



Comparing the Social Hotspots Database (SHDB) with an in-house method of data collection and evaluation

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**POLYTECHNIQUE
MONTRÉAL**

WORLD-CLASS
ENGINEERING



Context



The SHDB : A notable change in the S-LCA landscape



Presented/used as an instrument that :

- 🌐 **reduces time devoted to data collection**
- 🌐 **reduces time devoted to data analysis**
- 🌐 **Allows for intersection of social data with complex modeling**
- 🌐 **Instrument of choice for initial scoping**

Questions

-  Is the SHDB the best instrument to play this sentinel role in the identification of potential hotspots in a product system?
-  How can we compare the results generated by the SHDB with those coming from an in-house desk research and potential hotspot identification method?

Three case studies

Case study 1: Wine



One
production
activity in 11
countries



Case study 2: Consumer good



4 production
activities in a
total of 3
countries



Case study 3: Electrical equipment



9 production
activities in a
total of 3
countries



What are we comparing?

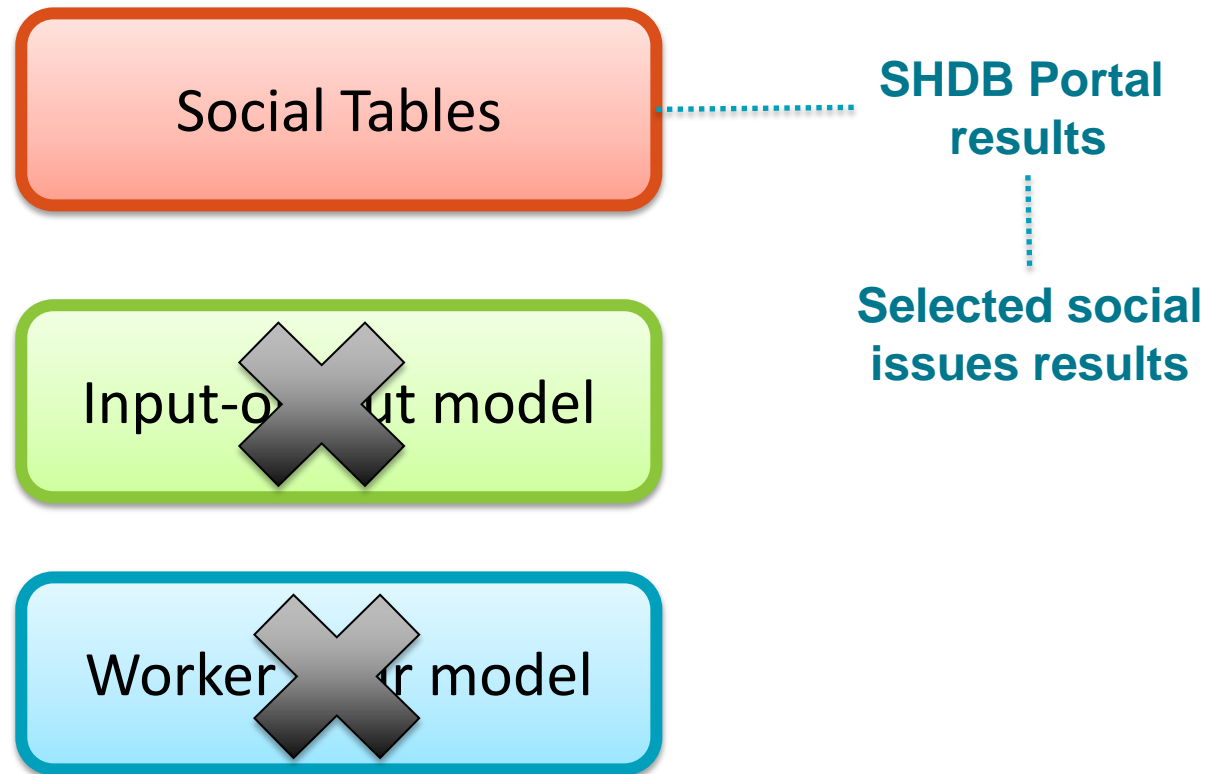
**Social Hotspots
Database**

**In-house desk
research and
evaluation method**

- Collect / compile social data
- Evaluation social data according to risk levels
- Aim to identify potential hotspots in a product system

