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**Minding their own business? Firms and activists in the making of private labour regulation**

Fransen, L.W.

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## **Appendix II: Methodology**

### **1. Introduction**

This appendix covers in more detail the methodological approach of the research. It discusses the advantages and challenges of an inductive strategy, elaborates the concerns with validity and reliability with regard to the different types of data gathering used, and discusses in more detail the activities with regard to interviews and survey questionnaires. Finally, it elaborates the ethical dimensions of the practice of empirical data gathering.

### **2. The logic of an inductive data gathering strategy**

Inductive research means that the researcher is aiming in the first instance to understand. Keeping in mind different possibilities for the explanation of a phenomenon of interest, the researcher digs deeper into the topic, rather than testing the validity of an *ex ante* claim to an explanation. Induction also means a particular rhythm to the research, where different stages of data gathering exist with in-between evaluation of findings that could inform what happens in the next stage of field research. This study consisted of roughly seven of such periods of data gathering spread over four years between 2004 and 2008. Apart from material on the relevant research questions, each round of interviews and presence at gatherings also led to new ideas about respondents to be contacted and other material to be reviewed, until sufficient material was assembled to answer the research questions. Intermediate new ideas about possible answers to research questions led to new searches for data that might both bolster or destroy the possible validity of certain patterns believed to be present and relevant on the basis of earlier rounds of data gathering.

### **3. Data gathering, validity, reliability**

I have used seven forms of data gathering which all have different implications for the validity and reliability of the findings.

First, I have studied the content of codes in order to establish the stringency of private regulatory approaches as elaborated in Chapter Three.

Second, I have studied publicly available material on codes of conduct and the actors involved in them, most of them taken from organization websites. These materials were used to reconstruct the history of private regulation and of specific policies as well as for identification of future respondents.

Third, I have spoken in an interview setting with representatives of firms, NGOs, trade unions, business associations, private regulatory organizations and governments. In general I have asked them to describe to me how certain political processes have evolved, what activities they have

taken, what goals they have pursued and what strategies they have followed to try and reach those goals. I have done so by applying what most commonly is called a procedure of semi-standardized interviewing, meaning that I have a list of general topics ready to be discussed, using freedom to pick up markers given by the respondent that seem of interest. The interviews covered issues across the different sub-questions.

Fourth, I have studied written material that became available through the help of respondents, including reports, accounts of meetings and letter exchanges.

Fifth, I have been present at some public occasions of stakeholder interaction such as workshops, seminars, discussion meetings and professional conferences. I have taken notes of the discussion between parties, observed interactions and participated in discussion in smaller settings of groups, predominantly by asking questions to speakers of panels. I have also used these venues to get in touch with several respondents.

Sixth, for the purposes of the second sub-question on company strategies, I have devised a questionnaire sent out to Western European and used the respondent answers

Seventh, I complemented the data with statistics describing region and industry economic development from both primary and secondary sources. These have been used to illustrate some of the developments related to by respondents or addressed in the primary literature.

Generally, in applying the seven mentioned methods of research, I have tried to steer clear from imposing my assumptions on the data, either through one sided interpretation while analyzing codes, texts, gatherings, or by rhetorically pushing respondents in the corner during interviews.

Above statement serves as a general benchmark for the *validity* of my research. The degree of *reliability* in the mentioned qualitative forms of research is dependent on two issues: first, the chance factor in the research formed by the availability of different respondents and different policy venues for the research, which might not so easily be replicable; second, the techniques applied in talking about policy.

A problem inherent with acquiring information from people representing social and policy positions is the problem of *in-speak* in the closer-to-data style methods (think of material provided by actors and interviews). There is a crowd of people very enthusiastic about CSR and more than willing to give their strategically convenient and very rosy picture of events and processes. Their accounts together may not add up to a *valid* story. How to go about this? First thing to do is to combine different methods of data gathering as mentioned (which basically means adding up different trade-offs between reliability and validity), but note that these can still come from similarly politically motivated sources, so the problem can be said to remain to some extent. Second strategy applied here in interviews and questionnaire settings, has been to make questions put out to respondents both as open and as specific as possible when it comes to reconstructing activities.

An additional approach to analyzing the actual content of interaction with actors that give policy views possibly tainted by a tendency towards socially desirable answering is firstly taking their answers as what they are: as both *accounts* of policy positions and *legitimizations* of policy positions, actions, and strategies. Whereas accounts have a degree of “factness” that can possibly be checked with other actors involved, legitimizations cannot be controlled for their “truth-factor” or frankness, and do not necessarily need to be so, since they can be analyzed as the way that the actor chooses to position him or herself publicly. These legitimizations of actions, positions and strategies can be compared to a list of other possible legitimizations for actions (either actual from other respondents or imagined and counterfactual), still showing important choices and trade-offs being made by the respondent in coming up with his or her legitimization. This position is inspired by the work of Murray Edelman (1964), who thought about ways of interpreting political language that is necessarily locked into certain discursive contexts. In addition, respondents can be confronted with alternative roads of legitimization not pursued by them. Their responses to that choice could also lead them to open up a bit more, and digress from a public relation story, as could do a confrontation of their position with a position taken by a different respondent during an interview.

