

human nature

Crafting a Development Index to
Measure the Impact on Workers
from Marginalized Communities
(Philippines)

human nature

Company Snapshot

Industry: Distribution of Personal & Home Care products, Distribution of Social Enterprise products

Business model: Direct Selling, Modern Retail, Online Sales and International Sales

Founded: Nov 2008

Employees: 454

of Branches in the Philippines: 34

of Countries: 6

VALUES

FAITH IN ACTION

It is faith that drives us as a company. Faith led us to build Human Nature and it is faith that continues to embolden us to build a global company that will uplift all people, especially the poor.

BAYANIHAN (COMMUNITY/TEAMWORK)

We are one family that joyfully supports each other. As we strive to work together, we strengthen each other and the bonds that link the Human Nature bayanihan chain.

INTEGRITY

We keep our commitments. We courageously uphold honesty and truthfulness in all our dealings.

EXCELLENCE

We believe we can be the best in the world. We constantly strive towards improvement and innovation every day.

STEWARDSHIP

We recognize that everyone and everything is a gift from God. We seek to bring out the greatness inherent in each one.

PADUGO (TO BLEED FOR THE CAUSE / TO SACRIFICE)

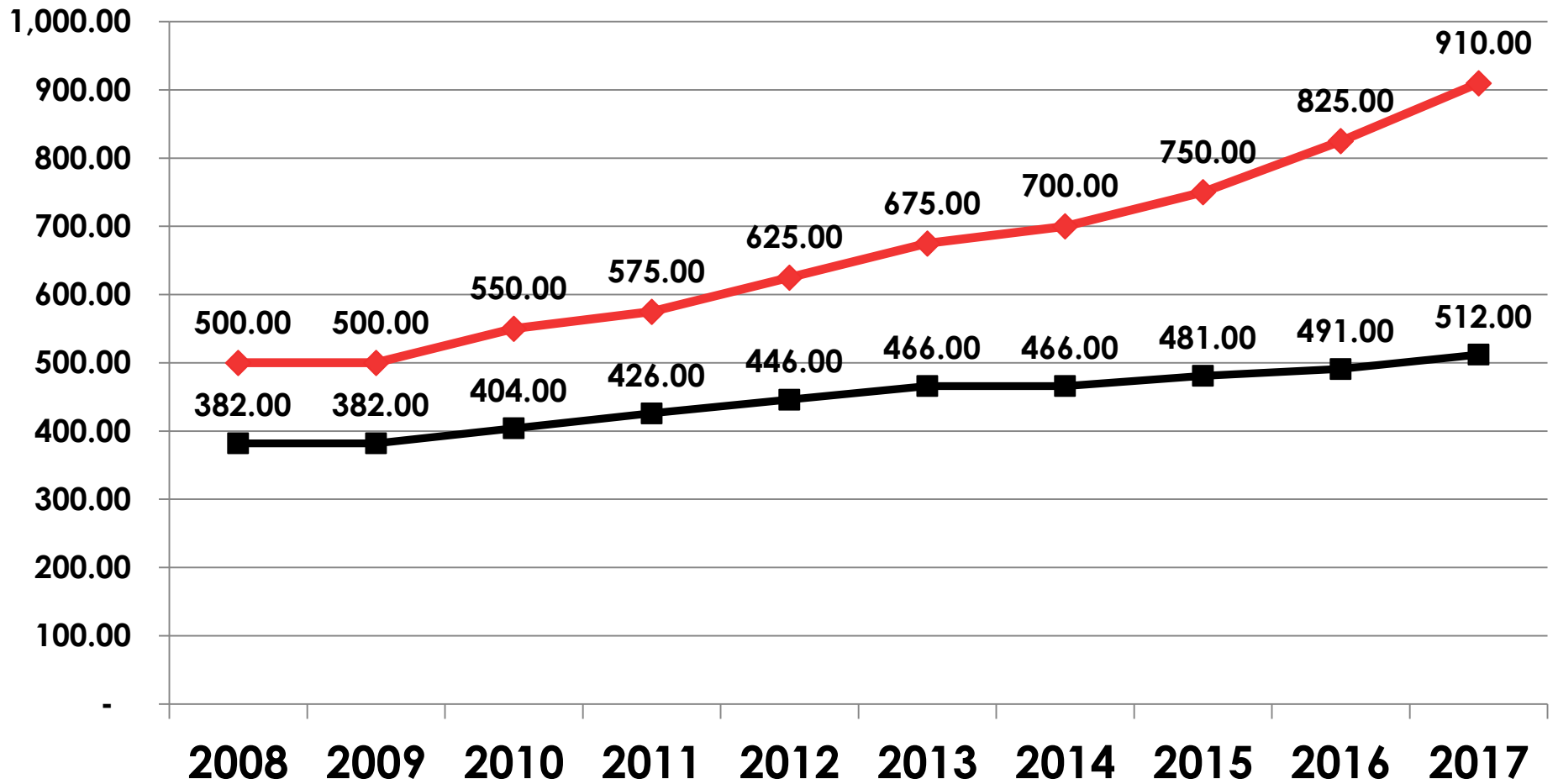
We build hope for others when we put their interests above our own. We seek to serve rather than be served.

COMPASSION

We will always be there for those in need - to give, to guide and to grow. Walang Iwanan.

Living Wage Commitment (Php)

◆ Company Living Wage ■ Legal Minimum Wage



Evolution of Interventions & Benefits

Day 1

- ♥ Commitment to Living Wage & No Contractualization
- ♥ Emergency & Calamity relief

Dec 2012: *Debt crisis with loan sharks*

- ♥ Freedom from Debt package
- ♥ Save up Program
- ♥ Life Skills program
- ♥ No Firing Policy

2015

- ♥ Home Improvement program

2016:

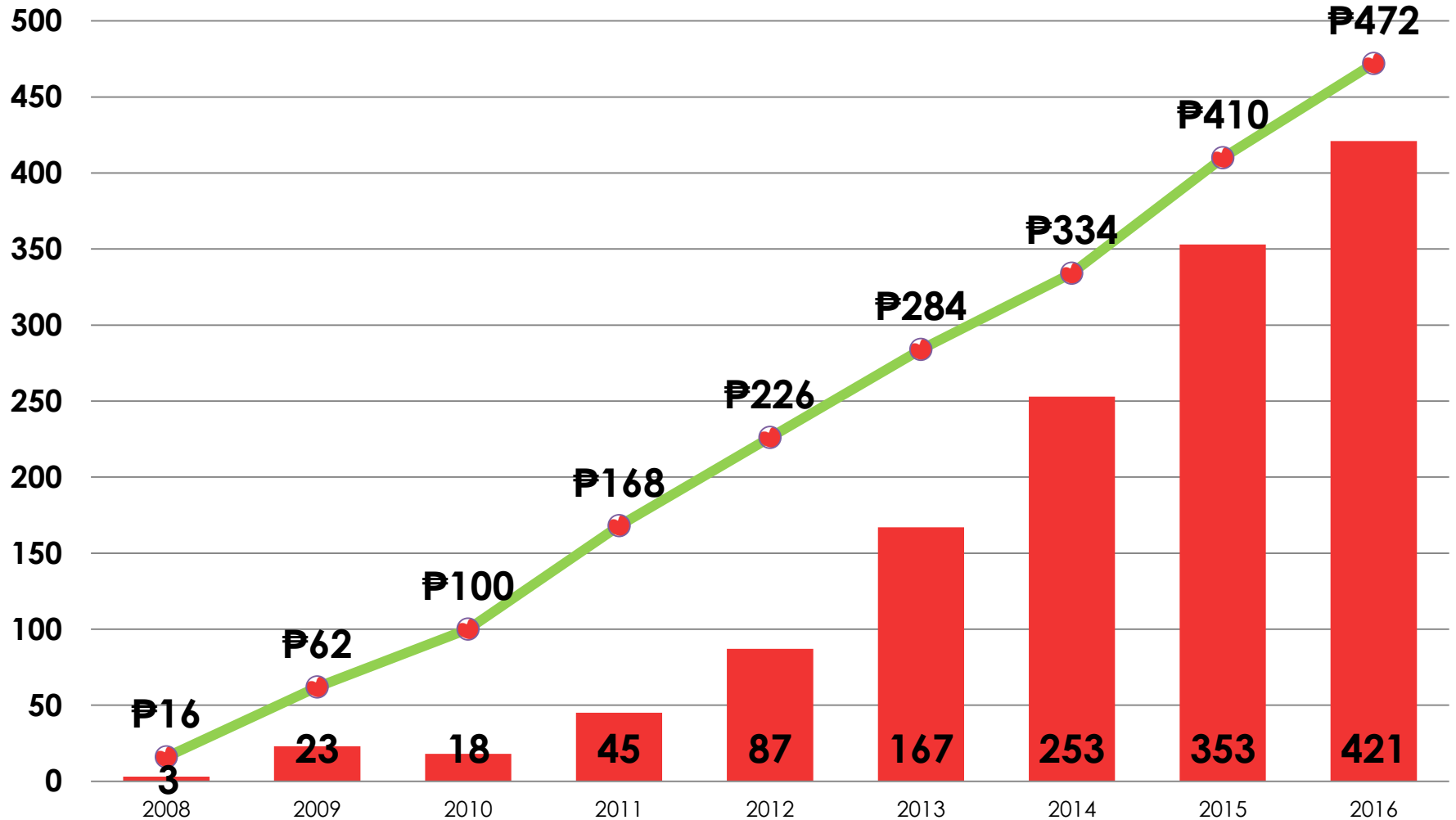
- ♥ Monthly Volunteer Leave
- ♥ Wedding Benefit

Jan 2017:

- ♥ 7.5 hours work hour
- ♥ No night shift

Sustainable Growth

of employees Gross Sales (Php M)



Stages of Defining Human Nature's Development Index (DI)

Establish
Relevance &
Working
Framework



Validate
Attribution &
Define Key
Elements Of
The DI



Flesh Out &
Pilot Test The DI
Tool/Instrument



Integrate DI In
PMES/MIS and
Do Continuous
Improvement

*Where Human Nature is in the process of
defining development index*

1: Relevance & Working Framework

VISION: helping Bottom of the Pyramid (**BOP**) workers **develop** to their **fullest potential**

