

# EMERGING INTERNATIONAL STANDARDS ON DECENT WORK AND EMPLOYEE DEVELOPMENT

By: Associate Prof. Ngeyi Ruth Kanyongolo

20<sup>th</sup> September, 2024

Sun & Sand, Mangochi Malawi

# PRESENTATION LAYOUT

- The layout of the presentation:
  - Definition of key concepts
  - The four strategic pillars of decent work
  - Existing Practices and challenges
  - The legal and regulatory framework
  - Duties of company and business management
  - Opportunities and recommendations
- Key argument: Managing business based on decent work and employee development in compliance with emerging international standards is essential for the success and growth of businesses.

# DEFINITIONS

- International labour standards on decent work and employee development reflect State sanctioned guidelines, or terms and conditions of employment aimed at protection of employees at work from what society considers unfair or unjust (**Block et al, 2003**)
- Employee development is the process intended to manage employees' professional growth (**Harvard Business Review, 2014**)
- Decent work refers to 'opportunities for men and women to obtain decent and productive work in conditions of freedom, equity, security and human dignity (**International Labour Organisation Decent Work Agenda**)
- The new dawn of global business environment is centered on promoting work-life balance of employees, that revolves around the four strategic pillars of decent work which are essential for ensuring employee development and business productivity.

# THE FOUR STRATEGIC PILLARS OF DECENT WORK (ILO DECENT WORK AGENDA)

(1) Full &  
productive  
employment

-Training  
opportunity

-Adequate  
earning

-Productive  
work

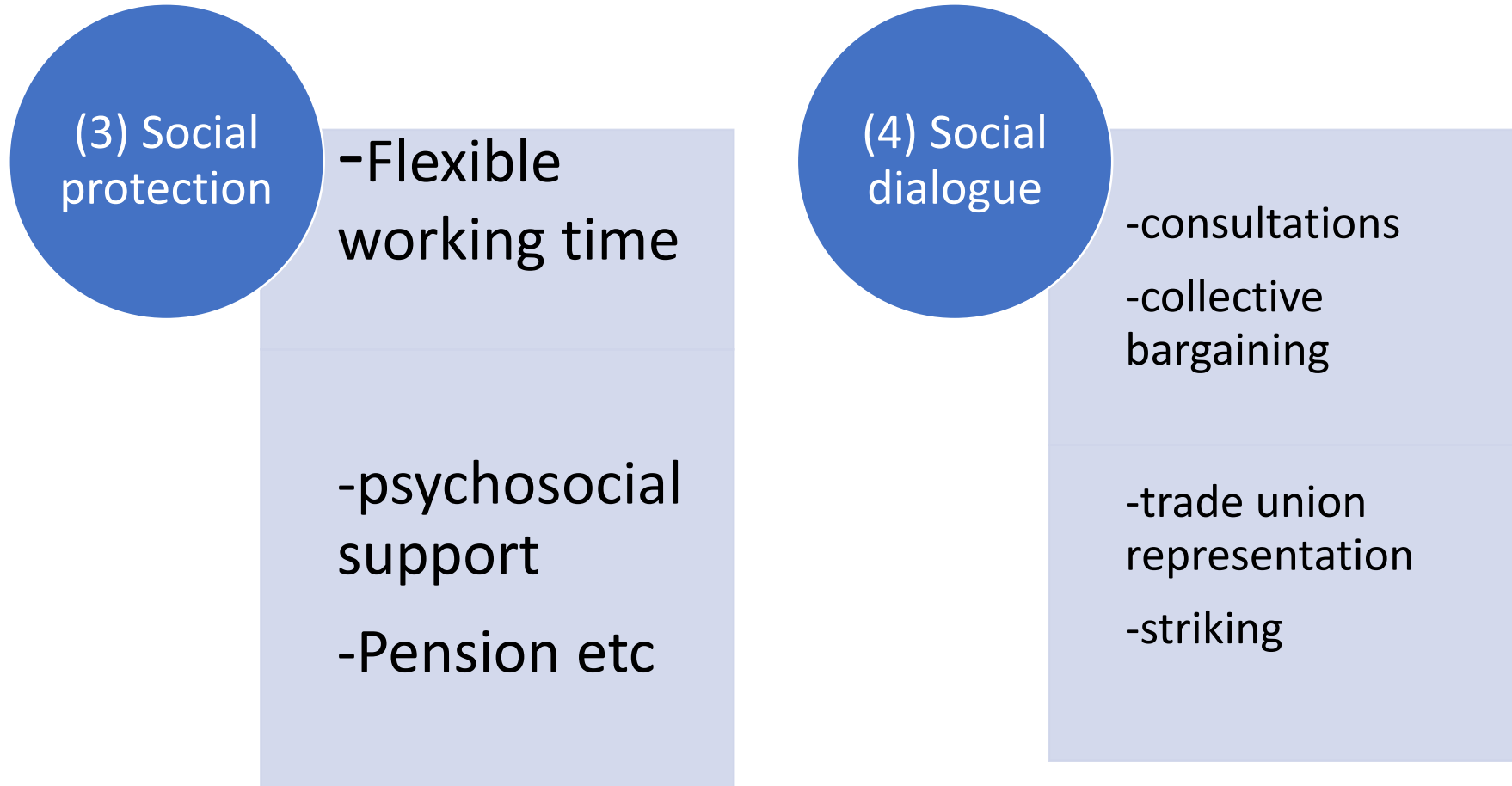
(2) Rights at  
work

-decent working  
time

-protection from  
sexual harassment

-equal opportunity  
& treatment in  
employment

# THE FOUR STRATEGIC PILLARS OF DECENT WORK CONT'..D



# Business Challenge: Increased informal employment

- ❖ Globally, 2.2 billion people are engaged in informal employment- the majority in low and middle income countries (**ILO skills & lifelong learning resolutions, 2021**)
