuneration is calculated and what other qualitative elements shall be considered |

**CAPACITY BUILDING FOR AMFORI BSCI AUDITORS**

Auditors are key actors in the amfori BSCI system. The unique amfori BSCI audit methodology, developed to move away from the checklist approach, relies on the auditors’ ability and practical wisdom to make the right professional judgement.

This ability has a direct impact on:

- The quality of the information gathered through the amfori BSCI audit
- The trustworthiness of the zero tolerance alerts

Therefore, amfori BSCI capacity building for auditors focuses not only on the content and interpretation guidelines, but also on skills and relevant competence related to:

- **Systemic thinking:** This technique allows auditors to gain deeper insights into challenging situations and complex domains. Auditors may need this ability to evaluate a business’s social performance in relation to its larger context.
• **Interpretation of the norms:** Although social auditors do not necessarily have a legal background, it is essential that they understand the applicable laws and in the right way. When the literal reading of the norm may cause problems with interpretation, the auditor shall:
  o Seek to understand the purpose of the law and avoid illogical conclusions
  o Be well-aware of the hierarchy of the different norms and authorities that issue those norms to prevent any contradiction
  o Use amfori BSCI’s mission and values to frame the interpretation of the auditee’s social performance