



**GLOBAL
IMPACT
SOURCING
COALITION**



Impact Sourcing Standard

Version: GISC:v1.0

Expected date of next full review: 2019

I. INTRODUCTION

The Global Impact Sourcing Coalition

The mission of the Global Impact Sourcing Coalition ([GISC](#)) is to build more inclusive global supply chains through advancing wide-scale adoption of Impact Sourcing. The GISC is comprised of companies that have joined forces to create jobs for those most in need through the power of procurement. Members work toward a common vision for all people in the world to have the opportunity to obtain productive employment and decent work, a requirement for promoting inclusion and ending poverty for all.

About the Impact Sourcing Standard

The Impact Sourcing Standard (“the Standard”) defines minimum requirements and voluntary best practices for providers of business products and services to demonstrate their commitment to inclusive employment. For the purposes of this Standard, Impact Sourcing is defined as a business practice where a company prioritizes suppliers that intentionally hire and provide career development opportunities to people who otherwise have limited prospects for formal employment.

The Impact Sourcing Standard aims to present a common understanding and language for discourse, negotiation, and partnership between product and service providers (“providers” or “suppliers”) and their client organizations (“clients” or “buyers”) about Impact Sourcing as a service or social benefit, with the ultimate goal of creating good jobs for those most in need across global supply chains. Additionally, the Standard may also be beneficial for communicating an organization’s inclusive hiring commitments to job seekers, employees, government and civil society stakeholders, customers, and the general public.

The Standard promotes inclusive hiring practices that target individuals who are vulnerable or disadvantaged due to their experience of being long-term unemployed or living under the national poverty line. This broad definition for job candidates and employees benefiting from Impact Sourcing (“Impact Workers”) enables Impact Sourcing service providers to be flexible and to adapt their inclusive hiring initiatives to the unique demographics and priorities of the regions in which they are operating.

The Impact Sourcing Standard was developed and reviewed by members of the Global Impact Sourcing Coalition (GISC)—including both buyers and providers of Impact Sourcing services—as well as by academic and industry experts to ensure its adequacy, technical feasibility, and alignment with social impact goals.

Version GISC:v1.0 of the Impact Sourcing Standard was adopted by GISC members on November 17, 2017. While the vision and aspiration of the Impact Sourcing Standard will remain the same over time, the Standard itself may continuously improve in line with changes in society and expectations of

business. The Standard will be reviewed no later than two years after its adoption, after which a biannual cycle of review is expected.

II. OBJECTIVES

The objectives of the Impact Sourcing Standard are to:

- a) Establish Impact Sourcing as a trusted business practice that improves the lives of people who otherwise have limited prospects for formal employment;
- b) Enable product and service providers to communicate consistently about their Impact Sourcing service capabilities and performance to their clients and other stakeholders;
- c) Enable client organizations to evaluate their product and service providers based on their Impact Sourcing service capabilities and performance, as well as to communicate consistently about their Impact Sourcing efforts to their stakeholders;
- d) Facilitate the adoption of Impact Sourcing across companies operating in a wide range of geographies and industries.

III. SCOPE

- The Standard is applicable to providers of all business products and services who directly employ Impact Workers.
- The requirements of this Standard shall apply universally, regardless of an organization's legal structure, geographic location, industry sector, and company size.
- This Standard may be applied by an entire organization or a business division, such as a country office, a business unit, or a subsidiary, among other possible divisions, as long as the business division is clearly defined and can conform to the requirements set forth in this Standard.
- This Standard does not apply to organizations that subcontract to Impact Sourcing service providers. In this instance, the organization is considered to be a buyer of Impact Sourcing services, and the subcontractor a provider, who will be expected to uphold the requirements of the Standard. It is possible for an organization to be both a buyer and an Impact Sourcing service provider, when that organization both adheres to the requirements of the Standard itself and procures from Impact Sourcing service providers.

IV. NORMATIVE REFERENCES

Organizations that use the Impact Sourcing Standard shall comply with local, national, and all other applicable laws, at a minimum. Users also shall apply prevailing industry standards of good business practice and other requirements to which the organization subscribes. When such laws, standards, or other requirements to which the organization subscribes and this Standard address the same issue, the provision most favorable to workers shall apply.