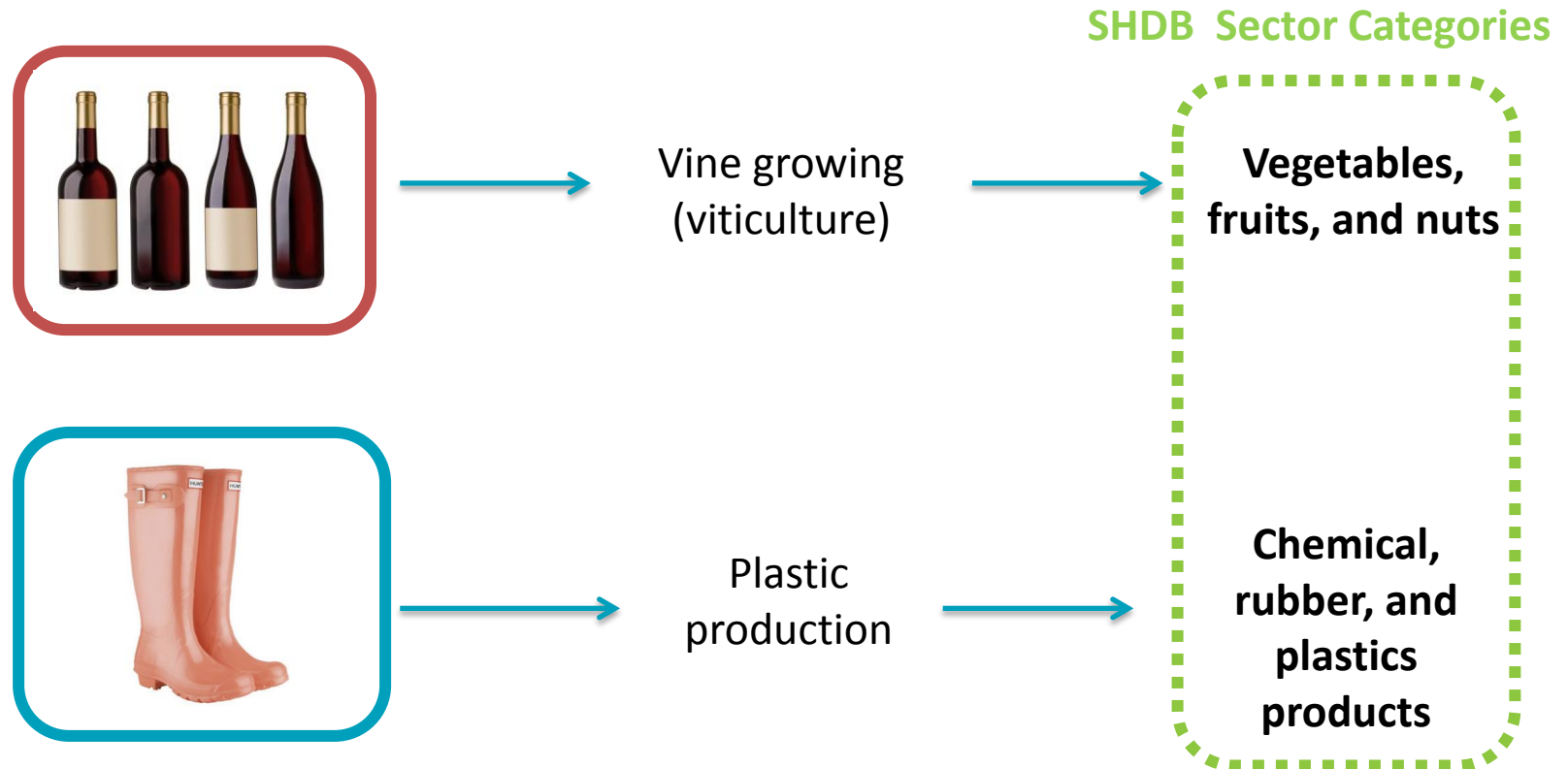
The Social Hotspots Database

SHDB's three components:



Data compiled for country-specific sector categories

Examples



Categories



Labor Rights and Decent Work



Human Rights



Health and safety



Governance



Community

Themes

Freedom of Association

Child Labor

Forced Labor

Excessive working time

Wage Assessment

Poverty

Migrant labor

Unemployment

Labor Laws

Indigenous Rights

High Conflicts

Gender Equity

Human Health Issues

Injuries and Fatalities

Toxics and Hazards

Legal System

Corruption

Hospital Beds

Drinking Water

Sanitation

Children Out of School

Smallholder vs Commercial Farms

Issues

Characterized Result

Our focus: Selected social issues

- ✓ 1-2 per social theme
- ✓ Sector-level data
- ✓ Comprehensive data

Our in-house methods

Two components:

Desk research

- Quantitative and qualitative data from literature
- Documents “at risk” situations in specific companies/sectors
- Social themes considered span the S-LCA Guidelines subcategories of impact + others

Evaluation method for identifying potential hotspots

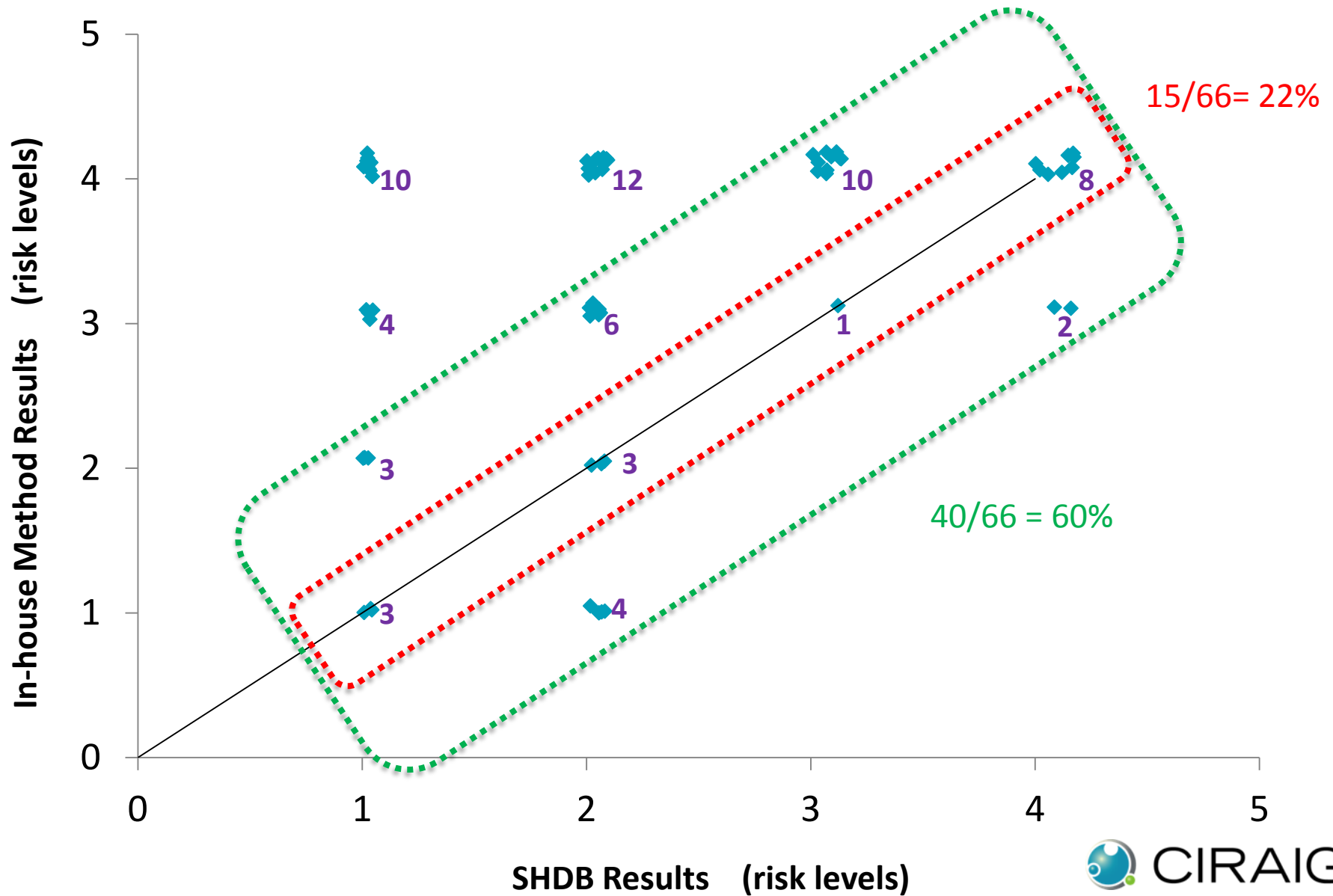
Assessing risk through four data quality criteria:

- Adequacy with object of study
- Level of precision ;
- Reliability of data sources ; and
- Recentness of publication.

Characterized data with the in-house methods

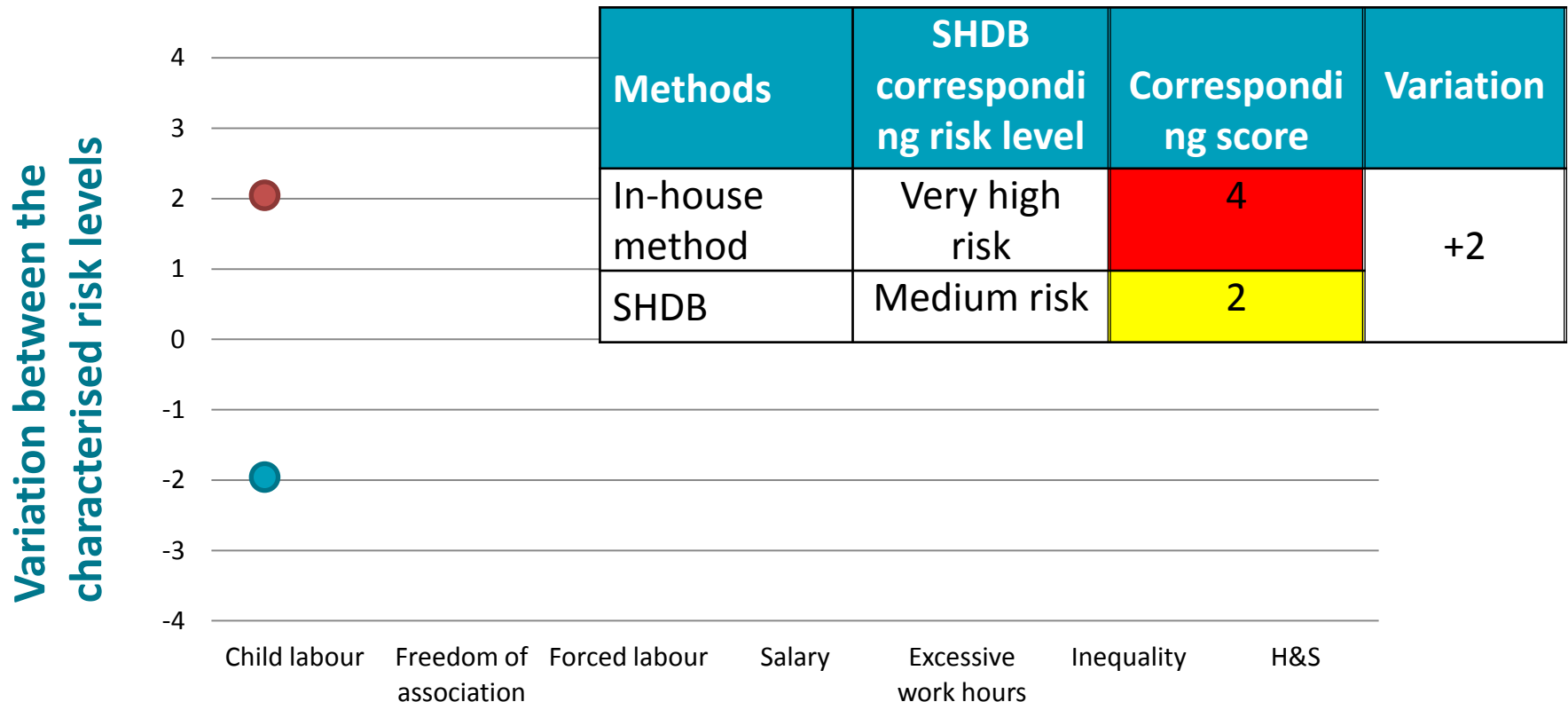
In-house method risk of incidence levels	“SHDB corresponding” risk level	Corresponding score
Confirmed	Very high risk	4
Very high		
High	High risk	3
Moderate	Medium risk	2
Latent	Low risk	1
Low		

