

RECORDING OF WORKING HOURS AND ITS IMPACT ON SUSTAINABLE BUSINESS WITH GLOBAL COMPANIES

By

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MBA Thesis 2nd Half-Semester Progress Report & Thesis Approval Statement

Supervisor – Student Meeting Record

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Abstract

PURPOSE

Textile industry is one of the largest manufacturing industry in Pakistan and the textile demand in the world has increased massively in the last few decades. Several foreign retailers are outsourcing textile and garments from Pakistan. Along with the quality these retailers are highly concerned with ethical and social issues of the suppliers. The code of conduct formulated as a supply chain policy, defines minimum standards of ethical and responsible behavior, which must be met by the manufacturers and suppliers in line with the corporate culture, firmly based on human rights and labor rights, which includes child labor, forced labor, compensation, working hours, environment, health and safety.

METHODOLOGY & DESIGN

This research investigates the impact of problems regarding the working hours of employees and its proper management in textile factories. More than 80% of the workers in textile factory are hired on contract basis. Managing records, payrolls and timings of the contract labor are the most difficult tasks for factories to meet social compliance requirements of international buyers. Requirements of social compliance include existing prevailing practices of industry to handle social compliance requirement for contract labor, payroll mechanism, time, attendance and record management to meet all the requirements and real understanding of contract labor management.

FINDINGS

The research hypothesis suggests that manual recording system and improper maintenance of social compliance of working hours of employees will lead to workers working off the clock problems, overtime premium issues and prevalence of unclear wage system in factories, mismanagement of which leads to critical issues during social compliance audit as far as ethical and social compliance is concerned

KEYWORDS:

Working off the clock

Social compliance

Overtime premium issues

Unclear wage system

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