The foundational elements of this Standard are based on the UN Declaration of Human Rights, conventions of the International Labor Organization (ILO), international human rights norms, and national labor laws. It is expected that all providers that subscribe to this Standard further respect the principles of the international instruments listed in Annex A. Failure to address the management of

critical issues in the workplace such as forced and child labor, occupational health and safety, freedom of association and collective bargaining, discrimination, disciplinary practices, working hours, and compensation violate the intentions of this Standard, and may disqualify organizations from achieving an Impact Sourcing Standard rating.

V. TERMS AND DEFINITIONS

For the purposes of this document, the following terms and definitions apply:

Term	Definition	Reference
Impact Sourcing Definitions		
Impact Sourcing	Impact Sourcing is a business practice where a company prioritizes suppliers that intentionally hire and provide career development opportunities to people who otherwise have limited prospects for formal employment.	Global Impact Sourcing Coalition
Impact Sourcing service provider	A provider of business products and services that commits to intentionally hire and provide career development opportunities to people who otherwise have limited prospects for formal employment, to deliver social and business outcomes.	Global Impact Sourcing Coalition
Providers (Service Providers, or Suppliers)	A business entity which provides the company with goods and/or services integral to, and utilized in/for, the production of the company's goods and/or services.	Social Accountability International, SA8000
Buyers (or Clients)	Organizations—including multinational corporations, small to medium enterprises, government units, private sector units—that outsource processes and services to providers.	
Career development	The process of managing an employee's work experience, professional development, and career progression within an organization.	
Impact Workers	People hired into the organization who previously were long-term unemployed or living under the national poverty line.	
Long-term unemployed	Unemployed persons with continuous periods of unemployment extending for one year or longer despite being available and actively looking for work.	ILO, Key Indicators of the Labour Market 11. Long-term unemployment
Poverty line	The poverty line is the minimum level of income deemed adequate in a particular country, and may be determined based on either absolute or relative poverty. Relative poverty is defined relative to the members of a society and, therefore, differs across countries. Absolute poverty refers to a set standard which is consistent over time and between countries. The World Bank sets the absolute international poverty line at \$1.90 a day (in 2011 PPP \$).	<ul style="list-style-type: none"> World Bank Poverty & Equity Data Portal
Private employment agency	Any entity, independent of the public authorities, which provides one or more of the following labor market services: <ul style="list-style-type: none"> Matching offers of and applications for employment, without the agency becoming a party to the employment relationship(s) which may occur; 	Social Accountability International, SA8000

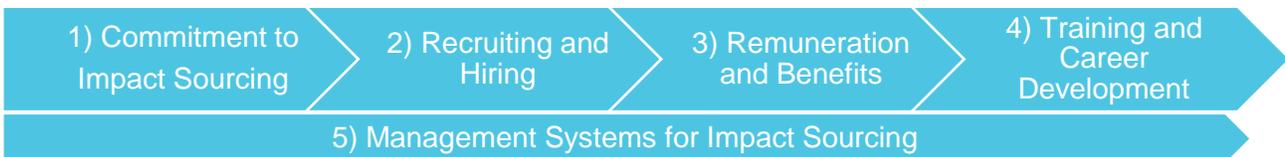
	<ul style="list-style-type: none"> Employing workers with a view to making them available to a third-party entity, which assigns their tasks and supervises the execution of these tasks. 	
Standard Definitions		
Shall	In this Standard the term “shall” indicates a requirement.	Social Accountability International, SA8000
May	In this Standard the term “may” indicates a permission.	Social Accountability International, SA8000
Continual Improvement	Recurring activity to enhance performance.	ISO
Documented information	Information required to be controlled and maintained by an organization and the medium on which it is contained. Documented information can refer to: — the Impact Sourcing management system, including related processes; — evidence of results achieved (records).	ISO
Management System	A management system describes the set of interrelated or interacting elements of an organization to establish policies and objectives, and the processes an organization needs to follow to meet its objectives.	ISO
Measurement	Process to determine a value.	ISO
Monitoring	Determining the status of a system, a process, or an activity. To determine the status, there may be a need to check, supervise, or critically observe.	ISO
Objective	Result to be achieved. An objective can be strategic, tactical, or operational. An objective can be expressed in other ways, e.g., as an intended outcome, a purpose, an operational criterion, an Impact Sourcing objective, or by the use of other words with similar meaning (e.g., aim, goal, or target).	ISO
Outsource	An arrangement where an external organization performs part of an organization’s function or process.	ISO
Organization	The entirety of any business or nonbusiness entity responsible for implementing the requirements of this Standard, including all personnel employed by the organization. Note: For example, organizations include companies, corporations, cooperatives, NGOs, and government institutions.	Social Accountability International, SA8000
Policy	Intentions and direction of an organization, as formally expressed by its top management.	ISO
Process	Set of interrelated or interacting activities which transforms inputs into outputs.	ISO
Performance	Measurable result. Performance can relate either to quantitative or qualitative findings.	ISO

