



COMPANIES: MBI, Inc.

COUNTRY: United States

ASSESSMENT DATE: 08/07/18

ASSESSOR: Miriam Rodriguez

PRODUCTS: Collectibles [such as figurines, coins, spoons, mugs]

NUMBER OF WORKERS: 110

FLA Comments

FLA Comment: This report was submitted to the FLA and the FLA affiliated company by the assessor. Despite deadline reminders and extensions for submission of a corrective action plan, the FLA has not received a plan to address the risks and noncompliances raised in the report. Therefore, the report is posted in its current state and will be updated once a corrective action plan has been submitted to and reviewed by the FLA.

Summary of Code Violations

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

While it is important to note when violations of the FLA Workplace Code of Conduct occur, the purpose of these assessments is not simply to test compliance against a particular benchmark, but rather to develop an understanding of where and how improvements can be made to achieve sustainable compliance. Code of Conduct violations can be found throughout the course of an assessment of the employment and management functions, and are addressed in companies' action plans.

Findings and Action Plans

FINDING NO.1

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

A newly drafted policy titled "18-2 Employee Work Schedule and Attendance" (dated July 5, 2018) states under Discipline Guidelines: "Employees who return late from lunch will not receive warnings. The employee will sustain loss of pay for being late." The individual responsible for facility security developed this policy and workers interviewed were unaware of this policy. The assessor reviewed recent payroll records and did not find any unusual deductions and interviewed workers did not provide an evidence of loss of pay. [H/A.2]

Local Law or Code Requirement

FLA Workplace Code (Harassment or Abuse Benchmarks H/A.2)

Recommendations for Immediate Action

Redact the policy regarding disciplinary actions and remove comments on monetary fines or penalties, and implement progressive discipline actions. Communicate the new policy to all level of employees and train supervisors and managers. An HR professional or legal adviser knowledgeable of Florida labor laws should review all policies.

FINDING NO.2

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The H&S manager could not provide documentation related to recent or annual fire drills. [HSE.2, HSE.5.1]
2. The facility lacked documentation or evidence of tracking illnesses, including the OSHA injuries and illness logs, known as OSHA 300 Log, which were not accessible during the audit. [HSE.1, HSE.3]

Local Law or Code Requirement

OSHA 29CFR1904.4 (Reporting criteria); FLA Workplace Code (Health, Safety, and Environment HSE.1, HSE.2, HSE.3, HSE.5.1)

Recommendations for Immediate Action

1. Improve document retention and access to critical documents to ensure that these critical documents are available at all times.

FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Grievance System

Finding Explanation

1. The factory only has informal policies outlining the Grievance system. Based on these documents, the grievance system is inadequate, as it does not include a confidential grievance mechanism. The current employee handbook advises, under the No Harassment Policy, encourages employee to contact their respective supervisor, manager or call the extension of the Human Resources manager. [ER.25]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.25.2)

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. The current employee handbook addresses Disciplinary Action on page 9; however, the current Policy is not a progressive disciplinary system, and lacks the application of escalating disciplinary actions from verbal warnings, written warnings to suspension and finally to termination. Furthermore, the current policy does not outline the appeal process. [ER.1, ER.27]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.1, ER.27.1, and ER.27.4)

FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. The facility's policy on "Overtime" as listed in the current employee handbook states, on page 3, "a non-exempt employee may work overtime on the terms defined by the Florida law" but the employee handbook does not explicitly state that any or all overtime hours are consensual on the part of the worker. In addition, Florida labor law defers to federal law as to when an employee will be paid overtime, which is calculated after 40 hours of regular work. Furthermore, a newly drafted policy titled "18-2 Employee Work Schedule and Attendance" (dated July 5, 2018) states, "There will be times the [factory] will impose mandatory overtime to meet the production needs...." The individual responsible for facility security developed this policy. Workers were unclear on this policy, but the time records did not identify any hours over 60 hours and there was no evidence of any worker working more than six consecutive days. [HOW.8.2, HOW.8.5]

Local Law or Code Requirement

FLA Workplace Code (Hours of Work Benchmark HOW.8.2 and HOW.8.5)

FINDING NO.6

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The facility's Equal Employment Opportunity policy statement listed in the current handbook lacks the following categories: political opinion, social group, marital status, or union affiliation or sympathy. This policy statement does not align with. [ER.3]

2. The facility does not have any written policies and/or procedures with regard to performance reviews. There is no documented evidence of review steps and process, and no linkages to job grading, or procedures to minimize discrimination. No evidence of written performance reviews and no documented attempts to solicit feedback and agreement/disagreement from employees in writing. [ER.29]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.3, ER.29)

FINDING NO.7

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. The factory has not provided communication and training to any workers or worker representatives on the following employment functions: Grievance System, Termination and Retrenchment, and Industrial Relations. [ER.15, ER.16, ER.17, ER.25, ER.32]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.15, ER.16, ER.17, ER.25, ER.32)

FINDING NO.8

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. The factory does not have formal written policies or procedures governing any aspects or modes of the following employment functions: Termination and Retrenchment, Grievance System, Industrial Relations. [ER.25, ER.32]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.25, ER.32)

FINDING NO.9

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

1. Because of the lack of policies and procedures, the factory has not conducted a periodic review of the following employment functions: Termination and Retrenchment, Grievance System, and Industrial Relations. [ER.25, ER.32]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.25 and ER.32)