General results

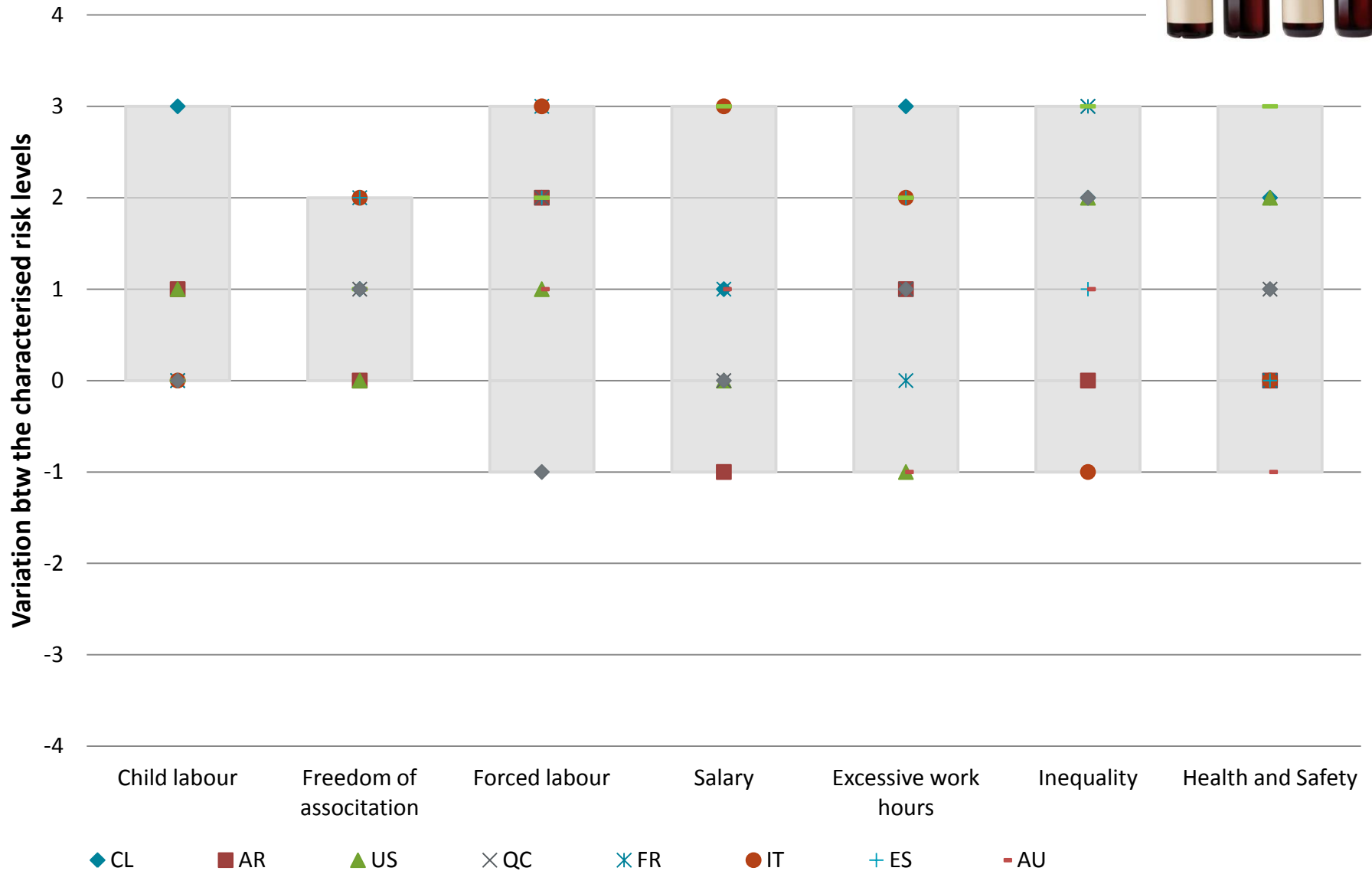


Results by impact sub-category

