

Terms of Reference (ToR)

Business Case Analysis and Recommendations for Successful Hiring and Retention of Jordanians in Middle Management Positions within the Garment Industry.

Background:

Over the last two decades, Jordan's apparel industry has been steadily growing and is now the leading export sector and manufacturing employer in the country. Like most other apparel exporting countries, Jordan gained entry to the global apparel value chain through international ties to developed markets. This began with preferential trade access to the US market, which led foreign investors producing apparel on behalf of international apparel brands to set up manufacturing facilities in Jordan with mostly migrant workers.

Better Work Jordan (BWJ) is a partnership between the International Labour Organization (ILO) and the International Finance Corporation (IFC). The ILO flagship programme brings together stakeholders from all levels of the global garment manufacturing industry to improve working conditions, enhance respect for labour rights, and boost competitiveness.

The Better Work Jordan programme is mandatory for garment factories that export to the US under the US-Jordan Free Trade Agreement. Better Work Jordan covers an estimated 95 per cent of garment workers in Jordan, as the vast majority of garment-sector employment comes from factories that export to the US. As a result of their participation with Better Work, factories have steadily improved compliance with ILO core labour standards and national legislation covering compensation, contracts, occupational safety and health and working time. This has significantly improved working conditions and, at the same time enhanced factories' productivity and profitability.

Within the exporting garment industry, there are three types of factories. The largest factories are direct exporters who produce goods directly for buyers. These factories are mostly located in the main economic zones of Dulayl, Irbid and Sahab. Below these factories in the supply chain are numerous subcontracting factories, smaller factories that produce goods for the direct exporters upon request. Parallel to this system are satellite units, which operate outside of the industrial zones, primarily employ Jordanians, and are typically small. There are currently 24 satellite factories registered in the Better Work Jordan programme that employ over 8,000 Jordanian workers

Around 77,800 workers were employed in the exporting garment sector in 2022. Migrant workers make up three-quarters of the workforce. These workers, primarily from South Asia, typically work in Jordan for a contract of two to three years, which can be extended. Bangladeshis are the largest group of workers (over 50 per cent of migrant workers), and there are also workers from India, Sri Lanka, Nepal, and Myanmar. Jordanian workers make up the remaining 25 per cent of the workforce. The majority of workers are women – nearly 75 per cent of the production work force – whereas the majority of management positions are held by men.

Workers in the apparel industry in Jordan fall within two main categories. The first in the production/factory floor workers and majority of Jordanian workers are within this category. The second category can be described as knowledge intensive, service occupations and are mostly occupied by migrant workers.

Higher-skill, knowledge-intensive occupations are better aligned with Jordan's workforce general characteristics, yet most of these positions are filled by migrant workers. Available data indicates that there are at least 3,595 management occupations in Jordan of which migrant workers represent around 80%.

Employers in the sector cite many challenges facing garment manufacturers in hiring Jordanian labor in their factories and especially into those higher skills and knowledge-intensive positions. One of these challenges is the skill set (competencies) demanded by the industry. The industry leaders believe that the outcome of educational system in Jordan is not tailored to fit the garment industry in Jordan.

In June 2022, the Government of Jordan launched the Economic Modernization Vision – a ten-year plan to increase job opportunities, incomes, and Jordan's standing among countries by investing in high-value industries, new services, education, and green technology. The garment sector was identified as one of the high-value industries with a focus on moving up the value-chain including through horizontal integration, increased sales throughout the seasons, and expanding vocational training and job opportunities for Jordanians. With these initiatives, the government hopes to reach 7.3 billion USD in exports by 2033, and employment of 225,000 in the sector, an average annual growth of 12% and 9.5% respect

Better Work Jordan has also launched its Phase IV strategy which lays out the sustainability goals of the programme. Through capacity building, collaboration with stakeholders, and convening around key policy issues, the programme is working to ensure that the tripartite stakeholders (representatives from government, employers and workers) can take a leading role in maintaining and improving working conditions. There are three main outcomes in the Phase IV strategy:

- **Outcome 1:** By 2027, Jordan's garment industry will have an effective system of tripartite-plus labour market governance, in which workers' rights are upheld and protected in line with national labour laws and core international labour standards.
- **Outcome 2:** By 2027, export growth combined with active labour market policies will increase the garment industry's contribution to Jordanian employment.
- **Outcome 3:** By 2027, Better Work Jordan will have made a positive impact on working conditions and labour market governance beyond Jordan's export-oriented garment industry.

Under **outcome 2**, Better Work Jordan will work with national stakeholders to increase the garment industry's contribution to Jordanian employment while simultaneously ensuring that the sector maintains its competitiveness. To address mismatches between the needs of garment industry employers and the skills of the Jordanian workforce, Better Work Jordan will support constituents' efforts to prepare Jordanian workers for employment in the garment industry in collaboration with the ILO's Skills and Employability Branch.