	Performance can relate to the management of activities, processes, products and services, systems, or organizations.	
Requirement	Need or expectation that is stated, generally implied, or obligatory.	ISO
Conformity	Fulfillment of a requirement.	ISO
Top Management	Person or group of people who directs and controls an organization at the highest level. Top management has the power to delegate authority and provide resources within the organization.	ISO

VI. IMPLEMENTATION

The Impact Sourcing Standard outlines the requirements to be upheld by Impact Sourcing providers, including the steps that they are expected to take across the entire employee lifecycle, from recruitment to career advancement, in order to cultivate an inclusive workplace and a culture of inclusion. Each requirement includes a business policy, practice, or management system that Impact Sourcing providers shall comply with in order to ensure that people who are long-term unemployed or living under the national poverty line enjoy equal opportunities to enter the workforce and advance in their careers.

Impact Sourcing Standard Sections



When business services providers meet the minimum requirements, they may state that their business practices are in accordance with this Impact Sourcing Standard.

Exclusions

Buyers may have additional requirements to be negotiated on an individual basis with their service providers. In order to be considered in accordance with this Standard, such criteria may not compromise or otherwise undermine the Standard objectives. This Standard does not currently address the following, which should be negotiated between individual Impact Sourcing service providers and their clients:

- The process or criteria that Buyer organizations may use to assess or prioritize Impact Sourcing service providers beyond the Standard requirements;
- The establishment of a quota of Impact Workers on client accounts (by percentage of the workforce, total number of hires, or any other method of accounting);
- Any additional criteria, expectations, or boundaries that Buyers may require in their procurement assessments and awarding of business processes.

VII. IMPACT SOURCING STANDARD

1. COMMITMENT TO IMPACT SOURCING		GUIDANCE
1.1	The organization shall commit to employ, advance in employment, and offer equal opportunities in all employment practices to people who were previously long-term unemployed or living under the national poverty line (“Impact Workers”).	<p><i>Organizational commitment to creating positive social and business impacts through inclusive employment is the core of the Impact Sourcing Standard.</i></p> <p><i>Commitment can be demonstrated through the organization’s proactive approach to integrating people who were previously long-term unemployed or living under the national poverty line in the workplace, including actions taken throughout employees’ recruitment, training, and career development lifecycle to better attract, prepare, retain, and advance Impact Workers in their careers. It is also demonstrable through the organization’s efforts to create a positive and supportive environment for Impact Workers to attain the skills and relationships that they need to thrive in the workplace.</i></p>
1.2	The organization shall publish a public statement or commitment to Impact Sourcing and inclusive employment where it can be seen by potential job applicants, clients, and stakeholders.	<p><i>The statement or commitment may be published, for example, on its website, in application materials, or through a press release or CEO statement.</i></p>
1.3	The organization shall appoint member of the top-management team to be responsible for compliance with the Impact Sourcing Standard.	<p><i>Inclusion policies, programs, and practices require aligned, committed, and engaged leadership. Assignment of a senior manager to implementation of the IS Standard signals the importance of the work to all employees and helps to embed it in the culture of the workplace.</i></p>
2. RECRUITING AND HIRING		
2.1	The organization shall periodically review recruiting and hiring processes and policies to ensure that they do not intentionally or inadvertently prevent job applicants who are long-term unemployed or living under the national poverty line from being considered for a job within the organization.	<p><i>Impact Worker candidates are often disadvantaged in the job application process. Impact Sourcing service providers should review each step in their recruiting and hiring practices to identify and remove any false barriers that may prevent Impact Worker job seekers from applying or being fully considered for employment. Actions may include:</i></p> <ul style="list-style-type: none"> <i>Ensuring that job postings and interview processes emphasize applicants’ potential over demonstrated skillsets, and focus on output rather than process, so that they do not indirectly discriminate against job candidates;</i>

