

The Future of Business



International Organisation of Employers
Organisation Internationale des Employeurs
Organización Internacional de Empleadores
The Global Voice of Business



Business NZ, Wellington, 27-9-2017, Linda Kromjong, Secretary-General

IOE at a Glance

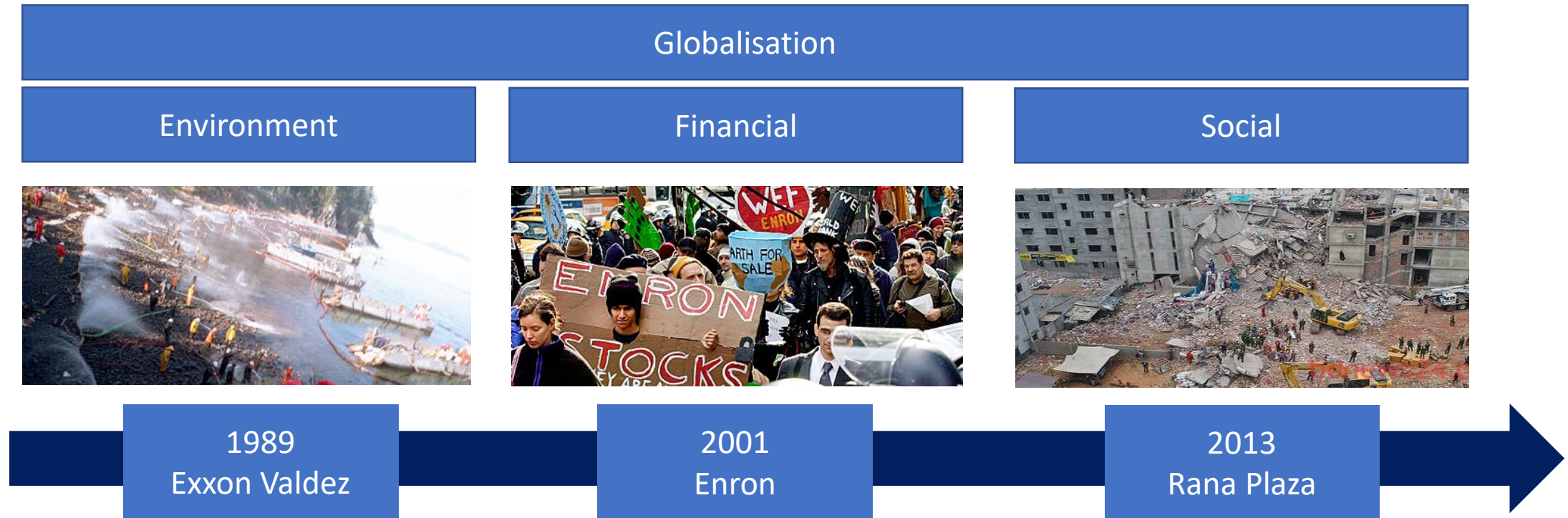


IOE Strategic Vision & Focus Areas

- I. Advancing the employer and business agenda across a range of forums and the media
- II. Strengthening the capacity of business and it's employers' organisations to support their own members
- III. Equipping companies with information and networking resources to meet the social and labour obligations and challenges of operating globally