In methodological terms, this leads to a reasonable spread of opportunities and risks in gathering data closer and further away from the subject of study, following Goldenberg (1992), who holds that the degree of proximity to data affects both reliability and validity, leading to inevitable trade-offs.

In general, three limitations can be identified in the gathering of data for this research. First, with regard to sub-research question 1 on the development of private regulatory organizations, it has to be noted that the “shelf life” of some of the required data was limited, or that some of the data did not become available to the researcher when it comes to records of discussions among parties. With regard to the material from interviews, it became apparent that interpretation of interview accounts from affairs longer than four or five years ago should be handled with care, since some interviewees lacked recollection or were inclined to reflect on processes, instead of offering their account of how things occurred. Lacunae in the material could fortunately partially be filled using secondary material, most prominently academic analyses focusing on the development of a private regulatory organization that was part of the case selection.

Second, with regard to sub-research questions 1 and 2, as research progressed it became clear that something significant was going on in the relationship between individuals and their organizations, in particular with regard to CSR managers and the companies they represent. Ideally, this dynamic would have been scrutinized by further study inside these organizations, including extra interviews with other organization representatives. With one exception, time and data access limits made this impossible, as an intra-organizational research strategy would require

a prior long-term process of trust building with organization representatives and not leave enough time for analysis of the developments on an industrial level alluded to in the research questions. Instead, the inferences made about this matter are the result of, first, a comparative logic, where the similarities in accounts of series of managers of comparable organizations are used to develop a picture; second, through triangulation outside of the particular organization, where well-informed outsiders that often deal with this person would reflect on the situation this particular person was in *vis à vis* his or her organization.

Third, with regard to sub-research question 3 on competition and convergence in particular, it was clear from the outset that the research subject would be a moving target, data gathering would be continuous, some information would be of too much strategic value to be shared with the researcher and research would have to stop at some artificial point while political developments might be going on. Because of this, planning of respondent interviews was spread across time, in some cases respondents were contacted again as time went by and policy documents were constantly monitored for reviews and additions. Personnel switches complicated this task in a few cases. Furthermore, respondents would sometimes allude to some significant issue but press the interviewer to keep it *off the record*. In most cases, these statements concerned on-going negotiations or policy developments. Most of these issues therefore at a later point became verifiable through the publication of new documents or *on the record* accounts by other respondents. Nonetheless, not all issues emerged from beneath the cover and not everything can therefore surface in this research. With regard to the possibility of an artificial ending to an on-going political process, the researcher was fortunate to witness a set of institutional results to on-going efforts at convergence near the end of his data-gathering period, which could very sensibly be used as an end point for the purposes of this study. This of course does not mean that political developments in convergence and competition would halt there, as hopefully the conclusion amply demonstrates.

#### **4. Interviews and respondents**

All people mentioned here have shared information, opinions and views with me that I am allowed to use for my dissertation research. All people are knowledgeable of my research aims. The manner of information exchange varies considerably however. Predominantly appointed face-to-face interviews were used as exchange. In rare occasions, telephone interviews and conversations during and in between public meetings were used. The list has a division between respondents agreeing to appear with full name, and respondents appearing anonymously upon their own request. In addition, a list of sites is mentioned where contact was established with most of these people, some interviews were undertaken and where further participant observation took place. Most

respondents were contacted as a representative of the particular organization they are currently working for, but in some cases their past experience with a different organization was also a matter of discussion. For this reason, all interview respondents are ranked using a letter corresponding with their current profession and a number. However, in an additional tick-box, all organizations the respondent has worked for and that were discussed in the interview are marked.

<i>Occasion and site</i>	<i>Date</i>
EU CSR conference, Maastricht	November 2004
Ethical Trading Initiative Conference, London	May 2005
Clean Clothes Campaign Discussion, Amsterdam	November 2005
EU Responsible Sourcing Conference, Brussels	November 2005
BSCI Conference, Brussels	November 2005
Research trip Washington and New York	March 2006
Research trip London and surroundings	April 2006
Research trip Shanghai, Ningbo and surroundings	July 2006
Social Accountability International Conference, Helsinki	September 2006
GTZ Shaping Globalization Conference, Berlin	October 2006
Research trip Istanbul and surroundings	April 2007
Ethical Trading Initiative Conference, London	October 2008