		<ul style="list-style-type: none"> • <i>Removal of any previous employment or qualifications requirements that are not strictly required for the available job;</i> • <i>Using neutral and objective evaluation criteria to avoid subjective employment decisions based on personal stereotypes or hidden biases of the interview team;</i> • <i>Adjusting applicant tracking system filters to remove any potential barriers for Impact Worker applicants;</i> • <i>Ensuring that advertising does not discourage or discriminate against Impact Worker candidates;</i> • <i>Utilizing job advertising channels that are accessible to Impact Worker candidates;</i> • <i>Supporting alternative ways of conducting assessments and interviews, such as extended interviews or facilitating work trials;</i> • <i>Empowering recruiters and hiring managers to adapt the interviews for candidates with special needs who for other reasons are not able to compete fairly when confronted by standard interview processes;</i> • <i>Ensuring that non-job-related selection criteria or procedures (e.g., tests, interview questions, etc.) do not adversely affect Impact Worker candidates.</i>
<p>2.2</p>	<p>Hiring managers and recruiters shall be trained to identify and offer equal opportunities to job applicants who are long-term unemployed or living under the national poverty line, including reasonable adjustments made to ensure that all applicants have a fair chance in the interview process.</p>	<p><i>Hiring managers and recruiters may be prepared through:</i></p> <ul style="list-style-type: none"> • <i>Training on how to evaluate candidate applications and profiles for their match with Impact Worker criteria, e.g., through use of a checklist of specific criteria to look for when assessing cover letters and resumes.</i> • <i>Training on how to identify applicants' fit for the needs of the role, going beyond questions focused solely on their current or recent employment status.</i> • <i>The provision of interview guides that include questions that assess applicants' competencies and motivation, to help hiring managers when interviewing Impact Worker applicants.</i> • <i>Training to recognize any special needs of individual applicants, enabling interviewers to adjust their approach as needed to ensure that applicants have a fair chance in the interview process.</i>
<p>2.3</p>	<p>The organization shall ensure that no employment fees or costs are borne in whole or in part by Impact Workers.</p>	<p><i>Recruitment fees paid by workers can be linked to debt bondage, human trafficking, and forced labor. Companies can prevent further exploitation of vulnerable and disadvantaged workers by establishing strong policies to explicitly prohibit fee-charging to workers for</i></p>

		<p>employment, and applying the same requirements to private employment agencies. Employers should bear the cost and responsibility of using recruiters and should work with licensed recruitment agents to prohibit unscrupulous recruitment practices.</p> <p><i>“*Users can find more guidance on this criteria from the ILO’s “General principles and operational guidelines for fair recruitment” and the UN Global Compact.</i></p>
2.4	<p>The organization shall adopt written nondiscrimination and equal opportunity policies for all people, regardless of their age; caste; color; disability; family responsibilities; gender; marital status; national, territorial, or social origin; political opinions; race; religion; sexual orientation; union membership; or any other condition that could give rise to discrimination.</p>	<p><i>Nondiscrimination and equal opportunity policies may be included in personnel policy manuals, employee handbooks, and other procedural manuals, and should apply to all aspects of the relationship between the organization and its employees, including recruitment, employment, promotion, training, working conditions, discipline, layoff or termination, remuneration, employee benefits, and application of policies.</i></p> <p><i>*This clause has been adapted from Social Accountability International’s SA8000, which expands on ILO Convention 111 on ending discrimination in the workforce.</i></p>
2.5	<p>The organization shall offer reasonable adjustments to the workplace and working conditions for all job applicants and employees with disabilities to ensure that they are empowered to do their job effectively.</p>	<p><i>To ensure consistent and fair treatment in the workplace, organizations are expected to provide reasonable adjustments for job applicants and employees with disabilities.</i></p> <p><i>Ensuring equality for disabled people may mean changing the way employment is structured, the removal of physical barriers, and/or providing extra support for disabled workers.</i></p> <p><i>Many factors will be involved in deciding what adjustments to make and they will depend on individual circumstances. Different people will need different changes.</i></p> <p><i>The organization is encouraged to offer job flexibility options to workers as a means of accommodating the different needs of different employees and creating multiple pathways to success within the organization.</i></p> <p><i>*More guidance on reasonable accommodations in the workplace can be found at the Job Accommodation Network and the Business Disability Forum.</i></p>
2.6	<p>When quantifying Impact Workers in the workforce, organizations shall only count those qualifying employees who have been employed for a minimum</p>	<p><i>Direct positive impacts that reduce the vulnerability or disadvantage of Impact Workers only begin to accrue once employees secure a steady paycheck and, ultimately, steady</i></p>