58% of GKI's employees - low-skilled working poor from slum areas in Quezon City & Laguna

Baseline conditions

- High school graduates
- Unemployed, underemployed, contractual
- On survival mode, uncertain how to meet daily food & other basic needs
- Unable to support children's education
- Heavily indebted; No assets
- Limited access to basic social services
- Poor work values

(no accountability or initiative)



2: Validate Attribution & Define Key Elements of Devt Index

POLICIES & PROGRAMS:

- Living daily wage
- Training Program
- No Firing Policy
- Personal counseling
- Life Skills Program,
Freedom from Debt
Package
- Save Up Program
- Annual Financial
Stewardship Series
- Home Improvement
Program
- Wedding Benefit



2: Validate Attribution & Define Key Elements of DI

Methodology:

a) **Survey** - info on demographics, work and salaries/income

b) **Key Informant Interviews (KIIs)** – satisfaction with benefits received self-rating (1-5 with 5 as highest) of changes they observed in themselves after working with Human Nature

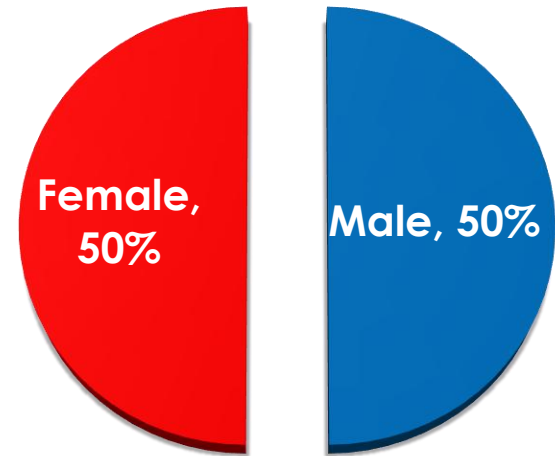
Initial Conception of Score Card Containing Main Elements and Sub-Elements of Human Nature Workers' Development

MAIN DIMENSIONS & SUB-ELEMENTS	1	2	3	4	5	REASON
Transformation in the workplace (15 pts)						
Improved knowledge and skills (5)						
Improved attitudes and aspirations (5)						
Improved performance (5)						
Freedom from indebtedness and soundness of personal financial management (20 pts)						
Freedom from loan sharks (5)						
Able to meet financial obligations (5)						
Able to save (5)						
Investment in productive assets (5)						
Improved quality of life of family: meeting basic human needs and beyond (45 pts)						
Food security (5)						
Access to health services (5)						
Access to education for children (5)						
Access to social security (5)						
Security of tenure/ownership of house (5)						
Ownership of appliances (5)						
Quality of housing (5)						
Freedom of movement (5)						
Opportunity for leisure and travel (5)						
Spirituality and involvement in community development (20 pts)						
Regularity of interaction in place of worship (5)						
Involvement/leadership in church activities (5)						
Involvement/leadership in Human Nature volunteer work and advocacies (5)						
Involvement/leadership in volunteer work and advocacies beyond Human Nature (5)						

Profile of Respondents

Total No: 30

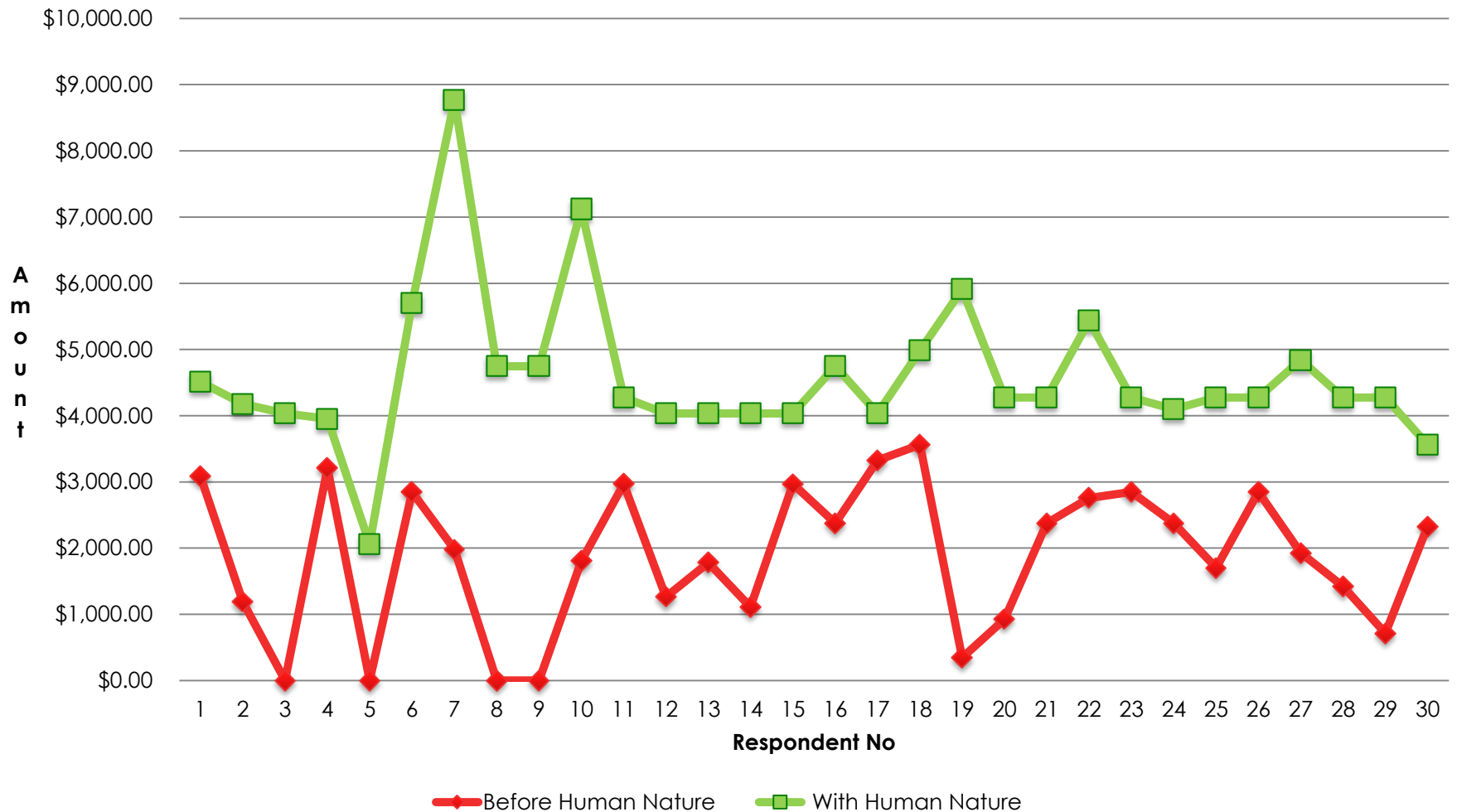
- Departments
 - Finance
 - Flagship Store
 - Sales
 - Merchandiser/Operations
 - Plant Production
 - Warehouse
- Highest Educational Attainment
 - 43% reached college/finished Vocational or Technical course
 - 33% HS graduates
 - 23% College graduates



- Length of service with Human Nature
 - Longest - 9 years (2008)
 - Shortest – 4-5 months (2017)
- Average age – 30 years old
- 63% have families
- Ave. HH members – 6
- Working members – 1 to 2
- Ave. # of dependents - 4

Respondents' Income: Before & After Human Nature

(in US \$)

