NEGOTIATING WSR AGREEMENTS
WITH PARTICIPATING BUYERS

This document is one of five concept briefs published by the Worker-driven Social Responsibility (WSR) Network. The briefs are for practitioners who seek to understand and implement the WSR model. Since the concepts and elements described in these briefs must be implemented as an interlocking and self-reinforcing system, the briefs are not intended for use outside of the WSR context. Taken individually, these concepts do not constitute the WSR model, which requires full implementation of all of these elements together.

OVERVIEW

For a worker organization, negotiations are indispensable to reaching a WSR Agreement with a Participating Buyer. The WSR Agreement commits the Participating Buyer to enforce worker-driven standards in its supply chain. It will also require the Participating Buyer to pay money in order to defray the additional costs to their suppliers associated with compliance with decent labor standards. (Some examples of how those payments could be structured include a price premium, negotiated higher prices, and/or financial contributions such as licensing fees, support payments for monitoring, or direct payments for work facility improvements.) But because the Participating Buyers will be entering lengthy, legally binding agreements, the negotiations are likely to be serious and difficult. In the absence of detailed, substantive and likely challenging and lengthy negotiations, it is a virtual certainty that any agreement between a typical NGO and a typical brand will be, due to the underlying power dynamics, an unequal one, unilaterally bent toward the brand’s interests, and ineffective in bringing about real change.

Ideally, the worker organization will already have some experience negotiating settlements or other types of agreements. If not, the organization must be willing to learn negotiating strategies. Mentorship and support from organizations with relevant experience may be helpful. A wealth of training resources* for negotiations exists in the public domain, and it is not the purpose of this document to summarize that material. Instead, what follows are recommendations specific context to the WSR context.

RECOMMENDATIONS

1. The worker organization must know its bottom line.

Before a word is spoken, the worker organization must know exactly what it needs to achieve through the WSR Agreement with the Participating Buyer. This includes core WSR elements such as market enforcement, worker-driven monitoring, and worker-defined outcomes that inform a Code of Conduct or Standard (e.g. a safe and healthy working envi-

*For example, see www.pon.harvard.edu/
The worker organization needs to enter negotiations with at least a basic architecture of required elements and outcomes and should be prepared to walk away from the table if those outcomes cannot be agreed upon. Any short-term temptation to sign a weaker agreement must be resisted as this will undermine the development of a strong WSR program in the long term.

2. **The worker organization must have sufficient power.**

Deep power imbalances exist within corporate supply chains, and ultimately, there is no negotiating “trick” that will offset the worker organization not having sufficient power to secure an Agreement. The most reliable way for the worker organization to build that necessary power is through a public campaign driven by a worker/consumer alliance. In the absence of such a campaign, it is generally impossible for a worker organization to negotiate a strong agreement with a corporation. Therefore, if the negotiations have stalled well short of the worker organization’s bottom line, that is likely an indication that the worker organization still has insufficient power and that further campaigning will be necessary before the negotiations can be successfully resolved. A corollary of this concept is that the worker organization should not terminate a campaign before agreement is reached, no matter how well the negotiation appears to be going.

3. **Keep in mind that you might succeed.**

Once the WSR Agreement has been signed, a functional working relationship will be necessary to oversee implementation. Therefore, it is important to maintain a professional tone during the negotiations. Be careful and precise with the use of emotional inflection points, and avoid personal attacks. Understand that companies often assume “activist” organizations are more interested in symbolic victories than achieving their stated goals. The worker organization should therefore place the negotiations in a practical, results-oriented frame, remaining firm with regard to the core principles of its program, but flexible to the extent possible. Such a professional working relationship during the negotiation will likely yield a better WSR Agreement than would be possible with a purely adversarial approach.

*For more, see the WSR Code of Conduct Concept Brief.*