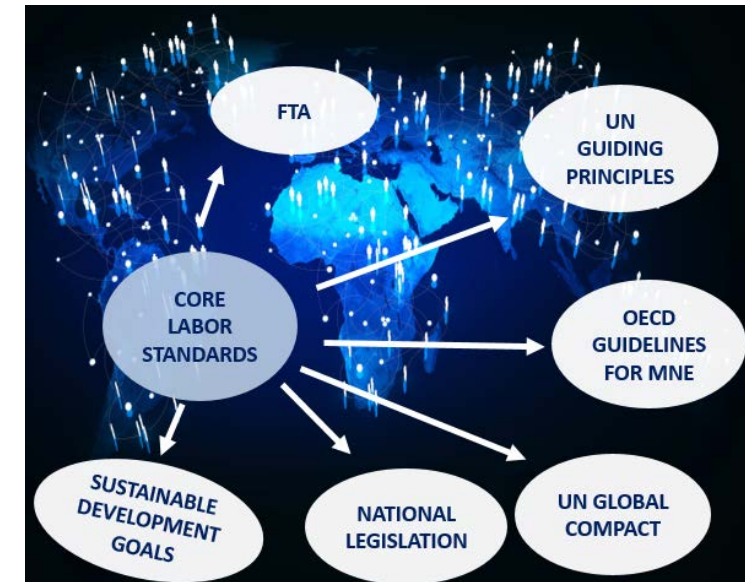


Responsible Business Conduct Evolution



International Labour Organisation

187 MEMBERS	1919 FOUNDED	3 PARTITE
189 CONVENTIONS	204 RECOMMENDATIONS	2 GOVERNING BODY MEETINGS P.A.
1998 DECLARATION	8 CORE LABOR STANDARDS	2008 DECLARATION
1 INTERNATIONAL LABOR CONFERENCE P.A.	4 STANDARD COMMITTEES	3 TOPICAL COMMITTEES