**Table 1. Research sites**

Code	Name	Name organization	Firm	NGO	Union	PRO	Con	GVT	BA
F1	A. Ashwani	John Lewis	X						
F2	S. Barlow	Monsoon, former Next	X						
F3	L. Bergendahl	Kappahl	X						
F4	A. Bjarland	Stockmann	X						
F5	D. Forterre	Asics Europe	X	X					
F6	M. Johnson	former Marks & Spencer	X				X		
F7	J. Kuisma	Kesko	X						
F8	A. Lohrie	Tchibo former Otto	X				X		X
F9	B. Moerri	MIGROS	X						
F10	F. Nagel	former WE	X			X	X		
F11	L. J. den Olde	HEMA	X						
F12	L. Roberts	Pentland	X	X					
F13	S. Seidel	PUMA	X						
F14	E. Spanier	Peek & Cloppenburg	X						
F15	M. Vermin	Gsus	X						
F16	K. Woodward	Quantum Clothing	X						
F17	Anonymous	Dutch clothing retailer	X						
F18	Anonymous	European clothing brand	X						
F19	Anonymous	British multi-product retailer	X						
F20	Anonymous	British multi-product retailer	X						
F21	Anonymous	Dutch clothing retailer	X						
N1	D. Pruett	Oxfam Netherlands		X	X				
N2	F. Humbert	Oxfam Germany		X					
N3	T. Connor	Oxfam Australia		X					
N4	I. Zeldenrust	Clean Clothes Campaign Intl		X					
N5	J. Merk	Clean Clothes Campaign Intl		X					
N6	F. de Graad	Clean Clothes Campaign NL		X					
N7	S. Stillman	Uni. Students Against Sweatshops		X					
N8	S. Kimmel	Uni. Students Against Sweatshops		X					
N9	I. Wick	Suedwind\CCC		X					
N10	M. Pflaum	Christliche Institut Romero\CCC		X					
N11	S. Indermuehle	Berne Declaration\CCC		X					
N12	M. Hearson	Labour behind the Label\CCC		X					
N13	E. Strohscheidt	Misereor		X					
N14	J. Thorsell	Fair Trade Centre Sweden		X			X		
N15	N. Ajaltouni	L'ethique sur de l'etiquette\CCC		X					
N16	Anonymous	Labour service centre China		X					
N17	Anonymous	Labour service centre China		X					
N18	Anonymous	Student labour organization China		X					
N19	Anonymous	Labour movement Bangladesh		X					
U1	D. Miller	Global Union ITGLWF			X				
U2	A. Kaag	Dutch Union FNV Mondiaal			X				
U3	S. Gurney	British Union TUC			X				
U4	S. Engin Kaya	Turkish Union			X				
U5	J. Fuerstenborg	UNI-Commerce			X				
P1	D. Rees	Ethical Trading Initiative				X			
P2	J. Meijer	Fair Wear Foundation				X			
P3	S. Stoop	Fair Wear Foundation				X			
P4	A. Schmaedick	Worker Rights Consortium		X		X			
P5	A. Lally	Fair Labour Association		X		X	X		
P6	R. Tufts	Fair Labour Association				X			
P7	D. Baumann	Fair Labour Association	X			X			
P8	D. Leipziger	Social Accountability International		X		X			

<b>P9</b>	L. Berzau	Business Social Compliance In.				X			X
<b>P10</b>	K. Bogaers	Business Social Compliance In.				X			
<b>P11</b>	K. Quigley	Worldw. Resp. Apparel Production		X		X			
<b>P12</b>	E. Verburg	Made-By				X			
<b>P13</b>	M. Huis in 't Veld	Made-By				X			
<b>P14</b>	M. F. Touron	Initiative Clause Sociale				X			X
<b>P15</b>	M. Murphy	Joint Initiative (JO-IN)			X	X			
<b>C1</b>	T. Norton	SEDEX					X		
<b>C2</b>	Anonymous	Audit company					X		
<b>C3</b>	Anonymous	Audit company					X		
<b>C4</b>	Anonymous	Audit company					X		
<b>C5</b>	Anonymous	Consultant					X		
<b>G1</b>	L. Rieth	German development agency GTZ					X	X	
<b>G2</b>	S. Zimmel	German development agency GTZ						X	
<b>G3</b>	M. Pondman	Dutch Ministry Economic Affairs						X	
<b>B1</b>	J. Wintermans	Modint							X
<b>B2</b>	Anonymous	American Chamber of Commerce							X

*Table 2. Interview respondents. F=Firm, N=NGO, U=Union, P=Private regulatory organization, C=Consultant, G=governmental representative and B=Business association.*

## 5. The survey

The survey was distributed as a link to an on-line questionnaire to company representatives through e-mails, letters and reminder phone calls in Spring\Summer 2008. The on-line format of the survey had as an advantage that respondents could make their contribution in a fast and easy way. Possible disadvantage of this method of survey gathering is a possible carelessness among respondents in answering questions. I have had to rely mostly on professional ethics and corporate reputation here to circumvent this problem. Additionally, in some cases I have used interview data and publicly available material to check some of the input delivered that seemed contradictory or very improbable. In cases where additional material was not in line with respondent's initial input, the input of respondents was disregarded.