	<p>of six months, unless those employees have left the organization to attend higher education or for another job opportunity.</p> <p>The organization shall only count part-time workers when their employment is accompanied by onboarding, training, and professional development opportunities to attain the skills required to thrive and advance in the workplace.</p> <p>The organization shall not count uncompensated employees, interns, or apprentices as Impact Workers unless they compensate trainees for the time worked. However, the organization is encouraged to develop pre-employment and on-the-job training programs themselves or in partnership with external training providers.</p>	<p><i>employment. This Standard requires that Impact Workers be engaged in the workplace for a minimum of six months of paid employment in order to count toward an organization's tally of Impact Workers.</i></p> <p><i>Employees who have been fired before working six months, or who have left the workforce voluntarily or without an alternative employment opportunity shall not be counted.</i></p> <p><i>Pre-employment training may be beneficial for preparing job seekers for the workplace, and employers are encouraged to offer such training either directly or through a training provider. Organizations are encouraged to consider paying trainees, to ensure equal opportunity for job applicants who might otherwise not be able to train without an income.</i></p>
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3. REMUNERATION AND BENEFITS

<p>3.1</p>	<p>The organization shall pay Impact Workers at least the minimum total compensation required by local law, including all mandated wages, allowances, and benefits.</p>	<p><i>The Impact Sourcing Standard seeks to ensure that employers treat all employees with fairness in terms of payment for work done. Impact Workers are not to be considered a less expensive alternative to the traditional workforce.</i></p> <p><i>Organizations are highly encouraged to pay their workforce a living wage, which is high enough to meet employees' basic needs and maintain a normal standard of living for the communities in which they live. They are also encouraged to offer higher quality or broader benefits coverage for all employees, to protect their financial stability, health, and wellness. These might include:</i></p> <ul style="list-style-type: none"> <i>• Benefits that protect the health and welfare of Impact Workers, such as health insurance, disability and invalidity coverage, life insurance, etc.</i> <i>• Benefits that are designed to support Impact Workers' needs in the workplace, such as free or subsidized meals, free or subsidized transportation to/from work, etc.</i> <i>• Benefits for working parents, such as special accommodations for breastfeeding mothers, subsidized onsite or offsite childcare, extended maternity and paternity leave, etc.</i> <i>• Benefits to improve the financial sustainability of Impact Workers, such as a retirement plan, a pension, stock ownership, etc.</i>
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3.2	Impact Workers shall be compensated equally and enjoy the same benefits as employees with the same levels of work experience and work assignments. Workers who are not offered the same benefits as their peers shall not be counted toward service providers' Impact Sourcing initiatives.	<i>Impact Workers shall not be compensated differently or less than peer workers who are in the same roles. Equal pay for equal work is both fair and in the interest of companies to motivate and retain Impact Workers.</i>
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4. TRAINING AND CAREER DEVELOPMENT