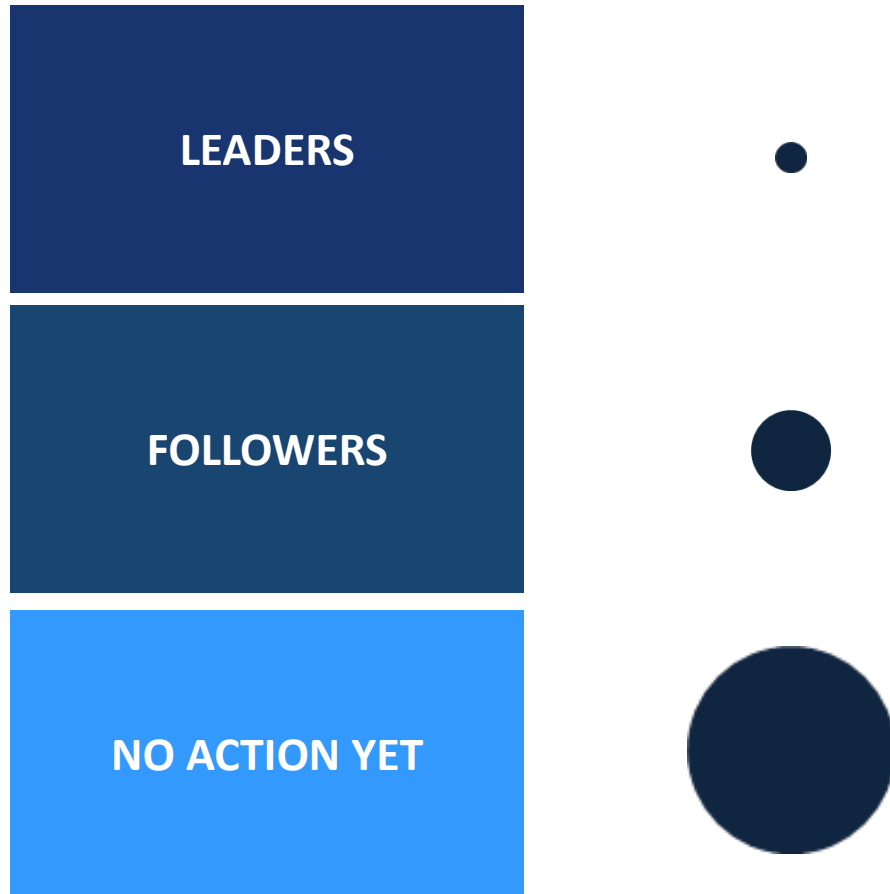


Shaping Responsible Business Conduct, ILO +

OECD GUIDELINES MNE AND SUPPLY CHAIN DUE DILLIGENCE	UN GLOBAL COMPACT	UN GUIDING PRINCIPLES	ECUADOR TREATY	UN WORKING GROUP HUMAN RIGHTS
GLOBAL UNION FEDERATIONS	SWEDEN GLOBAL DEAL	INVESTORS	CORPORATE HUMAN RIGHTS BENCHMARK	MEGA SPORTING EVENTS & HURI
G20/G7	SUSTAINABLE DEVELOPMENT GOALS	SOCIAL MEDIA	CIVIL SOCIETY	EMPLOYEES
GRI	ISO	UK MODERN SLAVERY ACT	AUSTRALIA MODERN SLAVERY LEGISLATION

**BECOMING
MORE BINDING
&
X-INFLUENCING**

Where Business Stands



- Corporate social sustainability moving into new phase, from nice to have to **must do**
- Human Rights & Labour Rights as core component of **social licence to operate** and integral part of business
- Positive **business case**
- **Protect, Respect & Remedy** framework
- **National Action Plans** key
- **Business** taking a more **active** role in shaping society & future of work
- **Multi Stakeholder** approach and dialogue needed
- From naming and shaming to **knowing and showing**
- New **leaders**

Future of Work – Evolution or Revolution?

- **Past transformation pace allowed for enough time to adapt and resulted in growth of economy and productivity**
 - Replacement of manual labour
 - Upscaling of skills and competencies
- **Now transformation is much more complex**
 - High speed of technological development,
 - Ongoing globalisation
 - Demographic challenges
- **Future of Work important topic for all**
 - ILO, High Level Commission of Future of Work
 - G20/G7
 - OECD
 - National Governments
 - And many more

+

- New jobs
- New markets
- Tailor made for individuals and companies
- Work life balance
-

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- Job losses
- Re-design of jobs
- Legal and institutional framework not fit for purpose
- Lacking social protection
-

Many on-knowns, risk or opportunity?

Future of Work – Impact on Business

SERVICES	ON-DEMAND ECONOMY	OUTSOURCING	GLOBAL TALENT COMPETITION	DIVERSE FORMS OF WORK
MULTIPLE JOBS	LIFE LONG LEARNING	CHANGING RELATIONSHIP	FLEXIBILITY	INNOVATION
WORKPLACE DIVERSITY	SUPPLY CHAIN	NETWORK	INDIVIDUAL PRODUCTIVITY	WORKER AUTONOMY
EMPLOYABILITY	DEMOGRAPHIC CHANGES	EXPECTATIONS	MEASURING PRODUCTIVITY	?



Future of Work – Policy Responses

- Adapt labour market regulation and institutions
- Supporting new and diverse forms of work
- Ensure agility of regulations
- Public support for job transition and mobility
- Social protection floors
- Embrace diversity
- Design modern migration regulations
- Facilitate online platforms to match skills/jobs
- Schools and universities curricula fit for purpose
- Focus on STEM

Strong Employers Federations



**DIVERSE
FORMS OF
WORK,
FORMS THAT
WORK!**

In Conclusion



Not embracing responsible business conduct and the future of work as integral part of doing business will ultimately lead to being out of business