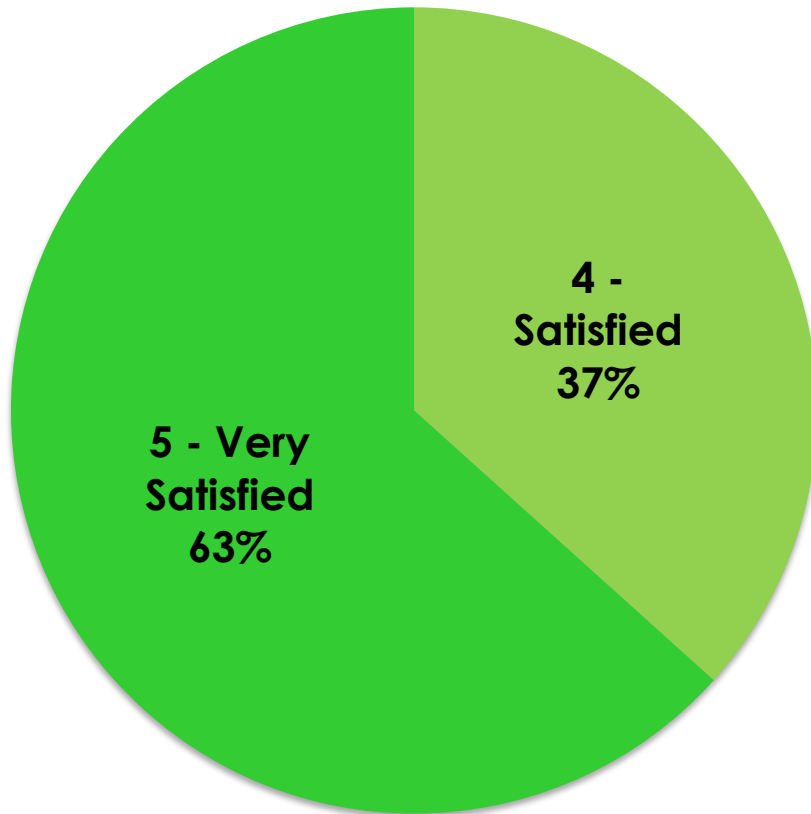


US\$1 = Php50.56

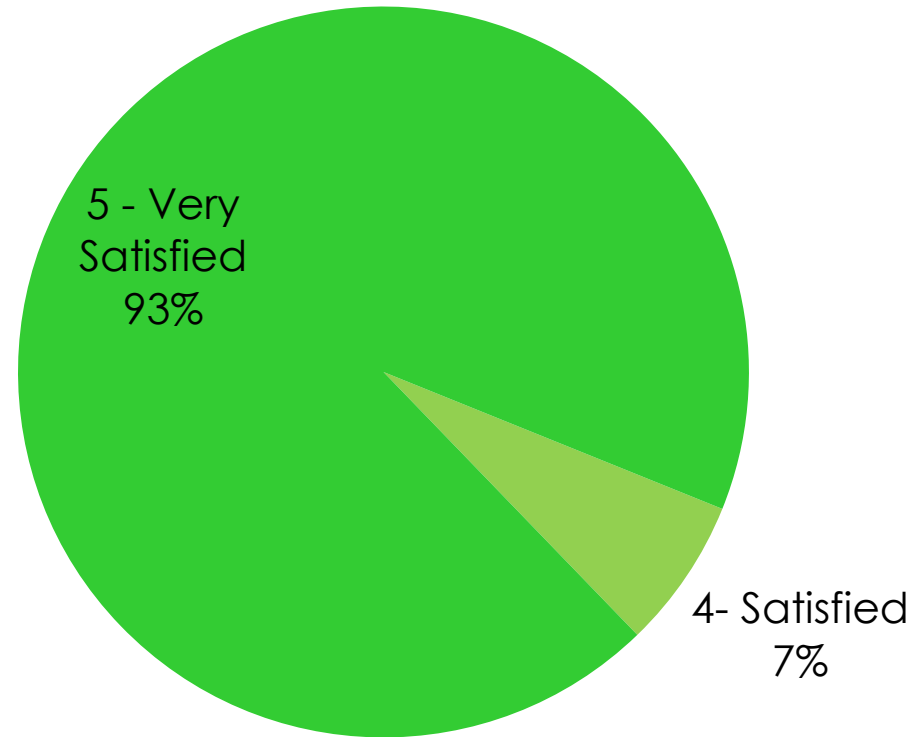
<https://www.oanda.com/currency/conv>
erter/

How Satisfied are the HN's BOP Workers with Benefits Received

Living Daily Wage

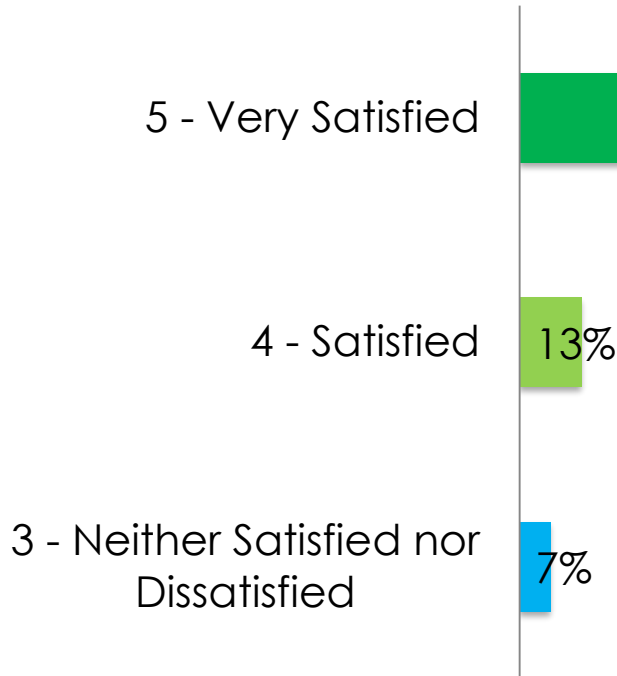


1-2 Days Off within a Week, including Sundays

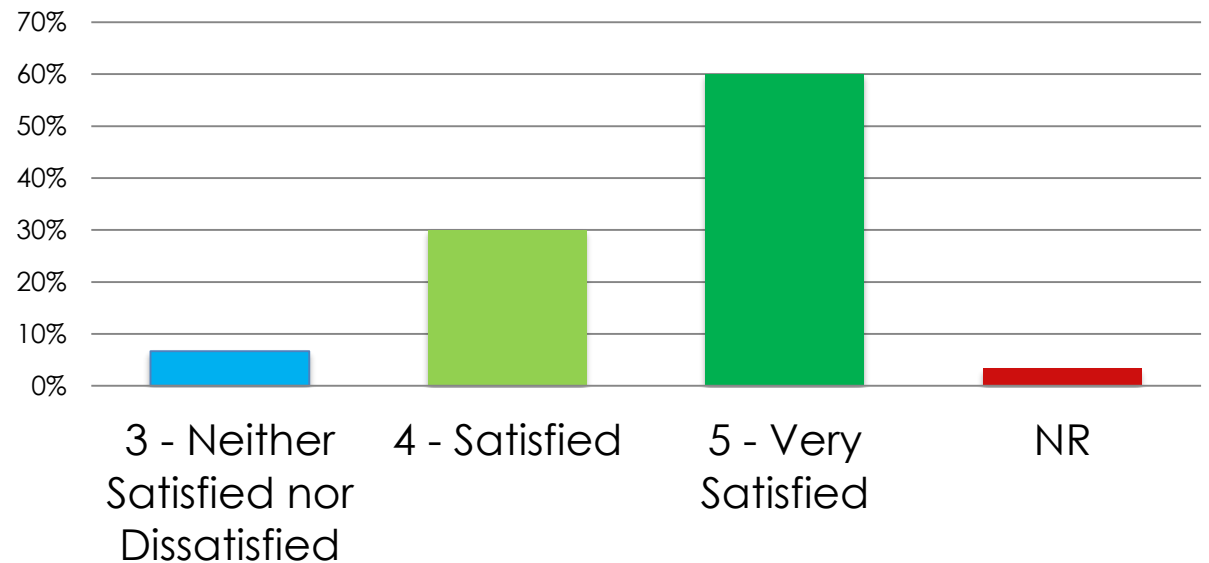


How Satisfied are the HN's BOP Workers with Benefits Received

7.5 hour Work Days

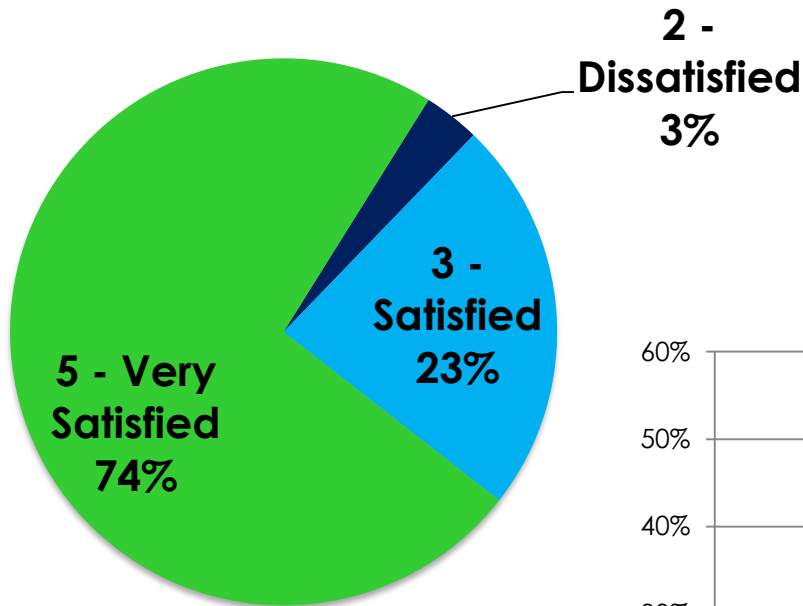


No Night Shift

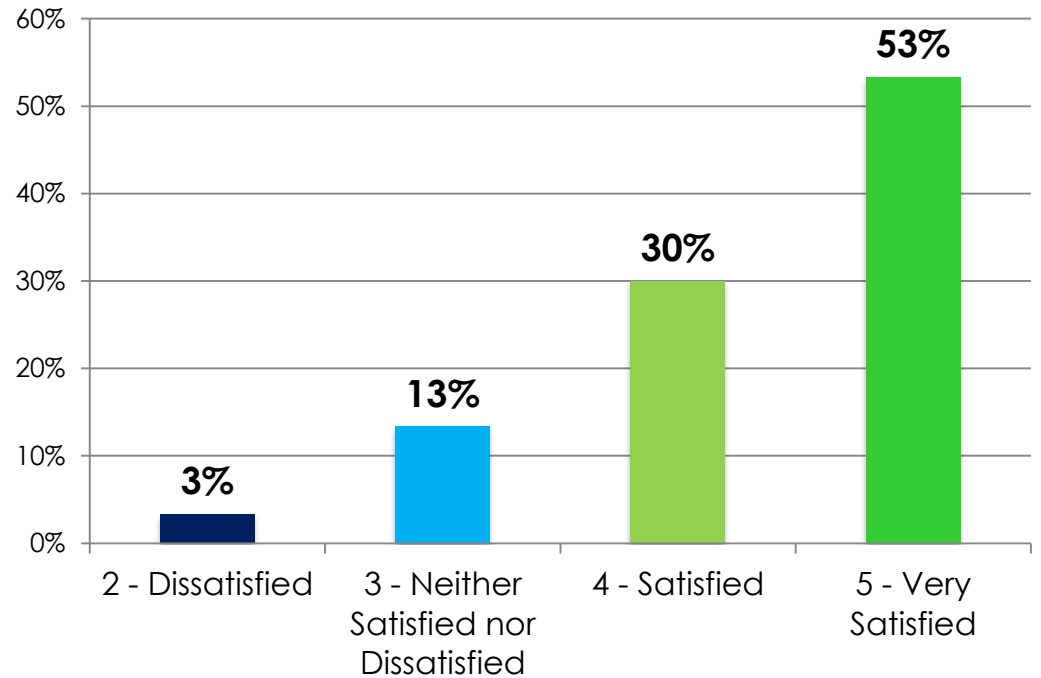


How Satisfied are the HN's BOP Workers with Benefits Received

Access to Social Security Benefits (Pagibig & SSS Loans)