4.1	The organization shall provide onboarding, training, and professional development opportunities to Impact Workers to enable them to attain the skills required to thrive and advance in the workplace. These opportunities shall be no less than those offered to all other employees who occupy the same roles in the company.	<p><i>Impact Sourcing service providers are responsible for providing training and mentoring that offers workers of all backgrounds the opportunity, skills, experience, and information necessary to perform well and advance in their careers. They may consider:</i></p> <ul style="list-style-type: none"> • <i>Surveying the workforce to identify training needs;</i> • <i>Creating an onboarding program for new Impact Worker hires;</i> • <i>Ensuring that the onboarding system delivers adjustments needed by disabled employees quickly and efficiently;</i> • <i>Offering a mentorship program to help ensure that new Impact Workers develop relationships within the company and receive ongoing guidance and support;</i> • <i>Staffing new Impact Workers on teams with managers who are trained and experienced in onboarding workers from diverse socio-economic backgrounds;</i> • <i>Offering ongoing professional development opportunities and trainings to Impact Workers that empower them in their roles and prepare them for advancement in their careers.</i>
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4.2	The organization shall ensure that promotion criteria are made known to all employees, establish clear performance criteria, and ensure that appraisals of Impact Workers are based on job performance.	<i>IS providers may monitor performance appraisal systems for patterns of potential discrimination and make sure that performance appraisals are based on employees' actual job performance, limiting the potential for intentional or unintentional bias in the performance assessment. Organizations are encouraged to provide Impact Workers with a career advisor who ensures that they are aware of advancement opportunities and the steps they would need to take to qualify and apply for those opportunities.</i>
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5. MANAGEMENT SYSTEMS

<p>5.1</p>	<p>The organization shall establish systems that will enable the organization to measure and evaluate the success of Impact Workers compared to their peers over time.</p>	<p><i>Measurement and evaluation of Impact Sourcing initiatives ensure that companies are able to evaluate the effectiveness of their initiative and can strengthen the business case for Impact Workers.</i></p> <p><i>Metrics may include: indicators on Impact Worker integration and performance compared to the company's entire workforce. Indicators of integration may include average tenure and turnover rates. Performance indicators may include records of promotions and firings as well as other KPIs of job performance tracked by role.</i></p>
<p>5.2</p>	<p>The organization shall maintain appropriate documented information to demonstrate conformity to and implementation of this Impact Sourcing Standard, and to provide evidence of such records upon request.</p>	<p><i>*This clause has been adapted from Social Accountability International's SA8000.</i></p>
<p>5.3</p>	<p>The organization shall regularly conduct a management review of its policy statements, policies, procedures, and management systems for implementing this Standard, together with performance results, in order to continually improve.</p>	<p><i>*This clause has been adapted from Social Accountability International's SA8000.</i></p>

ANNEX A

Organizations that align with the Impact Sourcing Standard shall also respect the principles of the following international instruments:

- ILO Convention 1 (Hours of Work – Industry) and Recommendation 116 (Reduction of Hours of Work)
- ILO Conventions 29 (Forced Labour) and 105 (Abolition of Forced Labour)
- ILO Convention 87 (Freedom of Association)
- ILO Convention 98 (Right to Organise and Collective Bargaining)
- ILO Conventions 100 (Equal Remuneration) and 111 (Discrimination – Employment and Occupation)
- ILO Convention 102 (Social Security – Minimum Standards)
- ILO Convention 131 (Minimum Wage Fixing)
- ILO Convention 135 (Workers’ Representatives)
- ILO Convention 138 and Recommendation 146 (Minimum Age)
- ILO Convention 155 and Recommendation 164 (Occupational Safety and Health)
- ILO Convention 159 (Vocational Rehabilitation and Employment – Disabled Persons)
- ILO Convention 169 (Indigenous and Tribal Peoples)
- ILO Convention 177 (Home Work)
- ILO Convention 181 (Private Employment Agencies)
- ILO Convention 182 (Worst Forms of Child Labour)
- ILO Convention 183 (Maternity Protection)
- ILO Code of Practice on HIV/AIDS and the World of Work
- Universal Declaration of Human Rights
- The International Covenant on Economic, Social and Cultural Rights
- The International Covenant on Civil and Political Rights
- The United Nations Convention on the Rights of the Child
- The United Nations Convention on the Elimination of All Forms of Discrimination Against Women
- The United Nations Convention on the Elimination of All Forms of Racial Discrimination
- UN Guiding Principles on Business and Human Rights

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