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INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: Herff Jones Inc
COUNTRY: United States
ASSESSMENT DATE: 12/04/18
ASSESSOR: Miriam Rodriguez
PRODUCTS: Apparel
NUMBER OF WORKERS: 268

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

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Grievance System

Finding Explanation

The facility does not utilize a third party channel for workers to communicate anonymously any grievance. Furthermore, the facility has posted a policy statement (dated 1/09/2017) regarding sexual harassment, which listed the names and telephone numbers for individuals in the Corporate Human Resources Department. However, the designated individuals at Corporate HR retired in 2018. The new contact information is not updated nor posted on the facility's bulletin board. Additionally, there is no method for a worker to report anonymously any grievance. [ER.1.1, ER.16.1 and ER.25.3]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.1, ER.16.1 and, ER.25.3)

COMPANY ACTION PLANS

Action Plan no 1.

Description

We do offer an anonymous hotline powered by UNUM. It is available to all employees, their spouses, and their children. HJ will include a flyer for this during the on-boarding process going forward. An announcement via company e-mail and daily huddles have already been completed.

Company Action Plan Update

An announcement via company e-mail and daily huddles have already been completed.

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

1. The facility's current policy identified as "Non Union Status", policy #307, dated 01/01/2005, which states, "It is the Company's opinion

that whenever there are unions, there potentially is also trouble, strife and discord and that a union would not work for our employees benefits, but to their serious harm.”

Recently, the company redlined an edit to the Code of Ethics and Workplace Code of Conduct (policy #301, Sept 2017) and included a statement that Herff Jones would recognize and respect the rights of workers to freedom of association and collective bargaining. Factory management stated that both of these policies are in effect. [ER.26]

2. The facility did not provide evidence of any type of training given to employees on the topic of Freedom of Association. Workers could not articulate the company policy on Freedom of Association. However, the company’s bulletin displays the National Labor Relations Board poster, and the current employee handbook includes the FLA Code Statement. [ER.1, ER.16.1 and ER.26]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16.1 and ER.26)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Herff Jones is currently reviewing and assessing all policies. Herff Jones will provide training on Freedom of Association as part of our onboarding process on a go forward basis. Refresher training will also be setup for current employees.

FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. The factory’s working hours records do not identify the pregnancy status of workers who have requested accommodations for breastfeeding or other prenatal or postpartum needs. The current employee handbook does not document or include information regarding any accommodations for pregnant workers or new mothers. [ER.1, ER.2, ER.14, ER.16, HOW.5, ND.1, ND.8]

Local Law or Code Requirement

Fair Labor Standards Act, Section 7 (Break Time for Nursing Mothers, March 2010); FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.2, ER.14, and ER.16; Hours of Work Benchmarks HOW.5; Non-Discrimination Benchmarks ND.1 and ND.8)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Herff Jones accommodates breast feeding and has dedicated rooms to do so.

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. Assessors reviewed a sample of the factory’s personnel files and found that there was incomplete or missing information on legal documents such as the I-9 (Employment Eligibility Verification) forms. The HR department does not review the information provided by the applicant. Assessors only reviewed the paper version of the I-9 documents. [ER.1, ER.2]

2. The company conducts performance reviews for hourly/nonexempt workers, however, a sample review of the personnel files showed that the performance review documents are not completed properly or lacks feedback from the worker. In some instances, the

supervisor's comments are vague or incomplete and do not provide adequate examples (such as in the training, strengths, improvement needed, and summary sections) to support the overall performance indicated on the form. In the documents reviewed, none of the workers provided any comments, even though the forms state that workers "are encouraged to express any comments" on the review document.

Management could not confirm when the supervisors were last trained, or if they are ever provided refresher training on how to utilize the performance review document.

During worker interviews, many workers could not recall or describe their annual performance review, or stated that they simply signed the document when the review was presented to them. [ER.1, ER.2, ER.17, ER.29]

Local Law or Code Requirement

Immigration Reform and Control Act of 1986 (IRCA); FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.2, ER.17, and ER.29)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Employee files that were reviewed are long time employees of Herff Jones. We suspect that at the time of hiring, it was not required to complete or file I-9 documents. We are reviewing and coming up with a plan to correct this issue. I-9 documents are now completed through E-Verify and are stored online. Training is provided on how to use E-Verify. Employees are allowed the opportunity to write comments on their reviews. They are given 24 hours to review before commenting. Many employees choose not to make any comments. Time is also allotted after review completion to add any additional comments. Training is scheduled for all managers and supervisors this Summer on writing performance appraisals.

FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Termination & Retrenchment

Finding Explanation

1. The factory's procedures regarding voluntary resignation require workers to give ten days notice, in writing, if they wish to terminate their employment. This practice violates the state of Illinois' "at will" guidelines, and the company's own policy (#321, dated 01/01/00). Furthermore, the company has a document called a "Resignation/Retirement Form" which requires workers to state why they plan to resign. [ER.1, F.2]

2. The factory does not have procedures requiring management to meet with workers or their representatives to consult on matters such as layoffs. [ER.1, ER.25, ER.32]

Local Law or Code Requirement

Illinois State "At Will Employment" Guidelines, 775 ILCS 5/) Illinois Human Rights Act.; FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.25, and ER.32; Forced Labor Benchmark F.2)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The Herff Jones employee handbook states that workers are expected to give 10 days notice if they wish to terminate their employment. It does not say this is required, and there is no consequence to not doing so. We also expect workers to state why they plan to resign, but do not require. Again, there is no consequence to not doing so. Herff Jones is currently working on a plan to have procedures in place to consult with employees on matters such as layoffs, if they were ever to occur.

FINDING NO.6

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. The current Environmental Protection policy (#308, dated 02/04/2008) states that the Corporate Treasury is responsible for environmental matters. The factory did not provide any evidence of management's general statement of support to minimize environmental impacts with respect to energy, air emissions, water, waste, hazardous materials, and other significant environmental risks. [ER.1, ER.31]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.31)

COMPANY ACTION PLANS

Action Plan no 1.

Description

This is a misunderstanding, as Corporate Treasury is not responsible for all environmental matters. Herff Jones policy #308 indicates for reference, an individual should contact the Corporate Treasury department. Herff Jones Management is committed to protecting our environment and policy #308 addresses the above findings.

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. There are unlabeled bottles in the spot cleaning area, which did not indicate if the clear liquids were water or spot cleaner. [HSE.9]
2. The doors to the fireproof cabinet, which contains flammable materials, were left wide open during the assessment, rendering the cabinet ineffective. [HSE.1, HSE.9]

Local Law or Code Requirement

OSHA 29CFR.1910.106.(d) (related to Safety Cabinets); FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1 and HSE.9)

Recommendations for Immediate Action

1. Properly label all chemical containers.
2. Keep the doors to the fireproof cabinet closed. Monitor the area to ensure that the doors are not left open.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Herff Jones will properly label all containers. Doors to the fireproof cabinet will be closed and monitored throughout the day to ensure they stay closed. We will communicate this to our employees during our daily huddles.

FINDING NO.8

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. The factory's current employee handbook (revised April 2018) does not address the appeal process. [ER.27]
2. The factory did not provide evidence of any type of training provided to workers or supervisors on the progressive discipline system. [ER.29.1.1]
3. The factory does not communicate with the general workforce on an annual basis regarding changes and updates to the workplace rules. [ER.1, ER.16, ER.25, ER.27]
4. There are several issues with the forms that the factory currently uses for disciplinary actions. The form includes a statement that the worker may add comments on the back of the form, or attach comments. In the sample review of performance reviews, none of the workers had provided comments nor feedback on the performance review, other than the worker's signature. The descriptions of the workplace conduct violations that led to the disciplinary actions are vague, unclear, or too broad in scope. The form also lacks a statement or process regarding how to appeal disciplinary actions. It also lacks the signature of a witness selected by the worker, or a check box if the worker declines the option of witness. [ER.1, ER.2, ER.27]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.2, ER.16, ER.25, ER.27, and ER.29)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Herff Jones will amend the employee handbook to include the appeal process, this information is currently given verbally. We are in the process of creating a guide and training for our progressive discipline system. All changes and updates to workplace rules are communicated in daily huddles, posted on communication boards throughout the plant, and posted on Company intranet.

FINDING NO.9

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

The factory's current overtime policy, which is included in the new hire packet, states that "all employees must work overtime when required by their supervisor". The employee must sign the document, which indicates the employee will comply with the policy. Neither the overtime policy statement nor the employee handbook (revised April 2018) states that overtime work must be voluntary. Employees were unaware that they are able to refuse overtime. [HOW.8.2]

Local Law or Code Requirement

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

FLA's Recommendations for Sustainable Improvements

Remove the requirement that workers must work overtime when asked. Ensure that workers know that all overtime shall be consensual and that workers are aware that they can refuse overtime.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Herff Jones recognizes the gap between our current practice and the FLA standard when it comes to overtime. Due to the seasonality of our business and how critical it is that we deliver to our customer, we do require overtime during busy season. At the time of onboarding for hourly employees, we present and explain a document that explains why overtime is required during busy season upon the request of a supervisor. This document is signed by the employee acknowledging they understand and are willing to work overtime. The FLA standard is that overtime should be voluntary and employees should be able to refuse overtime without any repercussions. Herff Jones is committed to working toward new processes that will improve the lives of our employees. This will be a significant change to the way we staff and operate. We will work towards developing a process that will minimize

impact to our customers and operation.