



SOLTUNA



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SolTuna is a tuna processing company based in the town of Noro in the Western Province of Solomon Islands, a remote country in the Pacific spread across more than 1,000 islands covering over 28,000 square kilometers. In Solomon Islands, the tuna industry accounts for 18% of the



country's GDP. One of Solomon Islands' largest employers, SolTuna is a private entity employing 2,100 of the country's 540,000 residents.



SUMMARY

YEAR ESTABLISHED: 2001

NUMBER OF EMPLOYEES: 2,100 employees, 64% female

COUNTRIES OF OPERATION: Solomon Islands

AREA(S) OF VALUE CHAIN: Storage, Transportation, Aggregation & Processing

GENDER OPPORTUNITIES INTEGRATED:

Employees:

- Employ women in commercial processing.
- Have a strong sexual harassment policy that employees are aware of.
- Implement a transparent and confidential grievance reporting process.
- Have all employees go through training on what harassment is, what causes it, and where to seek help if they are harassed.
- Engage women in non-traditional jobs.
- Provide fair and equitable wages for all employees.
- Tailor training content and timing to male and female employees.
- Establish direct payment mechanisms for female and male employees.

BUSINESS IMPACTS:

- Reduced controllable absenteeism from 16% to 12% (a 25% decrease) from 2015 to 2016.
- IFC estimated that by reducing controllable absenteeism from 18% to 15%, the company stood to achieve the following earnings / savings: (1) \$1,580,000 in additional productivity; (2) \$45,000 in savings due to not needing to overstaff shifts; and (3) \$121,000 in savings due to reduced overtime.

SOCIAL IMPACTS:

- More than doubled the percentage of employees with money before their payday (from 14% to 31%), after attending financial literacy training.
- More than doubled the number of women in jobs traditionally held by men, including driving forklifts and security.
- Improved working environment

Photo credited to SolTuna.



BACKGROUND ON GENDER STRATEGY

While a majority of SolTuna's employees are women (64%), the company recognized that women were primarily concentrated in lower-level, operational roles. In addition, SolTuna faced challenges with high rates of absenteeism: overall daily absenteeism was 32% and controllable absenteeism (employee leave not accounted for by approved holiday or maternity leave) was high at 18%.

In order to uncover and address the drivers of absenteeism and to explore what they could do to attract, retain, and engage women workers, SolTuna conducted an extensive gender diagnostic with the International Finance Corporation (IFC) in 2015.

The gender diagnostic consisted of: 1) conducting an EDGE (Economic Dividends for Gender Equality) assessment to understand SolTuna's practices across the following five topics: equal pay for

equivalent work; recruitment & promotion; leadership development training & mentoring; flexible working; and company culture; 2) analysis of SolTuna HR data to understand root causes of absenteeism; 3) absenteeism tracking study; 4) resignation letters analysis; and 5) focus group discussions.

This diagnostic identified the following key drivers of high absenteeism and women's concentration in lower-level positions:

- ❑ **Low financial literacy:** For many SolTuna employees, this was not only their first job, but the first job for anyone in their family or community. As a result, many workers did not have the skills to effectively manage their wages from one paycheck to the next. In such instances, employees would often skip a shift at SolTuna to work in the market where they would be able to take home cash at the end of the day. As women are primarily responsible for providing food for their families in Solomon Islands, they face extra pressure to participate in work that will provide immediate payment. While SolTuna offered financial bonuses for workers who consistently worked all their shifts, this incentive scheme was not well understood by many workers and was therefore not acting as a meaningful incentive.
- ❑ **Domestic violence:** 10% of absences were reportedly due to "family problems." Workers reported that these family problems included physical violence, threats, and other forms



Photo credited to SolTuna.

of domestic violence. These findings are supported by statistics which show that almost half (42%) of income-earning women experience gender-based violence (GBV) in Solomon Islands.¹ Studies have found that domestic violence is related to workplace sexual harassment, and can lead to high levels of "presenteeism" as it reduces concentration and productivity among both victims and perpetrators.² It can also lead people experiencing the violence to more frequently be absent from work or even abandon their employment.³

- Limited career opportunities: While 64% of SolTuna's employees are women, they are underrepresented in management: only 26% of junior and 14% of middle managers are women, while senior management remains wholly male. Only half of women workers surveyed believed they had equal opportunities for promotion. This can lead to low morale and absenteeism.
- High levels of sickness: 38% of all absences were due to sick leave and an additional 15% of absences were due to sickness of a child or other family member. Almost 23% of all resignations were for health or illness-related reasons.