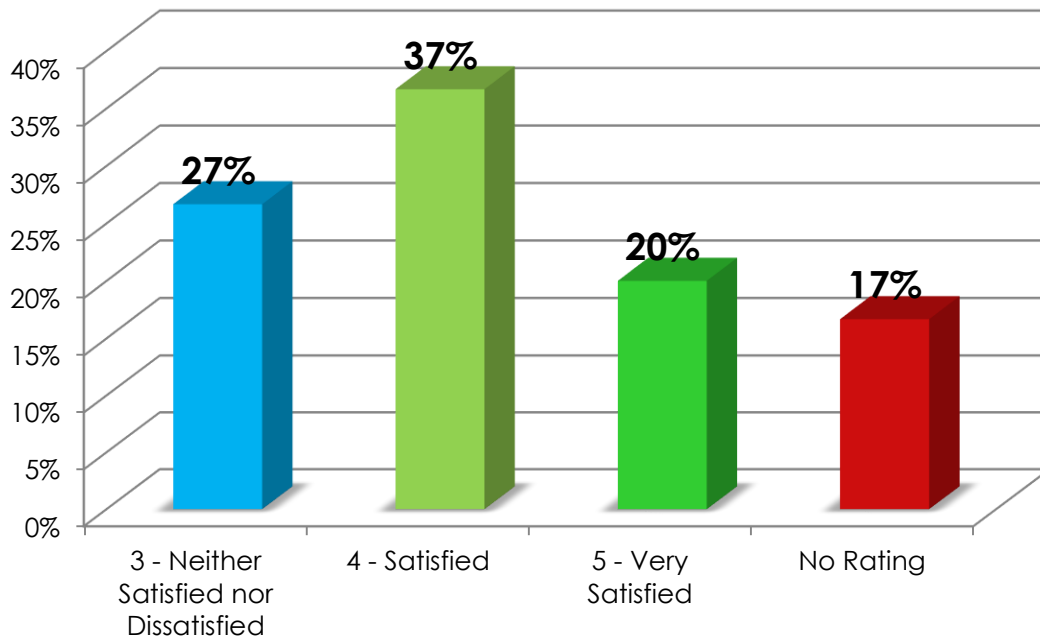
Training Program



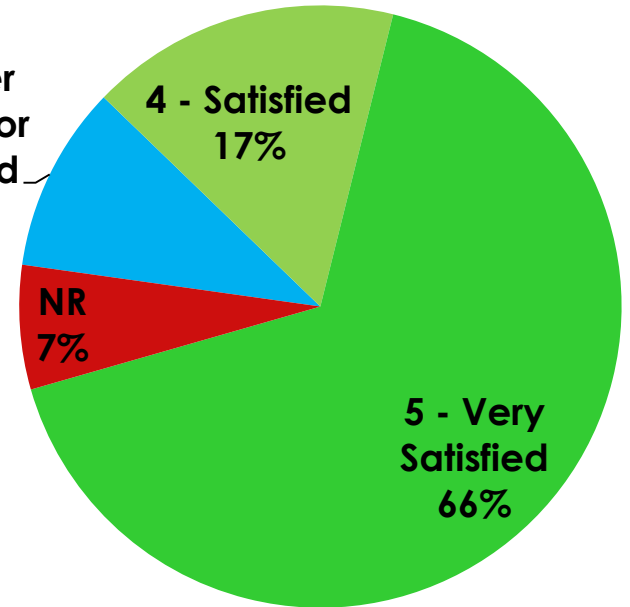
How Satisfied are the HN's BOP Workers with Benefits Received