Thank you



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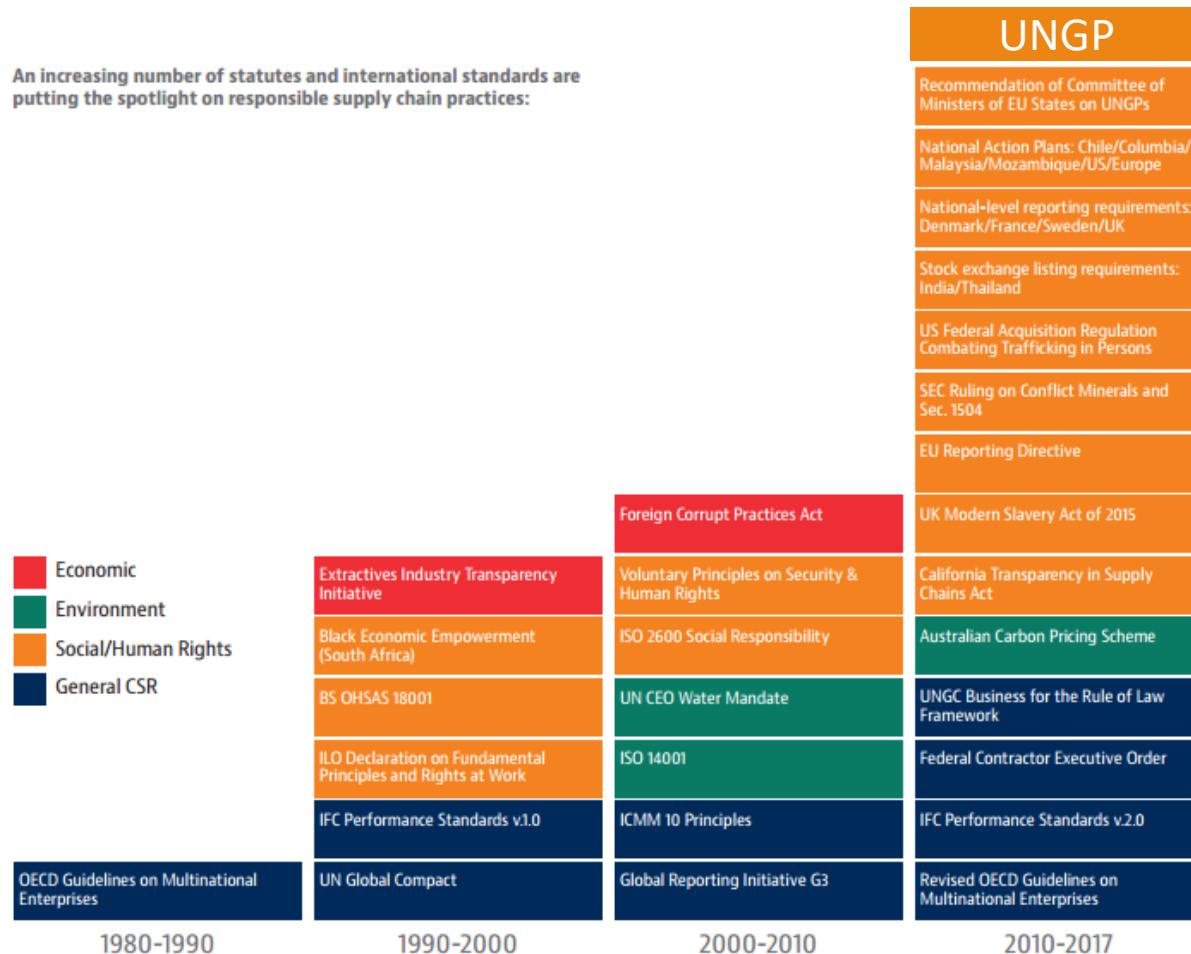


Back up



Business & Human Rights Developments

An increasing number of statutes and international standards are putting the spotlight on responsible supply chain practices:



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- OECD Due Diligence Guidelines Garment & Footwear published
- 1st Corporate Human Rights Benchmark
- ILO MNE Declaration updated
- France implemented Due Diligence Law

- NL, potential Child Labor Law
- Australia, Switzerland potentially to “copy with pride” UK Modern Slavery Act
- G20 Supply Chain Recommendation June 2017