- ❖ As of 2022, the share of employment in Malawi was at 11% in the formal economy and 89% in the informal economy. From the formal employment, workplace distribution research indicated that 75% of workplaces are in the private sector and 25% in the public sector (**Malawi Report on Employment Statistics, November 2022**)
- ❖ Push factors for vulnerable informal employment include
  - Unemployment
  - Poverty- In 2019, Malawi's working poverty rate was at 66% (**Mw Labour Market Profile, 2022-2023**) and was projected to increase to 72% in 2024 (**World Bank**)
  - Concerns for family-friendly work arrangements e.g. no maternity or paternity leave- **s. 47 of Employment Act & s. 8 of Employment (Amendment) Act of 2021** respectively

# Business Challenge: Gender (In)equality

- ❖ Gender power imbalances and sexual harassment at the workplace affect the right to equality and employee productivity.
- ❖ Access to decent work and to opportunities for employee training and development should be measured across the gendered lens for enhanced efficiency and empowering environment.
- ❖ Statistics show that men are more likely to be in paid employment than women eg 55% of new jobs created in the first half of the year 2022/23 were occupied by males and 45% were occupied by females (**Malawi Report on Employment Statistics, November 2022**); 93.6% of women and 83.6% of men are in informal sector (**Malawi Decent Work Country Programme 2020-2023**).



# Business Challenge: Pandemics & Natural Disasters

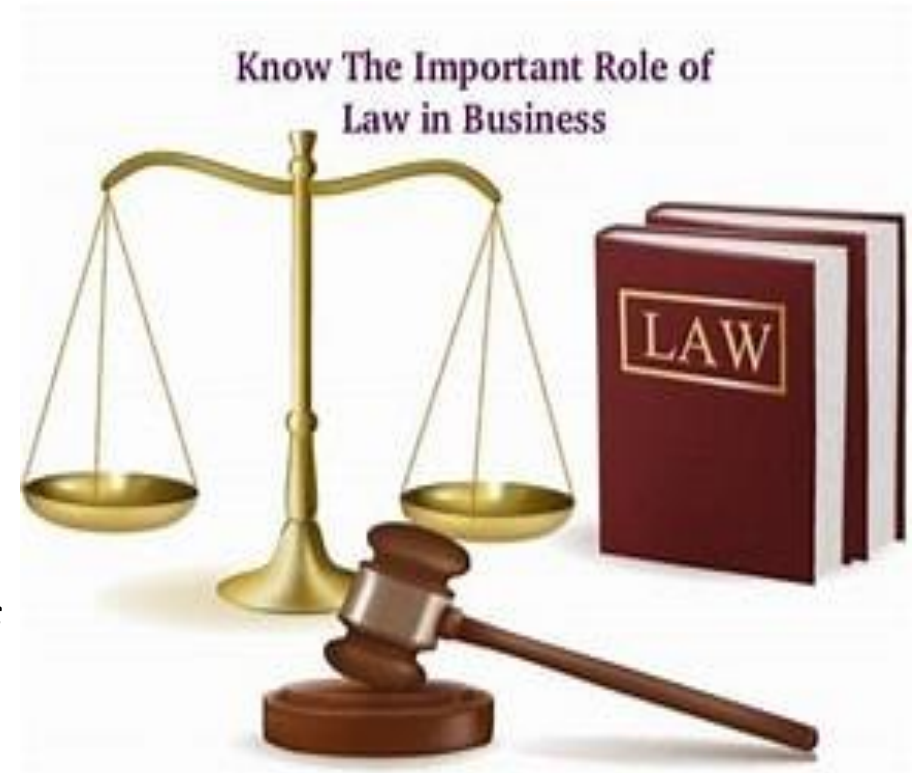
- ❖ Unprecedented events such as Covid-19 and Cyclone Freddy have significantly affected the business world by increasing urgency for e-business operations and redefining workplace health and safety requirements which are essential for sustainable businesses and productive work.
- ❖ In 2020, companies globally lost 8.8% of working hours due to Covid-19 (**ILO skills & lifelong learning resolutions, 2021**)
- ❖ Such major disruptions intensify skills deficiency & labour rights violations in companies and yet, the level of national preparedness for disasters remains low (**Global Risks Report 2022**).
- ❖ Workers in informal employment worst affected, they lack unemployment and formal pension schemes. Investment in social protection is essential for businesses in order to strengthen human and social capital and to promote resilience during pandemics.