Weekly Life Skills Program

Personal Counseling

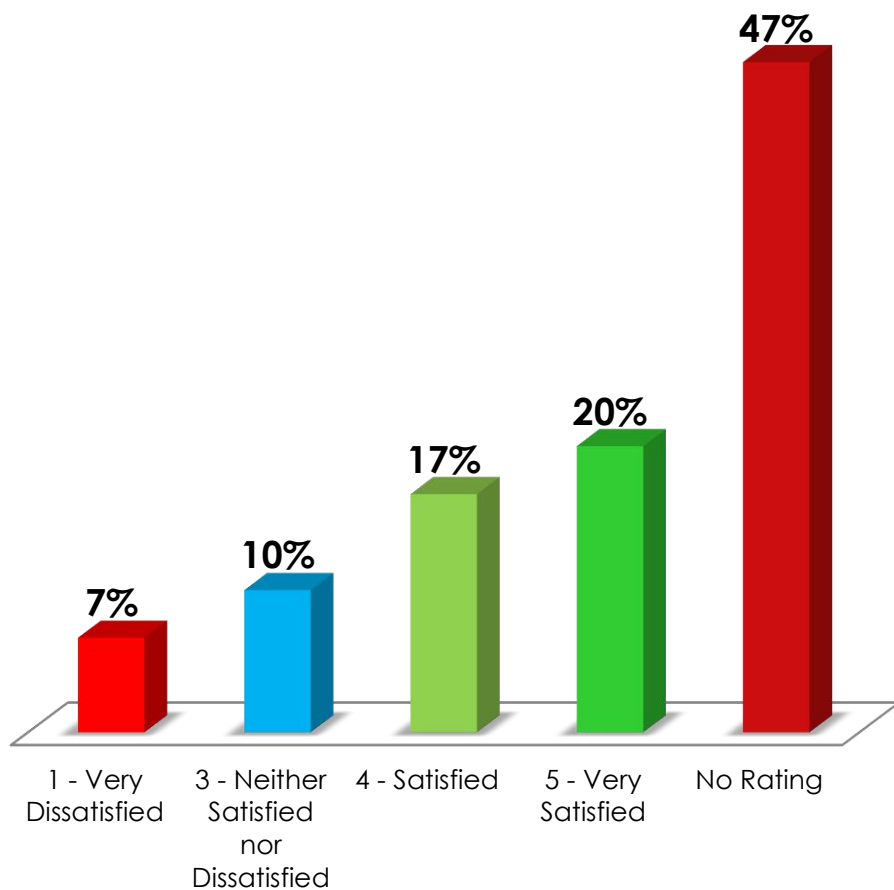


3 - Neither Satisfied nor Dissatisfied
10%

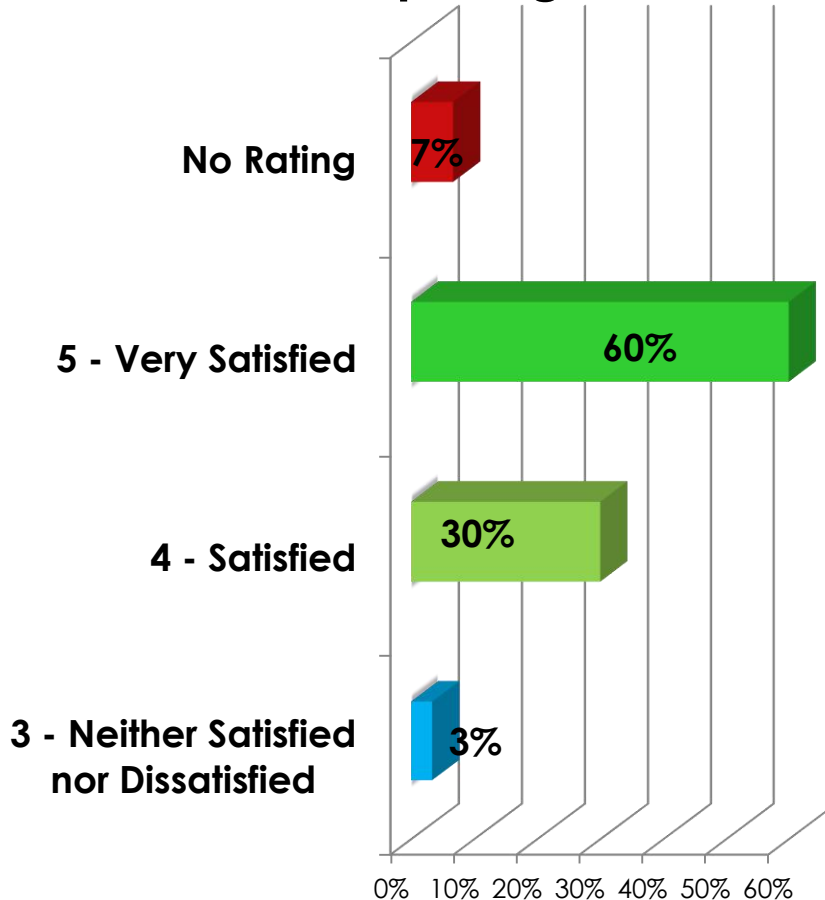


How Satisfied are the HN's BOP Workers with Benefits Received

Freedom from Debt Package

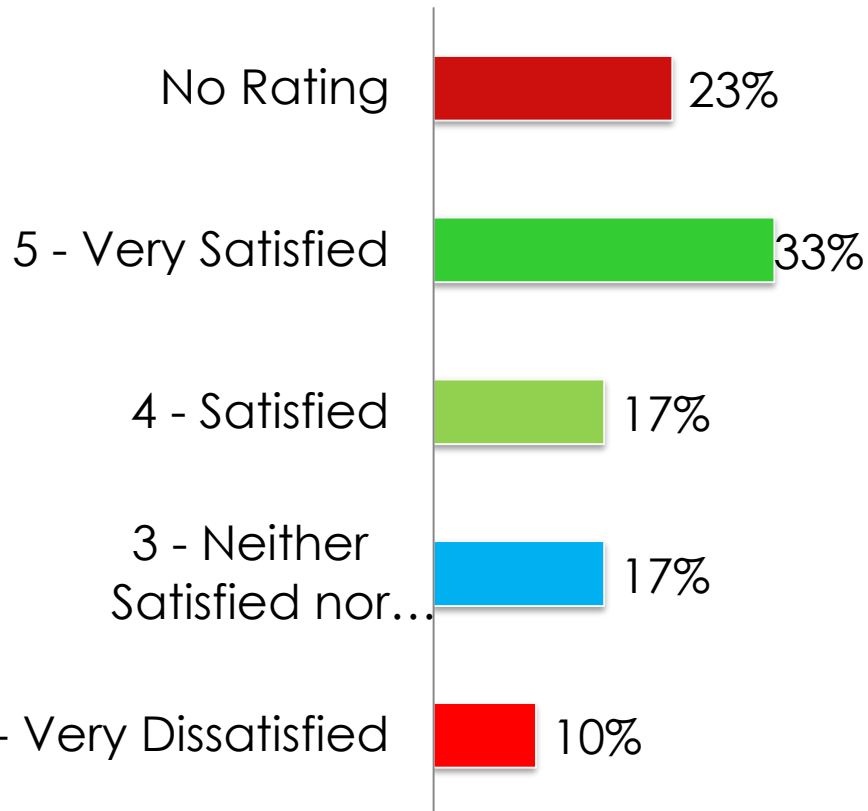


Save Up Program

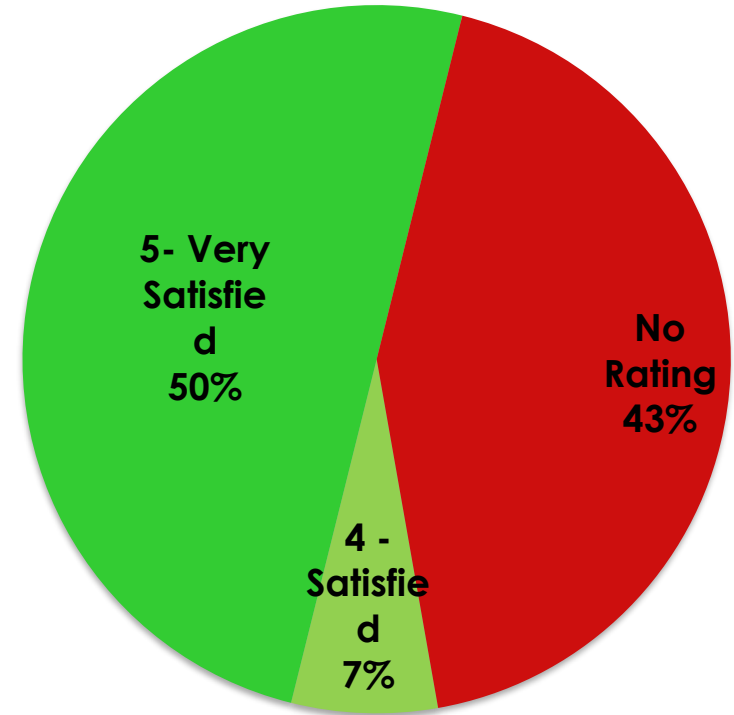


How Satisfied are the HN's BOP Workers with Benefits Received

Home Improvement Program

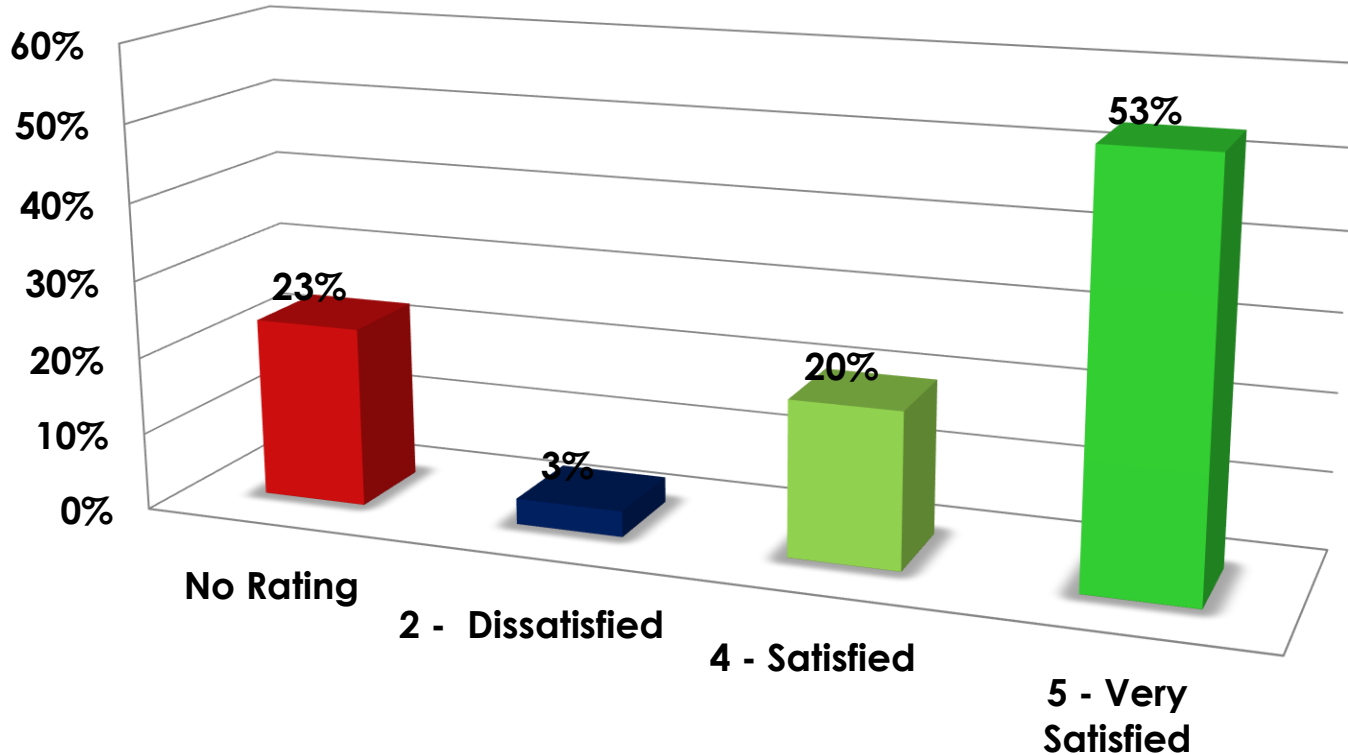


Wedding Benefit



How Satisfied are the HN's BOP Workers with Benefits Received

Assistance During Calamities & Emergencies



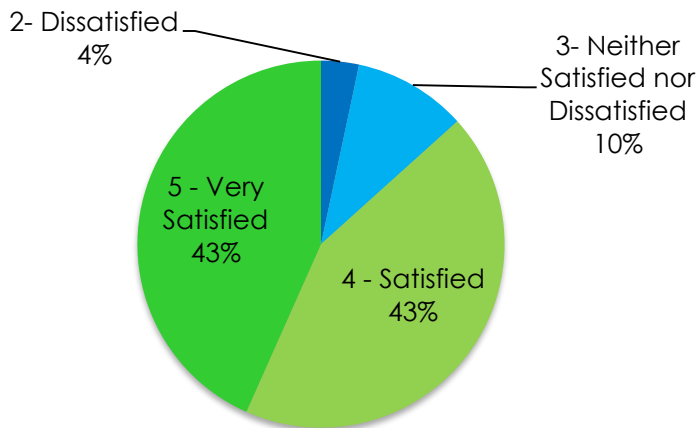
How Satisfied are the HN's BOP Workers with Benefits Received

- **87% of workers cited changes to financial and spiritual aspects have improved their quality of life**

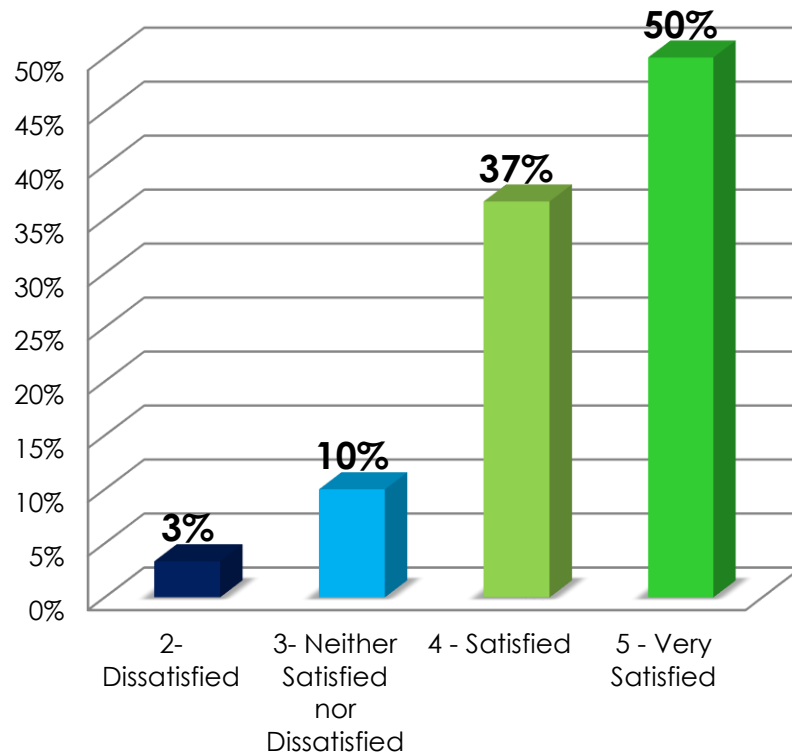
- *“freedom from worrying about what to eat daily”*
- *“higher salary/better salary”*
- *“I don't experience any financial shortage”*
- *“I'm able to save”*
- *“able to give what family needs”*
- *“I have electricity in house”*
- *“have risen out of poverty”*
- *“developed my self”*
- *“increased self-esteem”*
- *“improved relationship with other people”*
- *“help others”*
- *“know how to have compassion”*
- *“became more determined”*