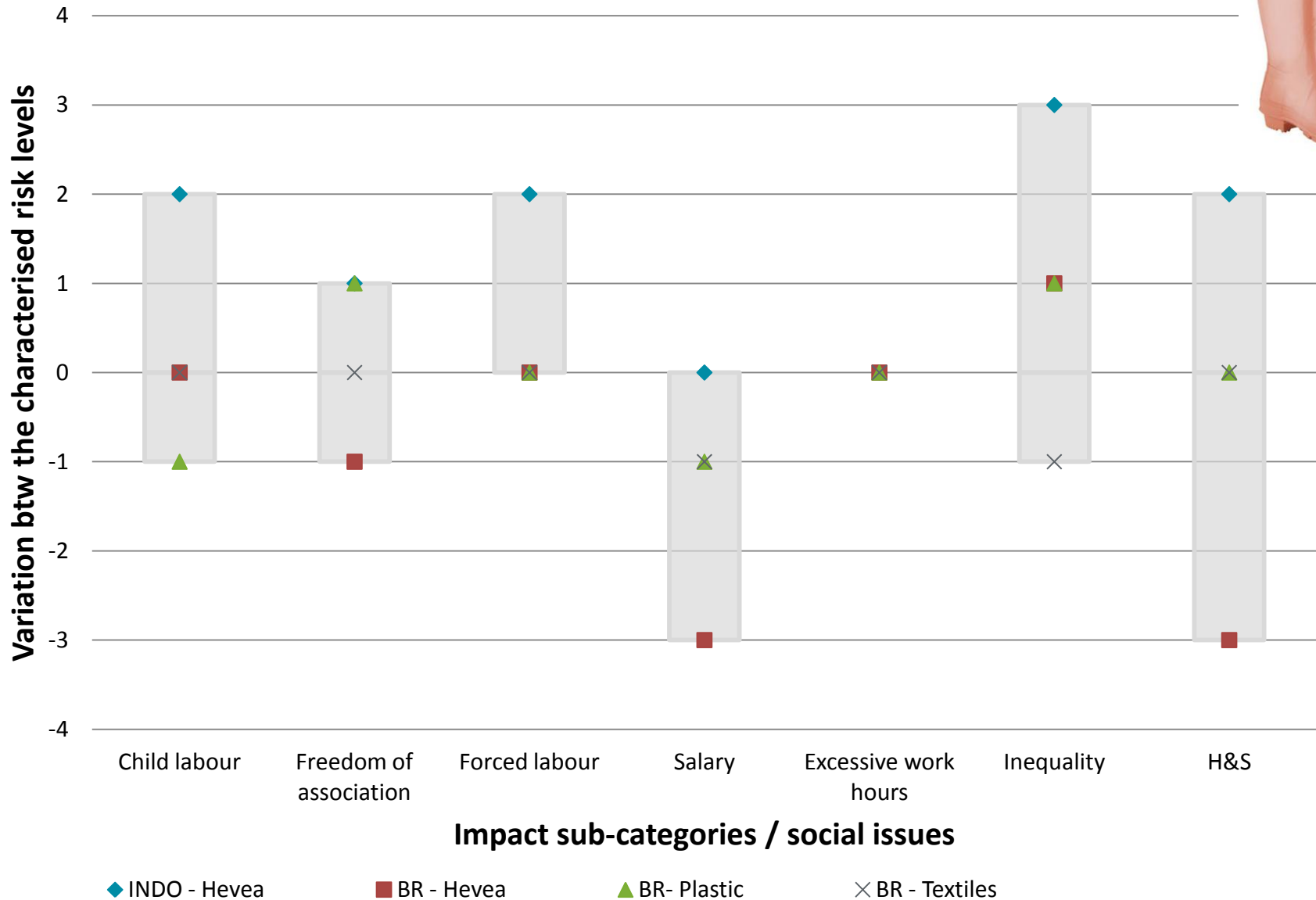
Variation between the results obtained by the two methods:



Results by impact sub-category: Wine study



Results of the comparison: Consumer good study



General comparison of in-house methods' main conclusions

“If we would have used the SHDB as initial scanning instrument, would we have identified the main conclusions of our desk research?”

Case study 1:
Wine



3/5 main
conclusions
matched

Case study 2:
Consumer
good



3/5 main
conclusions
matched

Case study 3:
Electrical
equipment



3/6 main
conclusions
matched

**9/16
conclusions
matched
(56%)**

Potential reasons for unmatched conclusions

- 🌐 The data covered in the desk research is not present in the SHDB
- 🌐 The in-house method and the SHDB do not define their social themes from a similar perspective
- 🌐 Lack of fit between the sector considered and the SHDB sector category
- 🌐 The sector examined is an outlier with regards to national statistics
- 🌐 Different evaluation methods yield different results

Not mutually exclusive

Reason 1

The data covered in the desk research is not present in the SHDB

3 / 9
cases

- In the wine study:
 - The most vulnerable of all workers in this sector are migrant workers
- In the consumer goods study:
 - There is a debate around the health safety of consumers during the use phase of the product

Guidelines' impact sub-categories vs. SHDB's social themes

Guidelines' Stakeholder Category	Guidelines' sub-categories of impact	SHDB's social themes (and categories)	Correspondance
Workers	6 sub-categories	6 social themes	6/11 Match
	1 sub-category	1 social theme	1/11 Y – partial
	1 sub-category	-	4/11 No match
	-	3 social themes	
Local community	1 sub-category	1 social theme	1/15 Match
	3 sub-categories	3 social themes	3/15 Y – partial
	6 sub-category	-	11/15 No match
	-	5 social themes	
Consumers	5 sub-categories	-	0/5 Match
Society	1 sub-category	2 social themes	1/5 Match
	4 sub-categories	-	4/5 No match
Other actors in the supply chain	4 sub-categories	-	0/4 No match

**8/40 = Match
(20%)**

The in-house method and the SHDB do not define their social themes from a similar perspective

- Our in-house method focuses on social performance, while the SHDB also focuses on general attributes of country-specific sectors
- In the electrical equipment study:
 - The most affected stakeholder categories is local communities
 - In SHDB: local community defined in different terms