- Care responsibilities: 15% of absenteeism was attributable to care demands for family members, and 44% of resignation letters cited child or elder care as the reason for leaving SolTuna. This burden is especially large for women who are primarily responsible for care work in Solomon Islands.



[I am] very proud as a lady to be doing [this] job, [having] never experienced any other woman doing this job... I really enjoy the job, my family supports me and I am really happy about what I'm doing.

—SALOME BATIR, BREAKING STEREOTYPES AS THE FIRST FEMALE FORKLIFT DRIVER



Together with IFC, SolTuna developed several policies and initiatives to address these drivers of absenteeism and to increase retention and promotion of employees. While a range of interventions were implemented, below are the interventions that were specifically effective in reducing absenteeism among and increasing promotion of female employees.

GENDER OPPORTUNITIES IMPLEMENTED & RESULTS

Employees: Internal Policies & Practices

SolTuna deployed a range of initiatives to create a more gender equitable and supportive workplace. With technical support from IFC, SolTuna developed and implemented a policy

¹ Secretariat of the Pacific Community. (2009). Solomon Islands family health and safety study: A study on violence against women and children. Available at: <http://countryoffice.unfpa.org/pacific/drive/SolomonIslandsFamilyHealthandSafetyStudy.pdf>

² IFC (2016). SheWorks: Putting Gender-Smart Commitments into Practice at the Workplace. Washington, D.C.

³Rizzo, T., Stevanovic-Fenn, N., Smith, G., et al. (2018). Below the Surface: The Real Costs of Sex-based Harassment. Washington, D.C.: International Center for Research on Women (ICRW). Available at: https://www.icrw.org/wp-content/uploads/2018/08/ICRW_SBH_NewsBrief_v2.pdf

on Respectful Workplaces, targeting anti-bullying and harassment and promoting positive communication in the workplace. To support implementation of this policy, the company trained over 100 line-managers on how to recognize and respond to sexual harassment. SolTuna plans to continue to roll this out in a systematic manner in the future and is hiring additional trainers to do so. SolTuna also developed and implemented a policy on domestic violence and trained approximately 20 staff on how to support employees who are experiencing domestic violence. In addition, SolTuna established 11 suggestion boxes and a grievance processing system to address issues raised by employees. The suggestion boxes allow employees to raise concerns or report violations, such as incidences of sexual harassment, as well as anonymously submit general questions, complaints, and suggestions for improvements. Grievances submitted are analyzed by a committee that makes recommendations for actions to senior management. The suggestions, and actions taken, are then reported back to employees. This cyclical process has helped decrease misinformation

Beverly Micha has gained new skills and agency from the financial literacy training. She has been able to use earnings from SolTuna to start a side business selling used clothing. She and her husband now pool their income, work together to create their household budget, and are working towards saving for a family house in their home village.

and increase employee engagement, as it allows management to recognize and respond to the concerns and ideas of the workforce. Anecdotally, employees report that this has made SolTuna a more enjoyable place to work.

In order to keep communication lines open between employees and managers, the SolTuna Employees Consultative Committee (SECC) was formed. In 2016 the SECC voted to spend the 5% wage-bill increase on raises for the lowest 2/3 of wage earning line-workers. This effort to provide fair and equitable wages to all employees has also helped to increase commitment and reduce absenteeism among this level of employee.

Employees: Operational Considerations

SolTuna recruited and trained women in non-traditional, higher-paying roles such as forklift drivers and security guards. Ten female production workers were nominated to complete forklift driver training. Two of the women have become full-time forklift drivers, and a third serves as a back-up. Anecdotally, evidence shows that female forklift drivers are more careful and cause less damage than male drivers.

In order to address the lack of financial literacy among employees, SolTuna, with support from IFC, implemented a financial literacy and life-skills training program for all employees. This training consists of six modules delivered over two days. The training includes modules on understanding pay slips - drawing connections between days/hours worked and amount paid, as well as overtime pay and the incentive scheme which rewards workers with extra pay for perfect attendance or missing no more than one day every four weeks and achieving various KPIs. It also includes the basics of household budgeting

and saving, as well as the different types of loans and the implications of their associated interest payments. The training is now being offered on a continuous basis for all new employees at the company. An assessment of the training among 300 employees trained between November 2015 and April 2016 found that:

- The proportion of workers who reported they “always” had money left the day before payday increased 120% from 14% at baseline to 31% after the training.
- The number of workers with a savings goal increased by 81%.
- The proportion of workers reporting that they had a household budget more than tripled from 12% at baseline to 39% after the training.
- Absenteeism among training participants reduced from 19% before the training to 13% after the training.