How HN Workers rate their Transformation in the Workplace

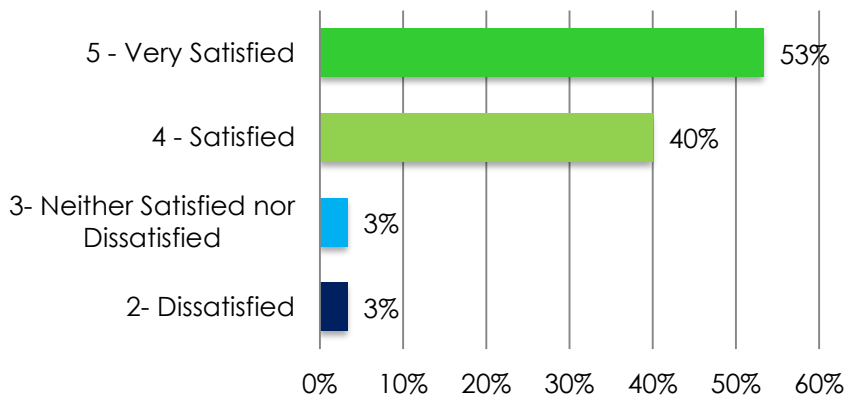
Improved Knowledge & Skills



Improved Performance

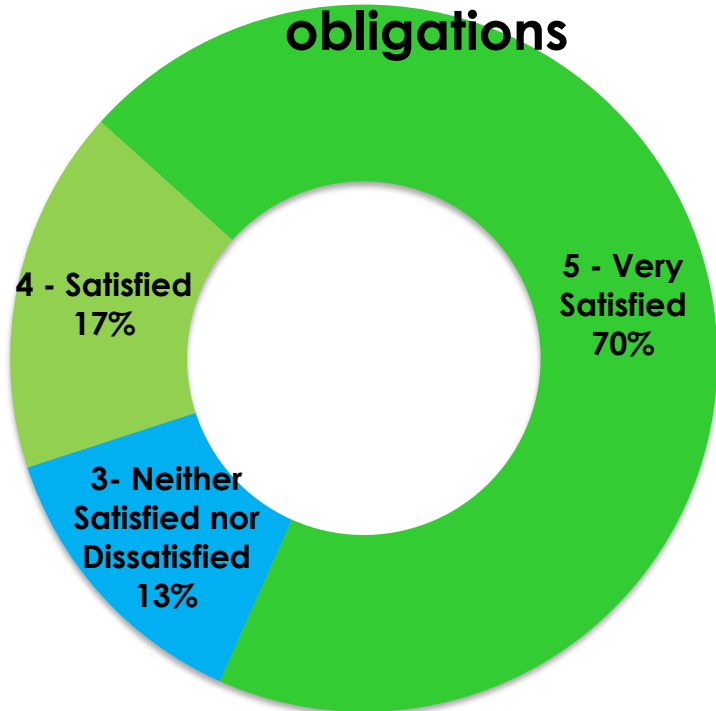


Improved Attitudes & Aspirations

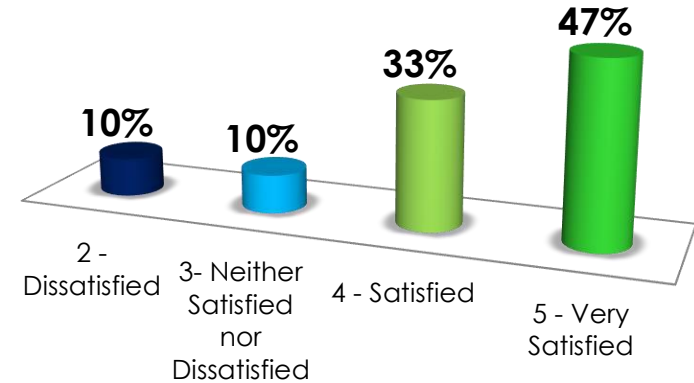


How HN Workers rate their Freedom from indebtedness and Soundness of Personal Financial Management

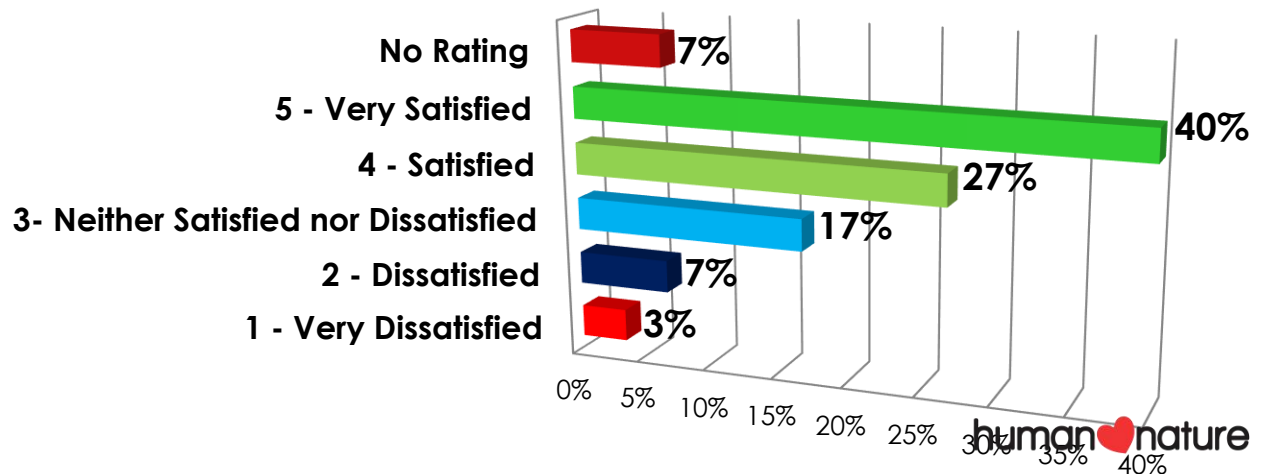
Able to meet financial obligations



Able to Save

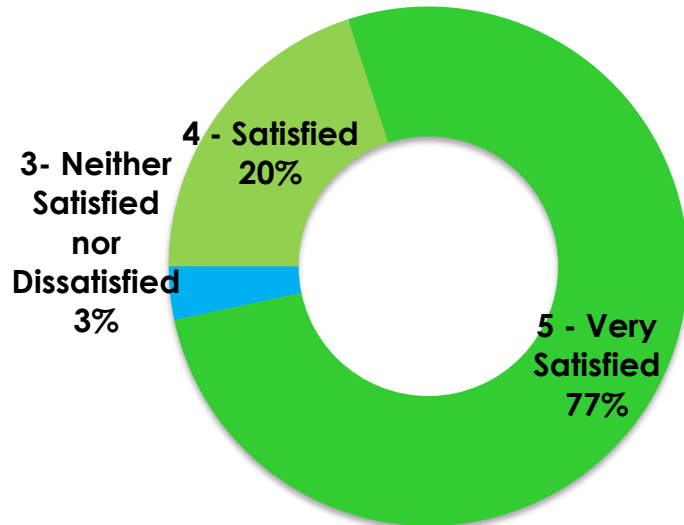


Investment in Productive Assets

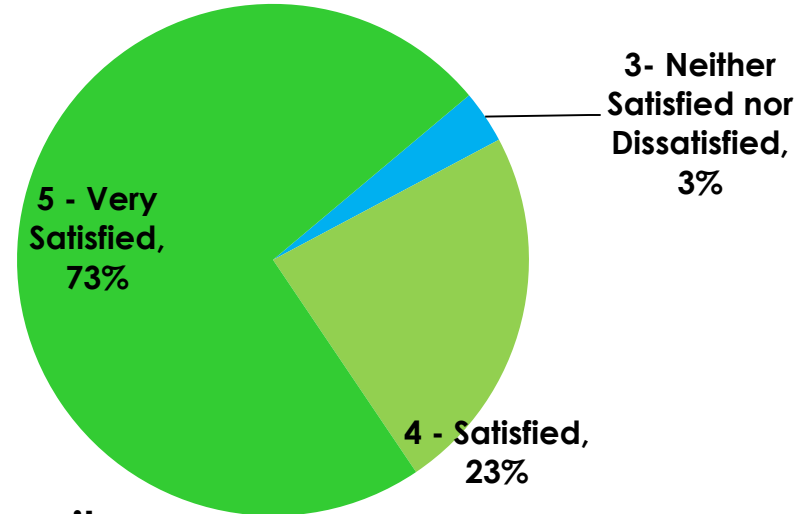


How HN Workers rate Improvements in Quality of Life of Family: Meeting Basic Human Needs and Beyond

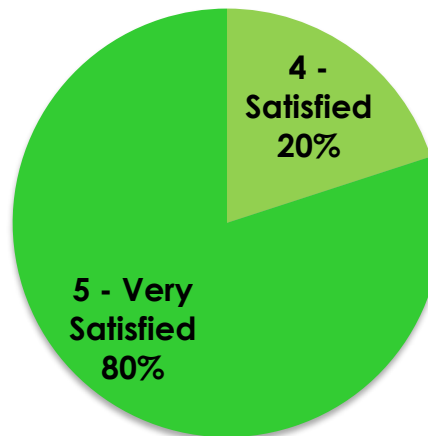
Food Security



Access to Health Services

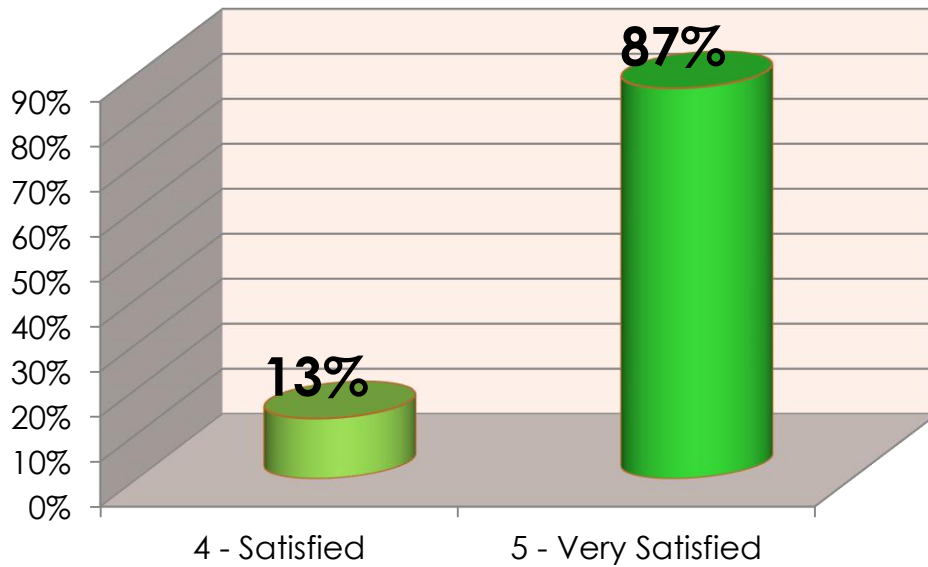


Access to Social Security

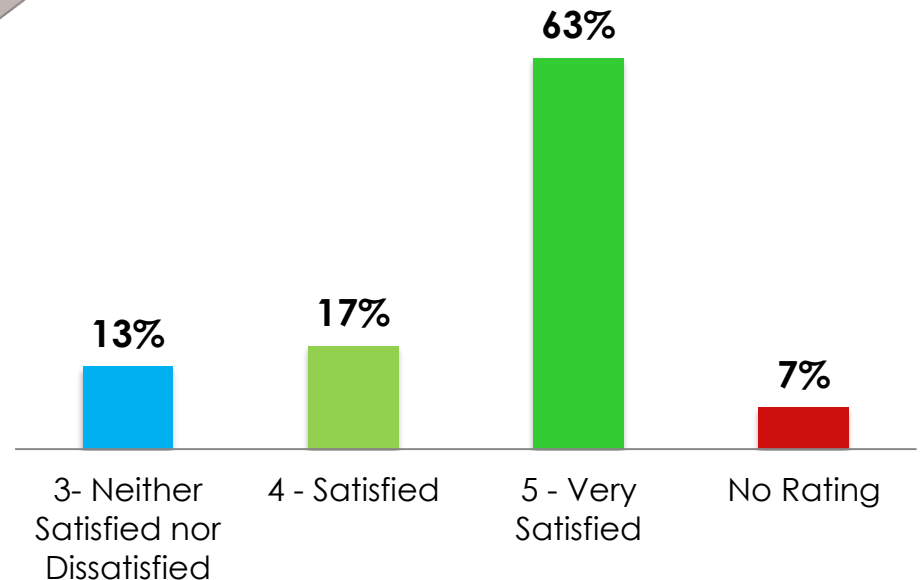


How HN Workers rate Improvements in Quality of Life of Family: Meeting Basic Human Needs and Beyond