Community

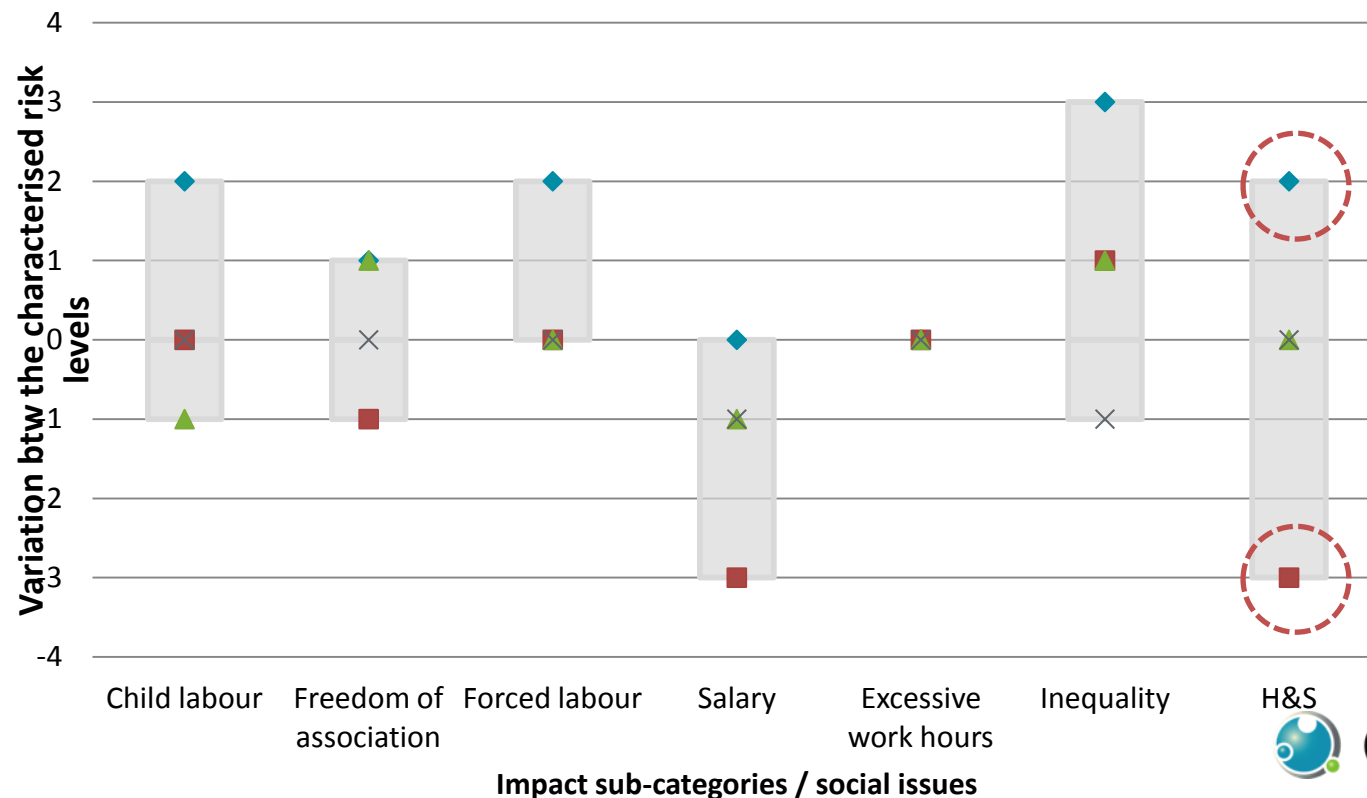
Hospital Beds
Drinking Water
Sanitation
Children Out of School
Smallholder vs Commercial Farms

Potential Reason 3

1 / 9
cases

Lack of fit between the sector considered and the SHDB sector category

- In the consumers good study the most divergent results originate from one sector: Hevea



CIRAIG^{MC}

The sector examined is an outlier with regards to national statistics

- For social issues documented at the country level: whether or not the sector is an outlier from the national average could be an issue.
- Ex: wine study, where the production activity considered is agriculture and the largest variations were found in industrialized countries

Different evaluation methods

- One focuses on risk level at the sector level, according to position within global distribution, the other on documented “at risk” situations within (or very close to) the product chain.




All

Main conclusions



- 🌐 There are significant variations between the results from the two methods, across all stakeholder categories.
- 🌐 About half of the main conclusions that were made with the in-house methods could have been reached via SHDB.
- 🌐 The two methods do not capture the same impact-subcategories
- 🌐 There are a range of potential reasons for discrepancies in results

Recommendations

The use of two methods **should be complementary and not sequential**, in particular in order to:

-  **Cover via desk research data not present in the SHDB**
-  **Allow for issues specific but crucial to the examined country-specific sectors to emerge**
-  **Triangulate results**

A series of basic questions should be kept in mind when considering SHDB results:

-  **Is the sector I am looking at likely to be an outlier in the SHDB sector category?**
-  **Is the sector I am looking at likely to be an outlier with regards to national statistics in the country on the examined issues?**

THANK YOU.

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