- More info in IOE Human Rights & CSR newsletter



IOE BizHR Newsletter

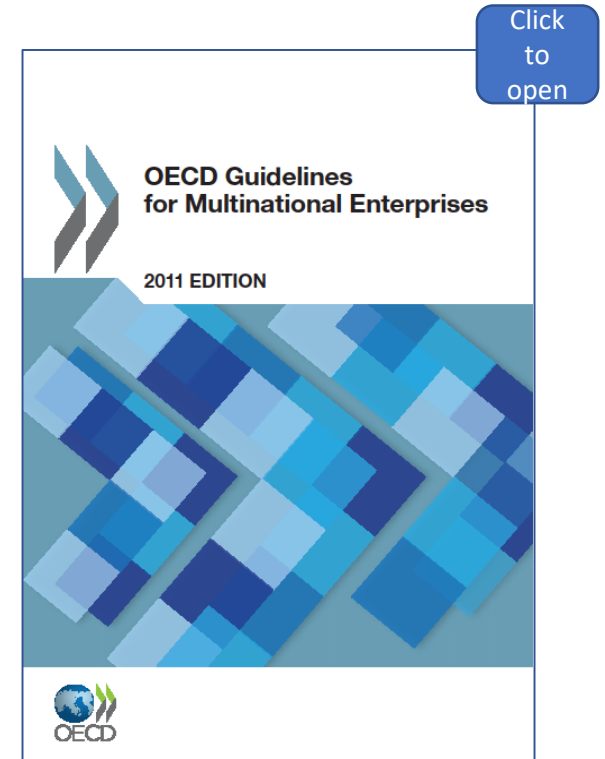
OECD Guidelines for Multinational Enterprises

- Since 1976, last revision 2011
- 35 OECD countries, 5 key partners
- From government to business
- MNE and SME that are active on a multinational scale
- Voluntary grievance mechanism
- Mediation by National Contact Points
- Not legally enforceable but to drive responsible behavior

To avoid adverse impacts of their own business activities on the interests that are covered by the Guidelines: do not cause, do not substantially contribute, seek to avert that partners infringe and encourage suppliers to apply

10 Area's:

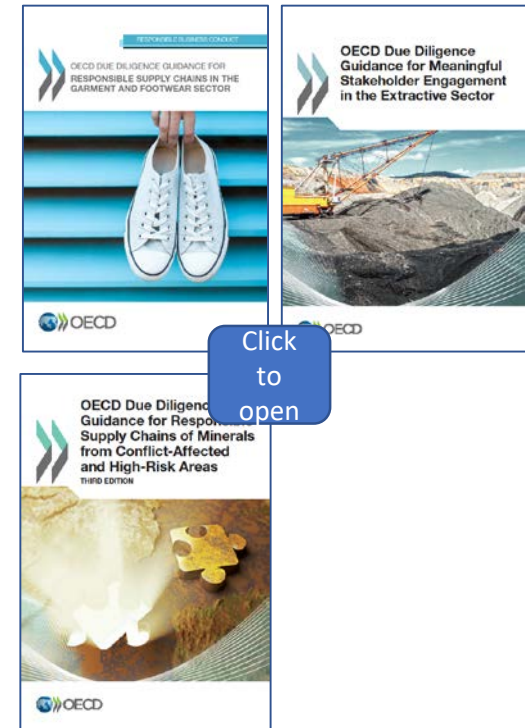
- General policies
- Disclosure
- Human rights
- Employment and industrial relations
- Environment
- Combating bribery
- Consumer interests
- Science and technology
- Competition
- Taxation



Due Diligence Within OECD Guidelines

Due diligence is the process whereby enterprises identify, prevent and mitigate actual and potential adverse effects, and also report how they take these effects into account in their decision making and risk-management

- No pre-described due-diligence process
- Sector specific due-diligence guidelines on garment & footwear, extractive sector and conflict minerals
- No due diligence in the fields of competition, science & technology, taxes
- Tailor made approach (depending on enterprise size, the context of the business activity, the gravity of the adverse effects)
- **Know, solve and show**



UN Global Compact

- Voluntary CR initiative
- Initiated by former UN SG Kofi Annan
- Call for action: Business community & UN to put a human face on globalisation
- > 14,000 participants, including > 9,000 businesses, in 145 countries
- CEO commitments
- Strategic review undertaken: governance, focus (SDG, PPP), global versus regional, reporting requirements to include SDGs
- Integrity measures on alleged violations

- 10 principles part of business strategy
- Annual Communication on Progress
- Public disclosure to stakeholders
- Voluntary financial contribution to become mandatory as of 2018

- Tools and guidance
- Peer learning
- Working Groups
- Local and regional network

If failing to full fill its commitments, listed as “non-communicating” and eventually expelled



Sustainable Development Goals on top of 10 principles!

