

QUARTZ

How retailers could really show they care: Ask Bangladeshis to send anonymous texts about work conditions

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The structural failure that caused a Bangladesh factory to collapse and kill more than 1,100 clothing workers wasn't just about concrete and steel. Such a catastrophe goes straight to the heart of how companies operate in an ecosystem of global interdependency.

Yet somehow the debate is focused on whether or not Western retailers will sign an agreement to help prevent fires and building collapses in Bangladesh.

Yes, new rules and regulatory frameworks may help prevent future tragedies like the one in Rana Plaza. Retailers who haven't yet signed on will, at best, be viewed as overly risk-minded and, at worst, demonized. Those still trying to hang in the shadows and avoid exposure will quickly realize they can't hide in an interdependent world where any action can suddenly affect many others.

On the other hand, a company hesitating to sign the petition doesn't necessarily signal a lack of caring and moral connectedness to the issue. It could be recognition that our typical regulatory response to crises is both exhausting and ineffective.

Adidas, for instance, is encouraging garment workers to "anonymously share possible grievances" via text—a tactic that acknowledges the company's interdependence but will require true follow-up and commitment to action to ensure workers' rights are fully protected.

However, real sustainable change for overseas workers won't rest upon *if* or *when* retailers sign a petition—or "how much" consumer pressure will be required to coerce companies to do so. Rather, the question is *how* will these companies understand and act upon the totality of their relationships—whether it's with suppliers, employees, customers or governments—and act accordingly from both a financial *and* ethical perspective.

It means recognizing that we've moved from being connected to interconnected to morally interdependent—and operating in this environment only comes through *healthy interdependencies*.

The naturalist John Muir put it best: "When we try to pick out anything by itself, we find it hitched to everything else in the universe." It means everyone's values and behavior matter more than ever, because they impact so many more people than ever.

It is not, however, about “I squeeze you to do X.” Nor is it simply about coexisting, pursuing relationships of “mutual interest” or crafting better contracts. After the Deepwater Horizon oil spill, BP was sued by its own suppliers within 24 hours—evidence that neither company believed their mission and values compelled them to be “in it” together.

A company with healthy interdependencies would be able to sit down with its contractors and analyze each part of the supply chain that produces, say, a blouse in Indonesia that is sold in Manhattan. The review would consider not only the dollars invested in each stage of the production cycle but how each party’s values were reflected and how they affect other stakeholders. Identifying and “sweating” through issues that may have never previously been discussed would occur because any action or inaction in a business process—such as the conduct of a supplier or employee—could have enormous impact down the line.

Healthy interdependencies by their very nature demand two-way dialogue even for companies serving a mass market. When Netflix summarily raised prices in 2011 with a one-way announcement, 800,000 customers fled. Bank of America tried to impose a five-dollar monthly charge on ATM use, yet customer and Congressional outcry forced them to drop the fee.

As important, listening becomes a prized skill for understanding constituents—particularly consumers—who hold more power than ever with the rise of easily accessible company information and social networks.

Healthy interdependencies also require elevating and not just adjusting behavior. Leaders, mindful of the conditions of interdependence, might ask their employees to go “the extra mile” in being collaborative and creative when serving customers. But this will only happen if employees consider their employers’ values worthy of dedication and consistent with the company’s day-to-day culture. Living these values must be something the company consistently rewards and celebrates, equally if not more than the tangible results produced.

What companies measure also becomes vital. While revenue, expense, and return on investment remain necessary, they’re no longer sufficient. In a world where communications and transportation make everything global seem local, we need a reliable, rigorous method for measuring “HOI” —the Health of Interdependences. Why? Because in an interdependent world where we rise and fall together—and where one person can affect so many others—it’s easy to fool ourselves about the strength and health of our interdependencies.

None of this is easy, yet starting the journey to healthy interdependencies is simple. It begins when one individual—sometimes a leader in title, sometimes not—decides to abandon his or her own narrow interests or bureaucracy and focus instead on the well-being of others. When scaled, it becomes the true solution to the challenge of preventing the kind of tragedy we saw in Bangladesh.