

# Buyer Training: methods and materials used by members of the ETI Purchasing Practices group

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**May 2007**

## **Statement of purpose**

This report summarises different training methods presented by members at the Purchasing Practices Project Group meeting on 18<sup>th</sup> May 2007, and the key learning points to assist anyone developing a training session as part of a purchasing practices initiative.

## 1 Background: the training need

Several companies have arranged training of buyers and senior commercial staff as part of a process to address the impact of purchasing practices on labour standards.

There are generally three types of training need identified by members of the group in their work to date:

1. Raising awareness amongst senior commercial staff and buyers so that they understand the impact of buying decisions in the supply chain and the need to look at purchasing practices.
2. Starting process of identifying purchasing practices that undermine labour standards and developing better practices.
3. Facilitating joint problem-solving between corporate responsibility and sourcing staff.

## 2 Different approaches

The approach to training buyers and commercial staff on ethical trade and purchasing practices will depend in part on the company culture, current levels of awareness in the business and the commitment of senior commercial managers to the initiative. Four examples are outlined below of how companies at different stages in reviewing their purchasing practices have conducted training.

### 1 “Our Worst Practices” presentation

**Participants:** Buyers

**Objective:** To demonstrate complexity of tracing the supply chain and managing labour standards once orders are placed with agents.

**Materials used:** A short PowerPoint presentation using Google Earth to show how orders placed by buyers in China are passed between several traders in and out of the country before

reaching the factory. Each example given lists the breaches of the code in the factory, highlighting how far removed buyers currently are from the workers making their products.

**Outcome:** Buyers realised how their decision to order through an agent can lead to a more complex supply chain, and create more challenges for managing labour standards.

## **2 1-hour training to raise awareness and highlight good practice**

**Participants:** For all staff involved in design, buying, merchandising and technology, including senior managers.

**Objective:** To demonstrate that everyone in the business has a role to play in ethical trade and win their commitment for this.

**Materials used:** Fashion Victims video – a 5 minute video with text and music showing some of the poor conditions that garment workers in Bangladesh face, including the Spectrum factory fire and collapse in 2005, and emphasizing how buyers should ask questions and can play a role in improving labour standards.

**Course outline:** Video; introduction to company code of conduct; examples of poor labour standards from own factories; the role of the ethical trade department (beyond auditing, including capacity building and working with other stakeholders); and what buyers can do (ask questions, consider how cost and time demands will impact).

**Outcome:** Many participants felt a strong sense of responsibility and motivation to do something in their role to have a positive impact on workers, and gained a basic understanding of how key purchasing decisions impact working conditions.

## **3 Tailored training to raise awareness and give specific guidance**

**Participants:** Separate sessions for buyers (3 hours), administrative assistants (2 hours), technologists (4 hours), and directors (shorter version).

**Objective:** To raise awareness about the company's approach to ethical trade and to highlight the role that commercial staff have in implementing this.

**Materials used:** PowerPoint presentation, including opening statement from Managing Director.

**Course outline:** The business case for ethical trade; the company ethical trading strategy; scope and scale of the supply chain; percentages of factories facing problems with each element of the code; discussions of how each role impacts on suppliers and each element of the code; developing a list of actions for buyers. For technologists, there was further practical training on how they can work with suppliers and the sensitivities of discussing working conditions. In the buyers' training session, they were asked to volunteer to be Ethical Champions and promote the positive involvement of buying teams in ethical trading.

**Outcomes:** Generated ideas of what each role can do to address each issue. Several buyers volunteered to be ethical champions. A list of key actions for more responsible purchasing was generated by buyers themselves, for further development in ethical champions meeting.

#### **4 Facilitating problem solving across teams**

**Participants:** Senior managers in CSR and sourcing departments, and an external facilitator.

**Objective:** To raise awareness of the impact of purchasing practices on working conditions, to work out common objectives between the departments, and initiate collaboration.

**Materials used:** Quotes from existing research on purchasing practices.

**Course outline:** Introduction to purchasing practices issue; outline of key issues identified by research; half-hour cross-functional working groups in which people identify the research issues which resonate with challenges in their own work; issues from each group are listed together, and each person marks with a green dot three issues which they would prioritise from a CSR perspective and with a red dot three issues which they would prioritise from a commercial perspective; issues which are both commercial and CSR priorities are identified and the group discusses which can be resolved feasibly in short and medium term; the group identifies the next steps to start working on these issues.

**Outcomes:** Common objectives identified and joint action points agreed between CSR and key commercial managers; a commitment from CSR and key commercial managers to collaborate on the issues identified.

### **3 Key learning for developing training on purchasing practices**

The Project Group discussed the following considerations which help ensure effective training as part of a purchasing practices initiative:

- **Scheduling:** it can be difficult to find time when buyers are able to take time out for training. It may be possible to choose a point in the buying cycle when buyers are not travelling and are less likely to have urgent work pressures.
- **Duration:** if the aim is primarily awareness-raising, it may be more effective to keep the training short and snappy to keep people's attention (e.g. 1 hour). However, if the training aims to draw out good practice and concrete actions then 3-4 hours may be necessary.
- **Senior management commitment:** some companies have secured senior management commitment in advance and been able to guarantee participation by making the training mandatory, thus adding weight to the messages in the training. In any case, senior management commitment is important if the training intends to generate actions for buyers.
- **Follow up:** if the training is intended to generate actions by the participants, there needs to be a mechanism for following up on this to maintain momentum in the initiative. Equally, awareness-raising sessions may not generate actions, but may leave people motivated to use what they have learned in their role, and in many cases this will need senior-level support.