Workers also reported being able to more effectively communicate and negotiate around their earnings and expenditure with family members as a result of the training.

SolTuna also partnered with Bank South Pacific to set up bank accounts for employees and now directly deposits paychecks into these bank accounts. Numerous staff also set up savings accounts following their participation in the financial literacy course.

All of these initiatives contributed to a reduction in controllable absenteeism from 16% to 12% (a 25% decrease) from 2015 to 2016. While the exact earnings/savings from this reduction in

absenteeism is not known, IFC estimates that if controllable absenteeism was reduced from 18% to 15% SolTuna would experience the following estimated increases in savings and earnings: \$1,580,000 in additional productivity; \$45,000 in savings due to not needing to overstaff shifts; and \$121,000 in savings due to reduced overtime.³

³ These calculations were based on an estimated decrease of controllable absenteeism from 18% to 15% (a 3-percentage point drop). However, when IFC conducted the absenteeism analysis, they found controllable absenteeism to be 16% at the baseline. As a result of the initiatives implemented by SolTuna, this rate dropped to 12% (a 4-percentage point drop). Therefore, it can be assumed that SolTuna was able to experience the estimated increases in earnings and savings, or possibly even greater.

LESSONS LEARNED:

1. Identifying the root causes of absenteeism allowed SolTuna to provide a targeted response that met the needs of its workers. This nuanced approach led to a significant reduction in absenteeism and turnover, and ultimately improved the company’s bottom line.
2. Since SolTuna is often a first employer for members of its workforce, providing them with training on respectful workplace behavior helped to encourage a more positive work environment for women and men alike.
3. Implementing a workplace domestic violence policy and training a team of staff to support workers impacted by Domestic Violence Policy is critical to reducing the impact of domestic violence on the workplace and in keeping victims of violence employed. Helping those who have experienced domestic violence maintain a level economic security is also a key support to help them leave the violence.
4. Engaging women in non-traditional roles (such as forklift drivers) can reduce costs

associated with filling these positions and inspire other women to pursue them. There is also a breadth of evidence that more gender diverse teams can improve safety and maintenance and increase productivity.⁴

5. Feedback mechanisms that allow for greater communication on complaint management can ensure that employees aren't operating on false information. Such clarifying processes subsequently improve the working environment for managers and their teams.
6. When employees fully understand how their pay and bonuses are calculated, they may be more motivated to work consistently and take advantage of incentive schemes.

⁴ Kanga, M. (2014). A Strategy for Inclusiveness, Well-being and Diversity in Engineering Workplaces. Australian Government: Workplace Gender Equality Agency. Available at: https://www.wgea.gov.au/sites/default/files/Inclusiveness_Wellbeing_Diversity_Strategy.pdf

IFC. (2017). Investing in Women: New Evidence for the Business Case. Washington, D.C.: International Finance Corporation (IFC). Available at: <https://www.ifc.org/wps/wcm/connect/b184eb4c-fcd4-4d02-8dee-4dfb0d82edaa/IFC+Invest+in+Women+October+2017.pdf?MOD=AJPERES>

IMPACTS:

Business impacts:

- Reduced controllable absenteeism from 16% to 12% (a 25% decrease) from 2015 to 2016.
- While the exact earnings/savings from this reduction in absenteeism is not known, IFC estimates that by reducing controllable absenteeism from 18% to 15%, the company stood to achieve the following earnings/savings: (1) \$1,580,000 in additional productivity; (2) \$45,000 in savings due to not needing to overstaff shifts; and (3) \$121,000 in savings due to reduced overtime.
- Improved working environment which contributed to reduced absenteeism, enhanced collaboration and productivity, and improved well-being on the part of SolTuna's employees.

Social impacts:

- More than doubled the percentage of employees with money before their payday from 14% to 31%), after attending financial literacy training.
- Increased number of employees setting savings goals and planning for the future.
- Two women are employed as forklift drivers and 10 are employed as security guards, becoming role models for other women to enter these traditionally male-dominated jobs.

Organizational impacts:

- SolTuna now recognizes how gender issues are material to their business. By understanding and addressing gender dynamics that impact indicators like absenteeism, productivity, and leadership diversity, SolTuna is able to increase employee satisfaction, enhance the workplace culture and ultimately improve their bottom line.

This case study was conducted through (1) a review of IFC reports, including “The Business Case for Women’s Employment in Agribusiness” and “Investing in Women along Agribusiness Value Chains,” (2) an interview with Shabnam Hameed and Sarah Twigg, lead Gender Team members with IFC East Asia and the Pacific.