Stakeholders expect business to commit to being a responsible employer, UNGC is a tool in showing this commitment

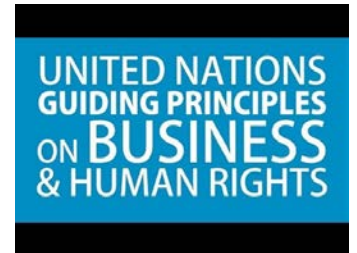
Stricter integrity measures and access criteria

UN Guiding Principles on Business & Human Rights

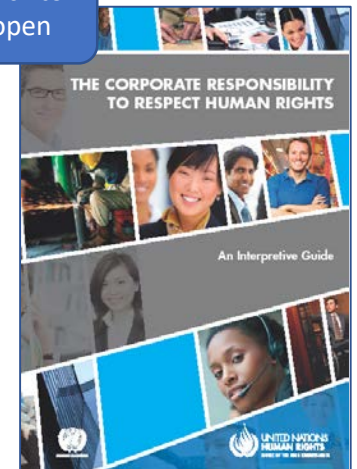
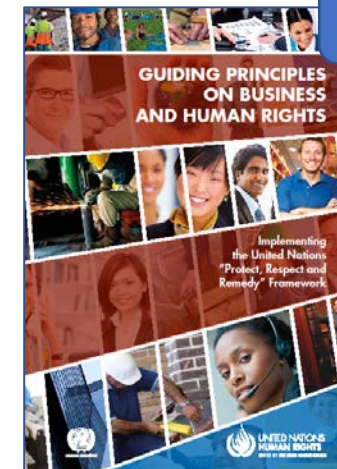
- Unanimously adopted by the United Nations Human Rights Council in 2011
- 3 pillars:
 - The state duty to protect human rights
 - The corporate responsibility to respect human rights
 - Access to remedy for victims of business-related abuses
- Enterprises, including suppliers, have a responsibility to avoid (i.e. to stop) causing or contributing to adverse impacts through its own activities where it has control; (due diligence)
- Enterprises, including suppliers, have a responsibility to seek to (i.e. to try to) prevent or mitigate adverse impacts caused by others where it has leverage (due diligence)

16 National Action Plans

- UK
- Netherlands
- Denmark
- Finland
- Lithuania
- Sweden
- Norway
- Colombia
- Switzerland
- Italy
- USA
- Germany
- France
- Indonesia
- Belgium
- Spain



Click to open



The 2030 Agenda for Sustainable Development

- Sustainable Development Goals (SDGs) in follow up to Millennium Goals
- Adopted in 2015 by the UN
- To be achieved by 2030
- 17 Goals
- 169 Targets
- Government duty to implement
- Business to contribute
- Risk: shift of responsibility from state to business
- Business to link SDGs to strategic objectives



Future of Business Federations

UNITE	REPRESENT	SUPPORT
<ul style="list-style-type: none">• General Assembly• Governing Board• Commissions• Working groups• Events	<ul style="list-style-type: none">• Advocacy• Lobbying• Social Dialogue	<ul style="list-style-type: none">• Information• Advice• Training• Helpdesk• And more
CONNECT	COMMUNICATE	FUNDING
<ul style="list-style-type: none">• Other networks• Joint actions• Multi stakeholder engagement	<ul style="list-style-type: none">• Technology• Agile• Fast	<ul style="list-style-type: none">• Membership dues• PPP• Grants• Pro Bono• Activities• Secondments

If everyone is moving forward together, then success takes care of itself"

Henry Ford