# Business Challenge: Rule of Law

- S. 12 of the Constitution provides for rule of law for all including the Government and the private sector.
- Compliance with the law is key to attaining efficiency. However, employers may lack technical competence on labour issues and show increased resistance to social dialogue e.g. collective bargaining (**Employers Consultative Association of Malawi [ECAM] in Malawi Labour Market Profile 2022-23**)
- Businesses should recognize the benefits of implementing and enforcing different regulations on decent work and employee development.
- Globally, 3 in 4 organizations that continuously obey expectations of the law and regulations testify that compliance drives business growth (**OECD Guidelines for Multinational Enterprises, 2011**)



# LEGAL AND REGULATORY FRAMEWORK



- Comprises regulation from both international agreements and national laws and policies relevant to promoting decent work and employee development.



# INTERNATIONAL LEGAL FRAMEWORK

- The **Business and Human Rights Treaty**
- Article 9 promotes duty of due diligence for businesses which includes (see art.9(2):
  - (a) monitoring human rights impacts;
  - (b) identifying and assessing human rights violations;
  - (c) preventing human rights violations;
  - (d) reporting on non financial matters, including at a minimum environmental and human rights matters;
  - (e) undertaking environmental and human rights impact assessments; and
  - (g) carrying out meaningful consultations with affected groups and relevant stakeholders

# INTERNATIONAL LEGAL FRAMEWORK CONT'..D

- Chapter 3 of Agenda 21 requires States to generate remunerative employment and productive occupational opportunities including those that are specific for vulnerable groups such as women, urban poor, unemployed rural labour and low-income urban residents.
- Malawi is also a party to the 1973 Minimum Wage ILO Convention, 1951 Equal Remuneration ILO Convention 100, 1981 Occupational Safety and Health Convention 155 and the Protocol of 2014 to the Forced Labour Convention, although it did not ratify the 1957 Abolition of Forced Labour ILO Convention.
- ILO Convention 190 : 2019 Violence and harassment



# NATIONAL LEGAL FRAMEWORK

- The Constitution of the Republic of Malawi
  - the right to equality and non-discrimination (section 20),
  - the right to protection from forced labour (section 27),
  - the right to freedom of association (section 31), and
  - the right to earn a decent living through economic activities (section 29)
- The rights are expounded in various legislation that seek to promote decent work and employee development.

# INTERNATIONAL & NATIONAL POLICIES / GUIDELINES

- SDG 8: “Promote sustained, inclusive and sustainable economic growth, full and productive employment and work for all”.
  - Target 8.5: by 2030, achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value
  - Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
  - Target 8.10: strengthen capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.
- Malawi aspires to facilitate human capital development through ensuring good health and welfare of employees as well as skills development of workers (**Malawi 2063, Enabler # 5**)



# DUTIES OF BUSINESS & COMPANY MANAGEMENT

- Compliance with domestic laws and regulations and translated into specific company policies
- Respect workers' human rights by developing specific policy commitments on decent work & employee training which will stipulate the company's overall commitments, responsibilities and expectations
- Promote workers' awareness of and compliance with company policies including through training and disciplinary action
- Encourage human capital formation, in particular by creating employment opportunities and facilitating training opportunities for employees
- To act with human (or employee) rights due diligence, good citizenship and shareholders' best interest

See: **Human Rights and Business Treaty, the OECD Guidelines for Multinational Enterprises (2011), the Companies Act and the Malawi Code of Best Practice for Corporate Governance in Malawi**



# IMPLICATIONS FOR BUSINESS IN ENFORCING DECENT WORK AND EMPLOYEE DEVELOPMENT

## 1. Cost implications

Regulation can be costly for businesses but it also has long-term benefits.