The survey data were combined with further primary document data and interview data to create a database on the Western European clothing market. This database was then used for statistical tests using STATA software. Analyses were run using 50 answer sheets by firms involved in a private regulatory organization and an additional control group of 10 of firms that have not adopted private labour regulation. These were combined with public material of all the remaining 67 firms adopting private regulation at the date of July 1<sup>st</sup> 2007. Characteristics of operationalized variables can be viewed in tables 3 and 4 below.



Variable	Obs	Mean	Std. Dev.	Min	Max
Stringency	117	3.153846	1.545937	1	6
Multi-stakeholder	116	0.543103	0.5003	0	1
Supply-chain responsibility 1	86	0.27907	0.451173	0	1
Supply-chain responsibility 2	116	0.206897	0.406838	0	1
Frequency of contact	75	3.106667	0.938275	1	4
Target of attack	60	0.866667	0.891897	0	3
Consumer requests	60	3.9	2.229996	1	8
Negative attention	60	1.8	1.021796	1	4
Market share	114	2.149123	1.512382	0	6
Retail	123	2.219512	1.591662	0	4
Discount market segment	127	0.370079	0.484738	0	1
Internationalization	125	2.792	1.525567	1	5
Public	125	0.32	0.468353	0	1
Party since	117	5.794872	2.027987	1	8
Country CSR	127	2.771654	0.457547	1	3

**Table 3. Summary statistics**

	Stringency	Multi-stakeholder	Supp.chainRe sp1	Supp.chainRe sp2	Freq.contact	Target	Consumer reg.	Neg.attent.	Market share	Retail	International.	Discount	Public	Party since	CountryCSR
Stringency	1														
Multi-stakeholder	0.92	1													
Supply-chain responsibility 1	0.89	0.82	1												
Supply-chain responsibility 2	0.89	0.82	1	1											
Frequency of contact	0.14	0.24	0.16	0.16	1										
Target of attack	0.19	0.23	0.29	0.29	0.62	1									
Consumer requests	0.15	0.20	0.24	0.24	0.47	0.45	1								
Negative attention	-0.11	-0.02	0.11	0.11	0.45	0.37	0.46	1							
Market share	-0.08	0.08	0.08	0.08	0.46	0.57	0.33	0.54	1						
Retail	-0.47	-0.48	-0.42	-0.42	0.07	-0.03	0.13	0.12	0.13	1					
Discount market segment	-0.55	-0.60	-0.46	-0.46	0.09	0.06	0.07	0.15	0.02	0.31	1				
Internationalization	-0.01	0.21	0.12	0.12	0.17	0.27	0.19	0.49	0.67	-0.10	-0.14	1			
Public	-0.17	-0.13	-0.09	-0.09	0.37	0.37	0.35	0.64	0.57	0.31	0.22	0.42	1		
Party since	0.21	0.04	0.11	0.11	-0.28	-0.15	0.17	-0.04	-0.35	-0.14	-0.04	-0.18	-0.09	1	
Country CSR	0.23	0.08	0.08	0.08	-0.30	-0.29	-0.22	-0.26	-0.52	-0.11	0.02	-0.35	-0.22	0.49	1

**Table 4. Correlation matrix**

## **6. Ethical considerations**

What is my position as a researcher towards my research subject? This is the big question that all researchers have to face. As a person I am politically committed to the raising of labour standards around the world, and especially the empowerment of workers who can defend their own interests in unions. For this reason at the outset of this research I personally stood closer to representatives of trade unions and NGOs than to those of corporations (or governments). But I started this research as an independent researcher from a functional and institutional point of view, in the sense that I am not a participant in any of these groups. I have therefore approached all my respondents in the role of an independent researcher and made sure they were aware of it in settings of public interaction.

I have taken care to use an empirical strategy that would enable me to throw my possible initial political prejudices into doubt and this has, from a personal view, been a successful strategy in so far as my own views of organizations, people and policies have been transformed by it. Where possible, I have after the interview shared some of my ongoing views on the topic with my respondents (if they were interested), in order to give them an idea of where I stand personally. I have refrained from passing on sensitive information between interview and survey respondents. As best as I could I have also tried to protect the respondents from possibly being negatively affected in any way by their contribution to this research. In some cases this has led, after consultation with the respondent, to an anonymous account of the respondent's views. Information provided under the condition that it was *off the record* has not been used in this research.