Objectives:

Within Jordan's rapidly growing garment industry, hiring and retaining Jordanian employees in middle management positions has emerged as a notable success story as the country's leading export sector and manufacturing employer, the apparel industry has traditionally relied heavily on migrant workers. However, certain garment factories have achieved success in attracting and retaining Jordanian talent within their middle management ranks. Recognizing the significance of this accomplishment, the

primary objective of this case study is to comprehensively examine the factors that led to the successful hiring and retention of Jordanians in middle management positions in a specific garment factory in Jordan. The study **aims** to identify the key success factors and practices that have contributed to this achievement and provide concrete recommendations for different stakeholders that would make it possible to replicate the successes and practices across the garment industry. By delving into the strategies and practices employed by this factory, the study seeks to shed light on the factors influencing employee satisfaction, including working conditions, career opportunities, compensation and benefits, work atmosphere, management policies, and professional growth prospects. The findings and recommendations from this case study will serve as a valuable resource for industry stakeholders, government bodies, and relevant organizations to enhance the hiring and retention of Jordanians in middle management positions, ultimately contributing to the development and growth of the garment sector in Jordan.

Scope of Work:

The consultant is expected to – among other tasks- undertake the following:

- As deemed appropriate, use an approach that includes qualitative and/or quantitative data collection techniques as needed. The data will be collected through a review of existing documents (subject to factory approval), including the factory's human resource records, interviews with the factory's management, and surveys of employees in middle management positions. The data collection will be designed to capture data including recruitment practices, employee engagement, training and development, employee benefits, and performance management.
- Analysis of the success factors contributing to the hiring and retention of Jordanians in middle management positions: The analysis will identify the success factors contributing to the factory's ability to hire and retain Jordanians in middle management positions. The analysis will also highlight the challenges faced by the factory management and employees and how they were overcome. Analysis will identify the challenges and obstacles faced by the factory, including cultural differences and language barriers, and how they were overcome through effective recruitment practices, employee engagement, and training and development.
- Evaluate the impact of the success of hiring and retaining Jordanians in middle management positions on the factory's overall performance. This will include an analysis of the impact on productivity, employee morale, and the factory's reputation.
- Provide specific recommendations for garment sector stakeholders and other garment factories to adopt, design and follow to replicate the success of the garment factory in hiring and retaining Jordanians in middle management positions. These recommendations will cover recommendations for relevant sector policy development, recruitment practices, employee engagement, training and development, employee benefits, and performance management.

Methodology

The consultant will need to articulate a detailed methodology and approach to undertaking this assessment in their proposal.

Deliverables:

The consultant will be required to deliver the following:

1. A detailed methodology and work plan outlining the activities, timeline and deliverables.
2. Draft report containing the results of the data collection and analysis in addition to draft recommendations.
3. Final report outlining the key findings and final recommendations (This shall include a PowerPoint presentation to be used in showcasing the study finding)

Deliverables	# of Expected Working Days	Deadline	Report Language
1. A detailed methodology and work plan outlining the activities, timeline and deliverables.	1	11 th August 2023	English
2. Draft report containing the results of the data collection and analysis in addition to draft recommendations.	8	31 st August 2023	English
3. Final report outlining the key findings and final recommendations (This shall include a PowerPoint presentation to be used in showcasing the study finding)	3	10 th September 2023	English and Arabic
Total number of expected workdays		12	

Supervision

The consultant will report to the BWJ National Project Coordinator - Employer's Relations under the BWJ program manager's overall guidance and work closely with the BWJ team. The National Project Coordinator - Employer's Relations should approve all deliverables.

Payment Method

According to the market rate, payments to the External Collaboration will be made as **lumpsum** according to expertise and is asked to submit a financial offer detailing the daily rate. The consultant will only be paid upon satisfactory completion and approval of deliverables 1,2 and 3 and upon receipt of signed invoices by no later than 30th September 2023.

Responsibility of Data Collection

Collection of any data / information required is the responsibility of the consultant. BWJ will facilitate for any needed meetings.

Confidentially

The External Collaboration will sign a contract with International Labor Organization that contains clauses on confidentiality and non-disclosure.

Qualifications:

The consultant should possess the following qualifications:

- Master's degree in a related field.
- A minimum of 10 years of experience in HR management, organizational development, and talent acquisition. Experiences in the principles and practices of recruitment, employee engagement, training and development, benefits administration, and performance management would be an asset.
- Excellent research and analytical and report writing skills. Consultant is expected to have excellent research skills and the ability to gather and analyze qualitative and quantitative data.
- Industry Knowledge: Familiarity with the garment industry, particularly in Jordan, is also an asset.
- Ability to work independently and deliver high-quality work within the specified timelines.
- Excellent command in English and Arabic.

How to apply

Interested applicants wishing to apply to this assignment must send an email to jordan@betterwork.org with the subject (**Garment Sector Case Study_2023**).

The email shall include the following:

- 1- Technical Offer
 - A proposal which at least consists of proposed approach and methodology, team member composition, work plan and timeframe.
 - Consultant profile containing CVs of the project leader as well as proposed team members.
 - Summarised description and examples of work on the previous specific and similar assignments.
- 2- Financial Offer
 - The financial offer should demonstrate the needed budget for implementation, including detailed fee breakdown by each activity.

The deadline for receiving applications is 30th July 2023.

Only short-listed applicants will be contacted.