Security of Tenure

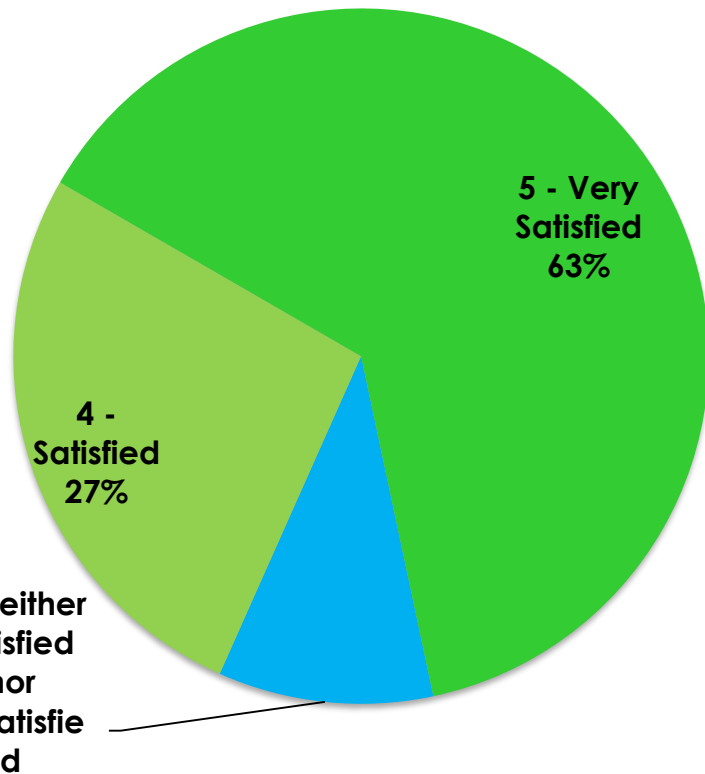


Access to Education for Children/Self/Relatives

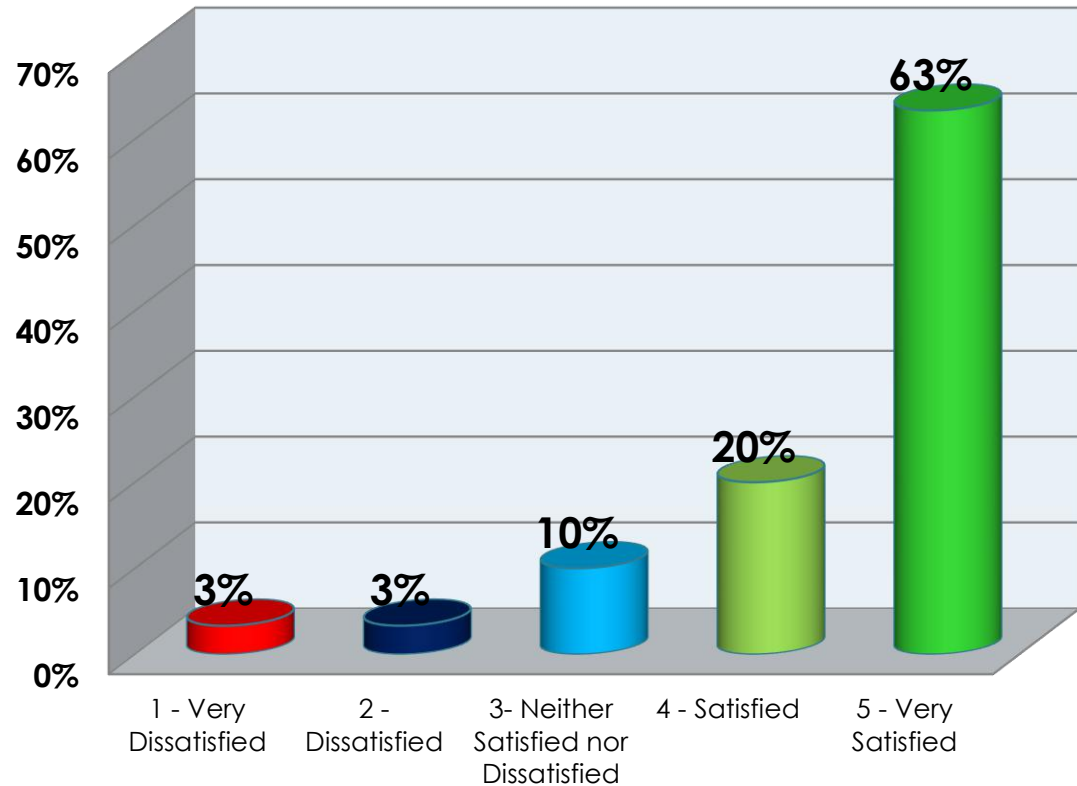


How HN Workers rate Improvements in Quality of Life of Family: Meeting Basic Human Needs and Beyond

Ownership of HH Appliances

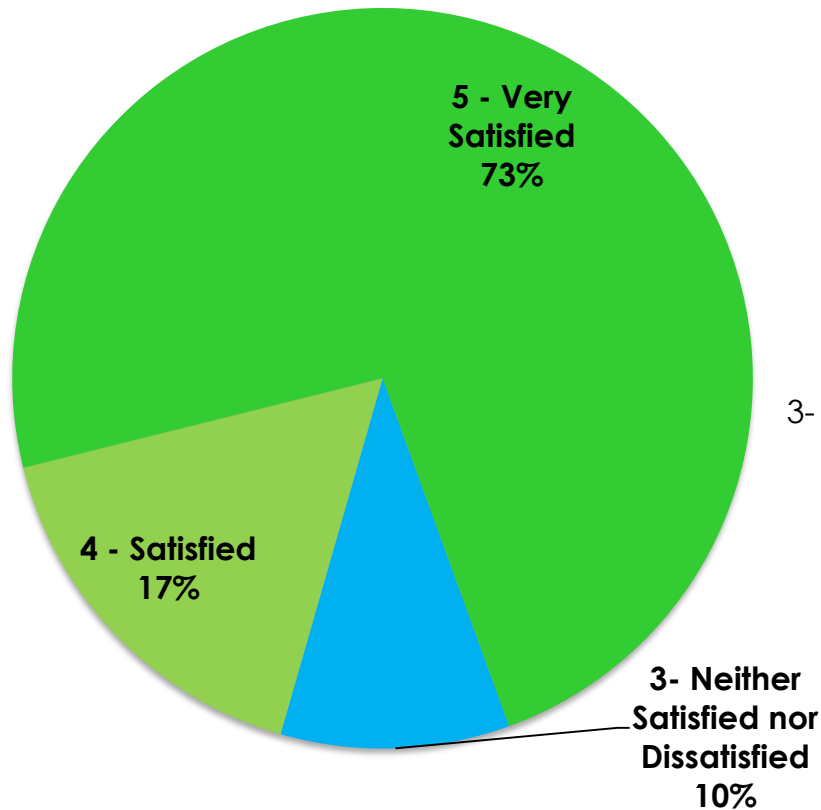


Quality of Housing

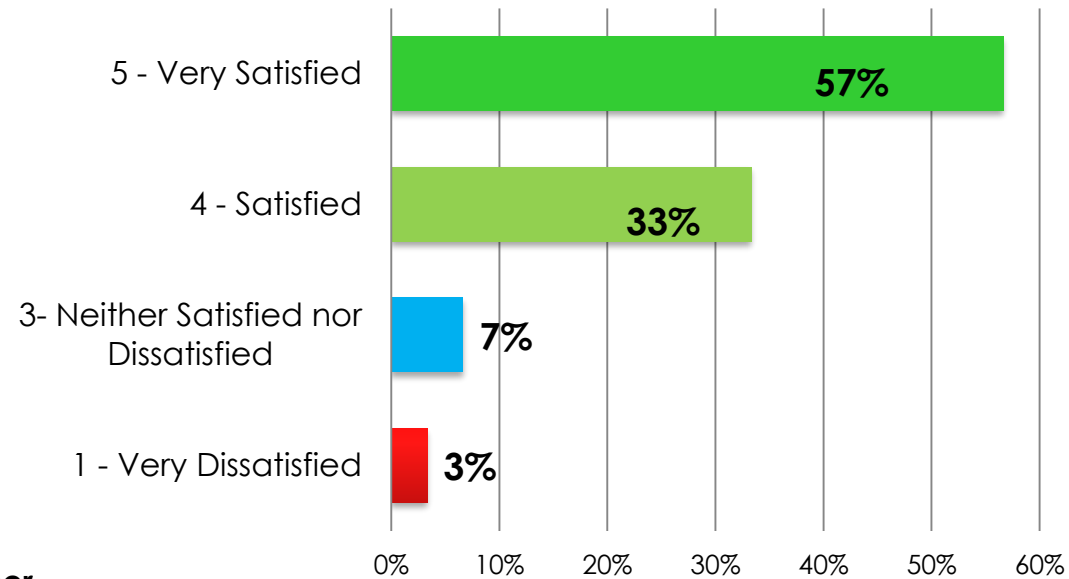


How HN Workers rate Improvements in Quality of Life of Family: Meeting Basic Human Needs and Beyond

