



International  
Labour  
Organization

## SUSTAINING COMPETITIVE AND RESPONSIBLE ENTERPRISE (SCORE)

Small and medium enterprises (SMEs) are at the heart of local and national economies. They are a source of economic growth, wealth and jobs, and can make an essential contribution to social and economic development. However, increasing competitiveness does not always go hand in hand with improved working conditions or sustainable livelihoods – decent work and competitive enterprises are often viewed as being incompatible. Indeed, there is often an assumption that actions to improve working conditions or safety are burdensome for enterprises.

In fact, a 'business case' exists, as investments that improve working conditions can yield real business

returns. Furthermore, in an era of extensive globalization, multinational enterprises (MNEs) and international buyers often struggle to ensure that decent work is implemented throughout the whole length of their supply chains. Making certain that suppliers comply with contractual and legal requirements and effectively consider sustainability has become an extended and difficult task.

In this environment, it can be a challenge to maintain a socially responsible drive for increased job quality alongside the enterprises' quest for productivity.

### FACTS AND FIGURES

#### Partners:

The Swiss State Secretariat for Economic Affairs (SECO); the Norwegian Agency for Development Cooperation (NORAD); COOP Switzerland; Business Social Compliance Initiative (BSCI)

#### Beneficiary countries:

Colombia, Ghana, South Africa, China, Indonesia, India, Viet Nam

#### Timeframe:

2009 – 2013

#### Budget:

USD 19 million

### THE RESPONSE

The ILO's Sustaining Competitive and Responsible Enterprises (SCORE) is a practical training and in-factory counselling programme that improves productivity and working conditions in SMEs. The product demonstrates best international practice in the manufacturing and service sectors and helps SMEs to participate in global supply chains.

The training is relevant whether applied to start-ups, established companies struggling to maintain market share, or dynamic firms with large ambitions. On-site consultations and classroom training are combined to address the individual needs of companies. Through the application of proven lean-manufacturing techniques and improvements in worker-manager cooperation, production efficiency is boosted and enterprise performance is increased.

The training modules include: (i) workplace cooperation; (ii) quality – managing continuous improvement; (iii) productivity through cleaner production; (iv) workforce management for cooperation and business success; and, (v) safety and health at work: a platform for productivity. The ILO works with national

and local social partners to promote and deliver this training.

MNEs and international buyers, by partnering with the ILO, have an opportunity to provide suppliers with access to the SCORE training programme and thus help them address challenges in working conditions, productivity and product quality.

Training activities under SCORE have been complemented by an ILO research project that contributes to the development of intervention models and policy guidance on ways to identify and raise awareness of synergies between higher productivity, improved skills, working conditions and occupational safety and health.

Messages delivered through SCORE are reiterated at the global level through advocacy. A range of methods are used including social marketing campaigns that promote gender equality, health and safety, positive workplace practices and the engagement of national counterparts, such as labour inspectorates and employers' associations.



*"Through SCORE, I have come to realize that improvements are a long-term investment that benefit the company by increasing productivity, profit and also product quality. Our company has to continue growing to remain relevant. Thanks to SCORE we are now expanding our markets."*

Ms. Li Yang,  
Assistant General  
Manager, Chuan



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## RESULTS

The SCORE Phase I programme was implemented between 2009 and September 2013 in China, Colombia, Ghana, India, Indonesia, South Africa, and Viet Nam.

At an average cost of USD 2,500 per SME per module, the programme achieved the following results:

- 308 enterprises representing over 54,000 workers benefited from the programme;
- 75 to 80 per cent of enterprises subsequently adopted a range of good management practices; 2,400 managers and workers attended the classroom training;
- 70 per cent of SMEs reported improved workplace relations;
- More than 50 per cent of enterprises reported cost savings:
  - (i) up to USD 15,000 of savings within three months of participation in the programme;
  - (ii) lower defect rates reported by 80 per cent of companies (-10 per cent average);
  - (iii) lower energy use, with an average 2 per cent kWh reduction per production unit.
- Participating enterprises reported 16 per cent fewer accidents and a reduction in absenteeism of 3.6 per cent;
- Participating enterprises reported productivity improvements of 15 – 50 per cent;
- 19 institutions (government organizations, industry associations, training organizations) were able to build their capacity, which allowed them to deliver SCORE training independently.
- The SCORE programme has collaborated on a number of research outputs, including for example:
  - The publication: "Can better working conditions improve the performance of SMEs?: An international literature review". This study reviews literature on the link between working conditions, safety and health, skills development and productivity in SMEs. It reveals evidence of an association between good workplace practices and various positive enterprise-level outcomes.

## BENEFITS OF PARTNERING

Workers benefit from greater decent work opportunities in a healthier workplace that complies with national standards. Those companies wishing to ensure the well-being of workers along their supply chains are supported in their efforts to attain this.

SMEs that participate in SCORE training increase their opportunities to gain access to national and global markets as a result of fulfilling buyer and national labour law requirements. Furthermore, SMEs achieve increased productivity and quality in tandem with more committed employees. SCORE training costs can be recovered in one month, representing excellent value for money.

National and international buyers benefit from more competitive suppliers, alongside a lower risk of bad SME supplier practice. Once SMEs recognize the benefits gained by having good working conditions and a safe working environment, the challenges of ensuring supplier compliance with contractual and legal requirements are reduced.