

## Hansae Viet Nam: Resolving grievances and moving towards sustainable development



The grievance handling systems in garment and apparel factories are seen as one of the key factors that may affect employee health and wellbeing, leaving a significant impact on the business revenue and output of the employers. According to a [recent publication](#) of the International Labour Organization (ILO), “*grievance handling is a key element in ensuring sound collective labour relations in the workplace*”, which lays a solid foundation for strong employer-employee relationships, thus leads to increased productivity and profits for the business. Hence, the establishment and encouragement of a solid grievance handling system is crucial and it should be seriously taken in a coherent and coordinated manner, especially for the Better Work Viet Nam (BWV) participating factories.

Hansae Viet Nam Co., Ltd (Hansae), a factory located in Cu Chi district, Ho Chi Minh City specializing in knitted and woven garments, is pioneering a new way to address grievances. Hansae joined ILO Better Work Viet Nam since 2009. Being a part of the programme, Hansae has gone through many yearly assessments to evaluate to what degree the factory meets legal requirements on labour compliance issues. In the first few years, Hansae Viet Nam didn't have much awareness of the importance of developing a strong grievance handling system, therefore, the company went through a phase of trial and error.



Through advisory and assessment sessions working with BWV Enterprise Advisors, Hansae Management has realized the importance of establishing a formal grievance procedure, and the factory has gradually built a new Grievance Handling unit to ensure that the grievances of the employees are being seriously taken.

*Photo: Nhi Pham (the woman standing with black shirt), Better Work Vietnam Enterprise Advisor, is working with PICC members during a Factory visit.*

The idea started with the establishment of an Grievance Handling Unit and recruitment of full-time Grievance Handling staff members. More interestingly, Grievance Handling staff is also part of a program that manages bipartite dialogue between management and workers. Thus, the grievance handling will also be facilitated in this way. As a member of Hansae Grievances Handling Unit, Thuan Tran quickly understood the positive impact and significant changes when a strong grievances handling system was introduced at the factory.

*“Seven years working at Hansae has put me in a great position to see how much the factory has improved while dealing with grievances raised by an employee. Thanks to the management support, we are able to quickly investigate cases, verify documents, report to management and give feedback to employees in just three to seven days. Other grievance issues such as remuneration and rewards policy have been immediately addressed. The employees are provided with multi-options to raise grievances such as suggestion box, hotline number, feedback and suggestion room, and via our CIQ application installed on their mobile phones*



*Photo: Thuan (the man in blue shirt) joins the PICC meeting with his colleagues.*

*“The grievances mechanism works so well that the management proceeds with immediate actions whenever a grievance is raised. I can feel that the Management really stands down and listens up to the employees, which improves morale and productivity by understanding what causes troubles and what motivates each employees,” Thuan emphasizes.*

With Better Work Viet Nam support, Hansae has significantly strengthened their grievances handling system, promoted discussions though among staff members and focused on building sustainable business practices. In the past 10 years, many Hansae core staff including supervisors, have participated in many training courses on Industrial relations, Negotiation skills, and Grievances Mechanisms to improve the way the factory handles employee grievances, and ensure factory compliance with national laws and international labour standards.



*Photo: Thu (the women in white shirt) is encouraging the employees at the Workshop 3.*

*“I have been working at Hansae Viet Nam since 2005. Since we joined the Better Work Viet Nam programme, I have been participating in many training courses, but I am deeply impressed with the Management and Supervisory skills training courses. With the role play, simulated interaction and group discussion activities in the training courses, I have greatly improved my communications and problem-solving skills, practiced listening to employees and learnt to praise them for their continued work. I feel that I have truly connected to the employees. It becomes much easier for us to discuss*

*whenever they have conflicts with others co-workers*said by Thu Lam, Vice factory manager of Workshop 3, Hansae Viet Nam.

In addition, Hansae also use proactive strategies that involve all workers, whether through internal training, or communications activities at the production workshops. The Management uses many communications channels and dialogues to ensure that all employees understand grievances mechanism procedures, and how they are able to raise grievances to the higher-level management in the factory.

*“I have been working with Thuan to collect the grievances letters in the suggestion boxes in the toilets every month. I am impressed with how fast the grievances handling system works while we are able to keep the content of the grievance confidential, and how well the factory protects the identity of the employee who raise grievances.”* said by Ngan Luong, an employee at Workshop 2, Hansae Viet Nam. As a result, the managers, supervisors and workers have been more encouraged and motivated at work, as they feel listened to as soon as their grievances are fairly resolved.

Research in Better Work factories has shown that employee wellbeing increases most dramatically when the Management Board of the factory cares for their employees, make the employees feel important and valued by listening to them, and establishing a strong and efficient grievances handling system to keep the employees happy and productive, thus increasing overall productivity.

*“The awareness of the employees is the key to an effectively functioning grievances handling system, with employees accounting for 70 percent of the success, while the system accounts for the rest. Without employees’ awareness and understanding, this system will no longer work. As a part of the Management Team, we always encourage the employees to share their feedback, suggestions for improvement or grievances, as long as the cases are given with full and precise details. That way, we will be able to verify each case and respond to the employees as soon as possible.”*, Lee Jin Woo, General Manager of Hansae Viet Nam, said.

The introduction of a good grievances handling system is vital not only in improving the working environment for the employees, but it also has a direct impact on business productivity and output, and it reflects a positive image to the buyers. A good grievances handling system requires the collaboration, consultation, cooperation and commitment of both management and worker representatives in the factory.