Freedom of Movement

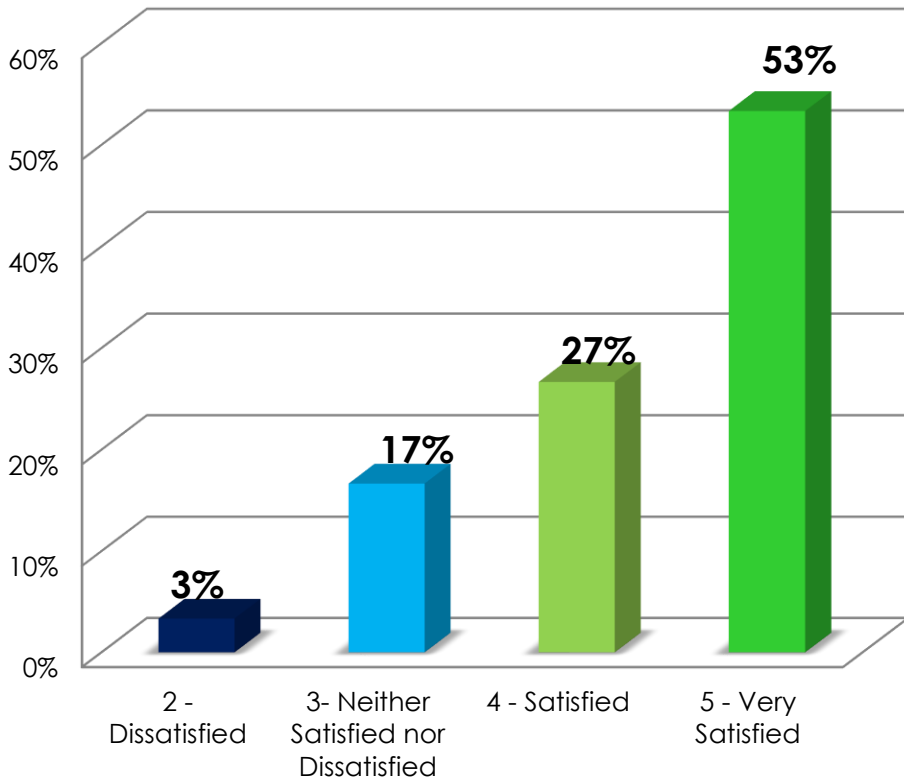


Opportunity for Leisure and Travel

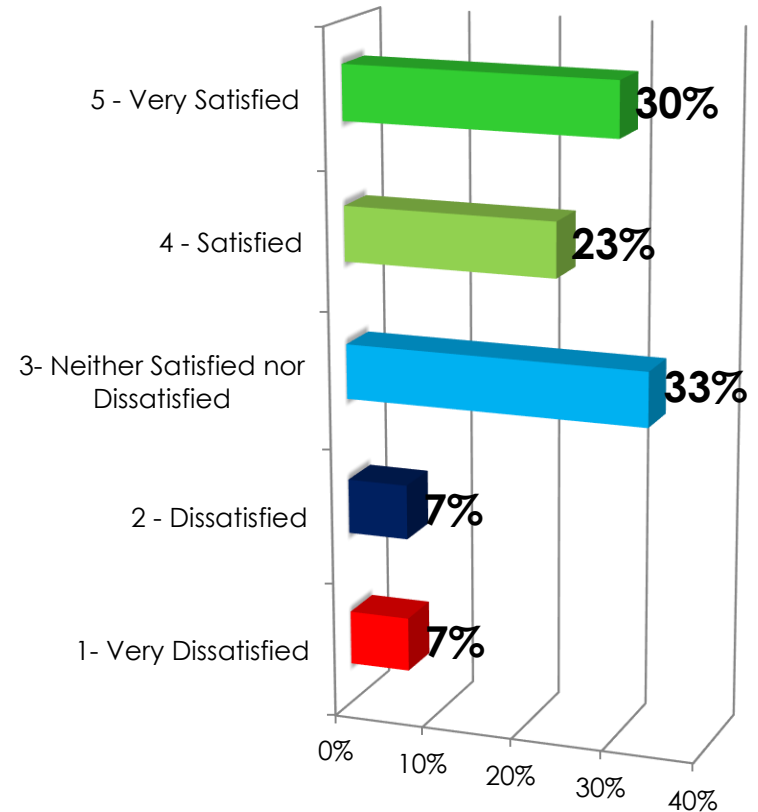


How HN Workers Rate Changes in Spirituality and Involvement in Community Development

Regularity of Interaction in Place of Worship

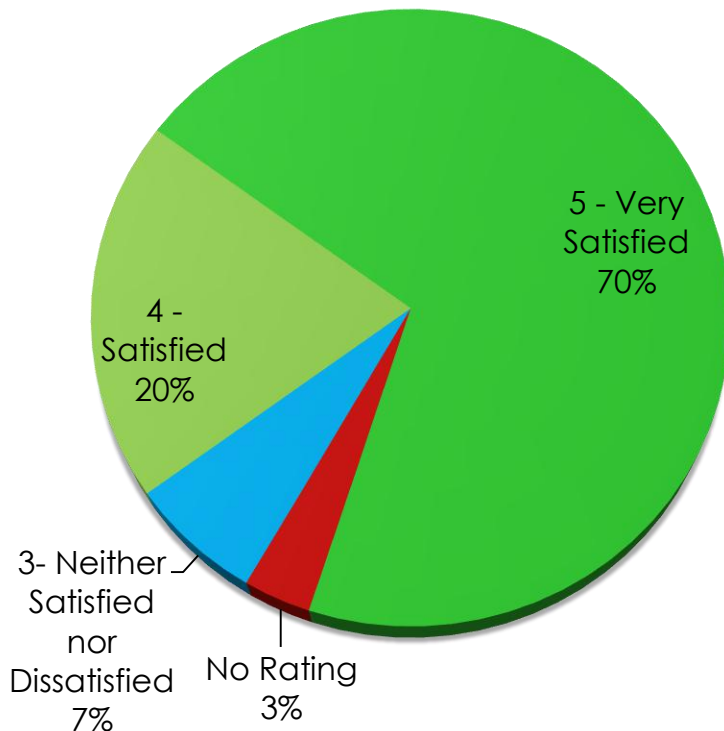


Involvement/Leadership in Church Activities

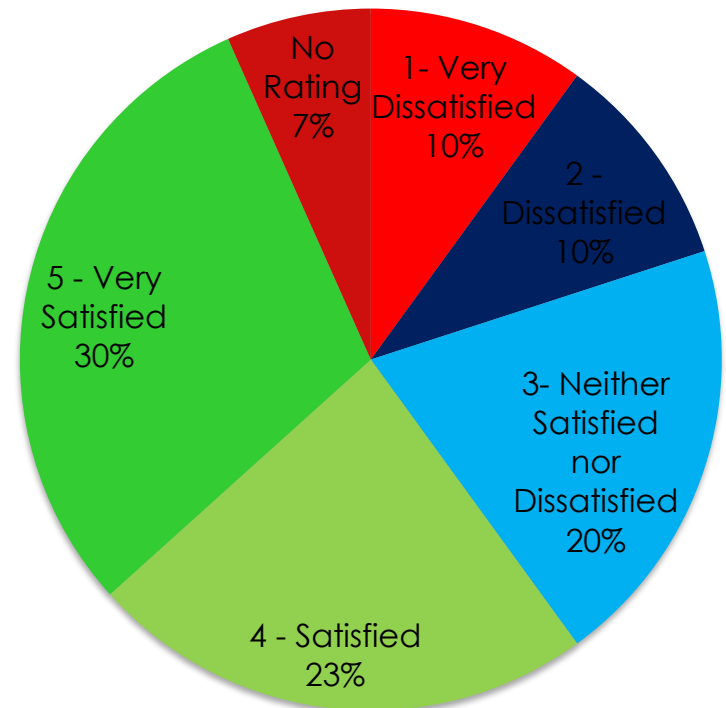


How HN Workers Rate Changes in Spirituality and Involvement in Community Development

Involvement/Leadership in Human Nature Volunteer Work and Advocacies



Involvement/Leadership in Volunteer Work & Advocacies Beyond Human Nature



Q: *If not working for Human Nature, would these changes or improvements have happened?*

Transformation in the Workplace

Response	No.	प्र
Maybe	7	त्रटप्र
No	19	ढटप्र
Yes	4	इटप्र
Total	30	इजजप्र

Changes in Managing Personal & Household Finances

Response	No.	प्र
Maybe	8	त्रणप्र
No	15	इजप्र
Yes	7	त्रटप्र
Total	30	इजजप्र

Q: If not working for Human Nature, would these changes or improvements have happened?

Improvements in the Quality of Life of Family

Response	No.	प्र
Maybe	6	अज्ञप्र
No	17	इणप्र
Yes	7	अदप्र
Total	30	इज्जप्र

Improvement in Spirituality & Involvement in Community Development

Response	No.	प्र
Maybe	12	ठज्ञप्र
No	9	दज्ञप्र
Yes	9	दज्ञप्र
Total	30	इज्जप्र

Lessons Learned from Pilot

1. Need a user-friendly tool which BOP workers can answer on their own (i.e. will not require staff time to administer)
2. Can be accomplished in short time
3. Indicators – no overlaps; simple, proxy measures that could be easily aggregated for PMES; measurable & realistically tracked over time

♥ Tangibles

♥ Intangibles

♥ Levels of development

♥ Learner Worker

♥ Motivated Worker

♥ Empowered Worker

Next Steps

1. **Revise the tool** – come up with listing of relevant indicators of each element/component of the index that workers could easily identify with as manifestations of their development
2. **Assigns weights** and/or scores per element/component and indicator
3. **Establish the score range** that would correspond to each level of development.
4. **Roll out the revised DI tool to the rest of the BOP Workers**
5. **Process and evaluate the results**
6. **Integrate DI In PMES/MIS and do continuous improvement**