- ❖ The legal environment & international standards may create pressure on businesses to maintain international competitiveness by increasing payments to employees and entertaining trade union activities. This increases concerns that employees abuse their rights. For instance, ECAMA complained that workers take advantage of the labour regime to agitate for compensation packages through strikes which stifle business activities and increase labour costs for businesses (ECAMA).
- ❖ Consequently, employers may resist compliance with regulation

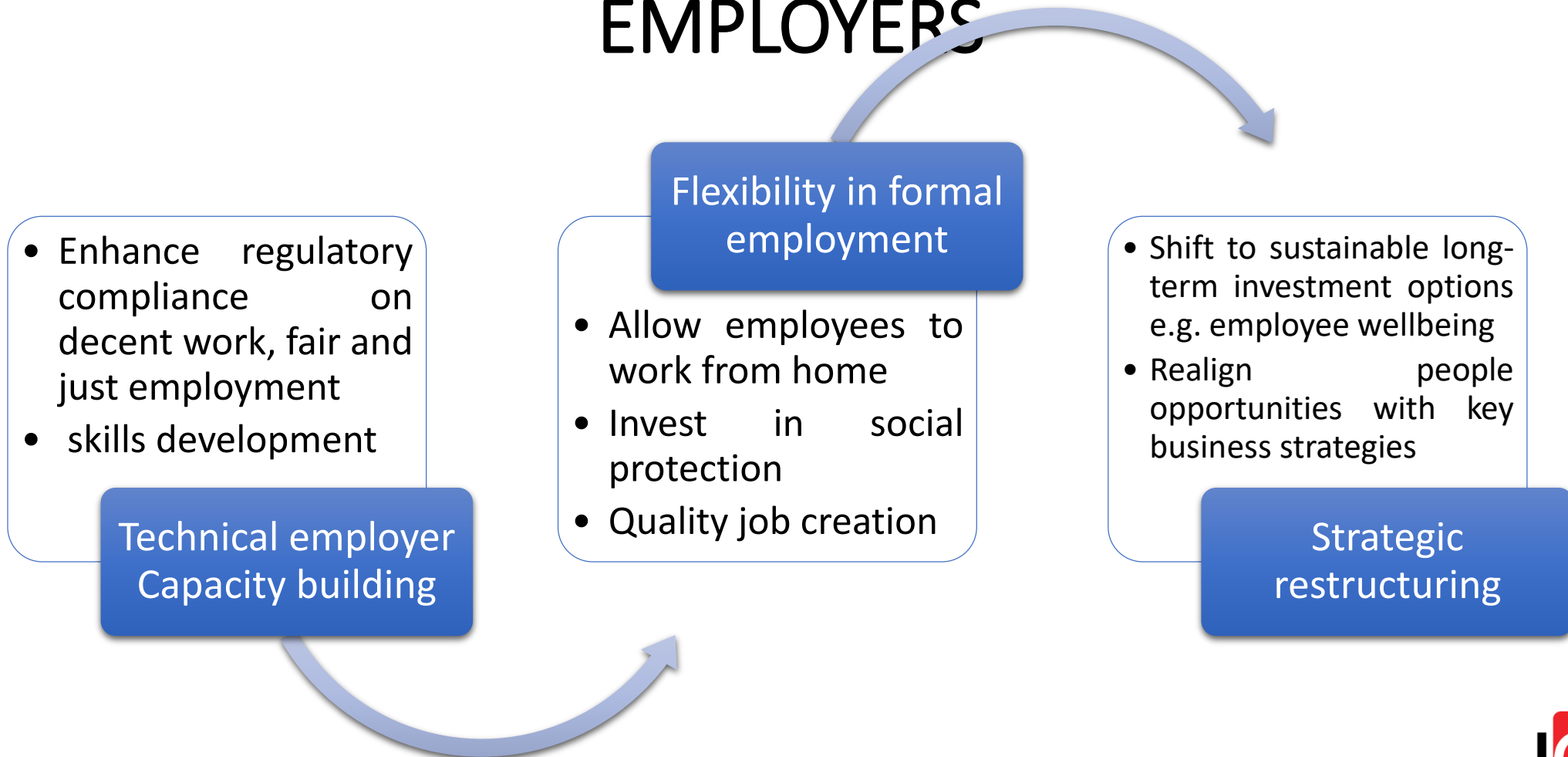


# IMPLICATIONS OF REGULATION CONT'.D

Regulation has positive implication on the company's growth and sustainability, including:

- ❖ Enhanced productivity through effective and highly productive personnel
- ❖ Gain accreditation and attract more investment opportunities
- ❖ Improve the competitive advantage of companies and businesses
- ❖ Protect companies from employee-related complaints and litigation which may be detrimental to the company's reputation
- ❖ Promote safety, sustainability and business continuity

# CONCLUSION: OPPORTUNITIES AND RECOMMENDATIONS FOR COMPANIES AND EMPLOYERS



**THANK YOU !!**  
**ZIKOMO KWAMBIRI !!**



**“Thank You”**