

FACT:

90% OF MOC-A ASSESSED COMPANIES USED THEIR RESULTS TO IMPROVE THEIR GRIEVANCE MECHANISMS

Source: Management of Complaints Assessment (MOC-A) tool report 2014

MANAGEMENT OF COMPLAINTS

A CHECKLIST FOR EFFECTIVE GRIEVANCE MECHANISMS

GRIEVANCE MECHANISMS & THE UNGPs

The term “grievance mechanism” refers to an established channel for addressing complaints received by companies, both internally (from employees) and/or externally (from individuals or communities impacted by business operations).

The UN Guiding Principles on Business and Human Rights (UNGPs) outlines 8 criteria to ensure effective grievance mechanism processes: *Legitimate, Accessible, Predictable, Equitable, Transparent, Right/compatible, A source of continuous learning, Based on engagement and dialogue*. CSR Europe has worked on Management of Complaints Assessment (MOC-A) since 2012.

ABOUT THE MOC-A CHECKLIST

This checklist:

- Illustrates the break-down of the 8 effectiveness criteria of the UNGPs into practical process requirements;
- Allows companies to self-assess own grievance mechanism and compare own practices against an ideal scenario.

With the MOC-A checklist, CSR Europe aims at maximizing the reach of the tool and provide an useful instrument to evaluate the effectiveness of grievance mechanisms and improve them.

USE THE MOC-A CHECKLIST

The MOC-A checklist includes 32 questions. Each question refers to a process requirement and has the objective to check if a certain practice is in place.

- if your company practice is satisfactory and meets the process requirements.
- if your company practice needs improvements in order to fully meet the process requirements.

To support companies understand how to properly meet the process requirements, an example of ideal scenario/good practice is also presented. To avoid biased results, advice is to answer all questions before checking the ideal scenario examples, to avoid being influenced by the practices presented.

Since all process requirements are somehow interrelated, you will notice that some questions may overlap. For example, structuring a clear process between local and HQ level related to the three criteria: Legitimacy, Accountability, and Predictability

The final answer will visualise the areas where action/improvement is needed (in correspondence of X).

FURTHER ACTIONS

Companies interested to get more insights on **assessing the effectiveness of company grievance mechanisms**, can download CSR Europe’s report at [this link](#).

Companies interested in **enhanced guidance on how to improve own grievance mechanism**, can find more information at [this link](#).

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This document is optimal when used as an interactive PDF. Please click a checkbox for every process requirement, in which your company has a practice in place. A printed version should be printed in A3.

Criteria	Process Requirements	Company practices	✓	Ideal scenario - Effective mechanism
1. Legitimate	1.1 Establish a defined process to address grievances with clear lines of accountability	Does your company have a defined process to manage complaints?	<input type="checkbox"/>	Clear line of accountability established: <ul style="list-style-type: none"> • Specific department identified as the “grievance office” (e.g.: Compliance; Ethics; HR; Audit department) • The accountability sits with a cross-functional body: <ul style="list-style-type: none"> » CSR Committee - CEO and local heads of departments » Independent Committee - Head of Corporate Relations, Internal Audit, social worker
		Has your company defined clear lines of accountability to identify who oversees the mechanism and which are the different responsibilities within the different functions and locations?	<input type="checkbox"/>	
	1.2 Conduct consultations with key stakeholders for the design, revision and monitoring of the mechanism	Did your company consult internal and/or external stakeholders in the design of the mechanism ?	<input type="checkbox"/>	Develop/revise mechanism after external consultations, adapted to audience and context: <ul style="list-style-type: none"> • External consultation with communities, experts and/or work council • Launch a pilot to test mechanism and revise based on feedback • Built in: Regular site visits to present mechanism to stakeholders and implement suggested changes
		Does your company consult complainants and other internal or external stakeholders in the monitoring and revision of the process ?	<input type="checkbox"/>	
2. Accessible	2.1 Actively provide information on the existence and functioning of the mechanism in a way that is adapted to the context and audience for whose use it is intended	Does your company actively promote the existence of the mechanism through at least one official channel (e.g. company intranet, corporate website, etc.)?	<input type="checkbox"/>	Actively provide information on the existence/ functioning of the mechanism, adapted to users and context <ul style="list-style-type: none"> • Include as part of employee training • Advertise the mechanism on local television Provide multiple access points well adapted to operational context <ul style="list-style-type: none"> • Social worker to receive and report complaints • Meetings with communities, suppliers • Appointed community member to collect complaints
		Does your company provide users with information on the functioning of the mechanism (who receive the complaint, what is the process, what is the expected timeline and possible outcomes)?	<input type="checkbox"/>	
		Does your company tailor all these communications according to the audience and to fit the local context (e.g. use local language, communicate via local channels, use)?	<input type="checkbox"/>	
	2.2 Address the barriers stakeholders may have in accessing the mechanism by providing multiple access points that are well adapted to the operational context	Does your company assess existing barriers that impede complainants to access the mechanism?	<input type="checkbox"/>	Provide multiple access points well adapted to operational context <ul style="list-style-type: none"> • Social worker to receive and report complaints • Meetings with communities, suppliers • Appointed community member to collect complaints
		Does your company provide multiple access points to enable users to present complaints?	<input type="checkbox"/>	
	2.3 Provide assistance to access the mechanism for those that may face particular barriers to access	Does your company provide assistance to users that can help guarantee the accessibility of the mechanism in cases where, due to different kinds of barriers (culture, gender, disability, literacy, cost, length of the procedure, etc.) it may be difficult to submit a complaint?	<input type="checkbox"/>	Adequate assistance provided for those who may face particular barriers to access: <ul style="list-style-type: none"> • Language barriers - Complaints can be raised in any language; interpretation/translation provided • Literacy barriers - Verbal complaints recorded by an appointed officer
	2.4 Have an explicit commitment to protect the user from reprisals	Does your company have a specific commitment to protect users from reprisal ? <i>*It is very important that complainants are not dissuaded about using the mechanism because of fear for reprisals (e.g. harassment, mobbing, physical threats). For this reason, companies should clearly states that they will take countermeasures against any act of reprisal against the complainant.</i>	<input type="checkbox"/>	Fear of reprisal addressed with explicit commitment: <ul style="list-style-type: none"> • Explicit commitment to treat retaliation for complaining about harassment or intimidation as a serious disciplinary offence • Explicit commitment to protect any stakeholder making a report from any kind of retaliation and to keep their identity confidential

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3.Predictable	3.1 Establish both at headquarters and operational levels a defined process with clear roles, responsibilities, procedures, and process steps including monitoring implementation	<p>Has your company developed clear standards and procedures to define the steps for addressing a grievance, their timeframes, its scope and the related roles and responsibilities at both headquarter and affiliates level?</p> <p>Is there a defined monitoring system to gather data and track record of complaints so that they are accessible and can be analysed at HQ level?</p>		<p>Defined process with clear roles and responsibilities both at HQ and local level:</p> <ul style="list-style-type: none"> Centralised mechanism: <ul style="list-style-type: none"> » Specific department or dedicated body responsible for all complaints » Dedicated staff to receive all complaints and redirect them to the relevant department/country office for investigation and resolution Local Mechanism: <ul style="list-style-type: none"> » Process defined in each market; HQ provides guidance and escalation matrix Built in: The process is designed to have also a system in place to monitor the resolution: <ul style="list-style-type: none"> » Regular assessment to verify implementation of resolution » Monitor resolution as part of the process; issue closed when the agreement is implemented
	3.2 Establish a clear timeframe for each step or stage of the process	Did your company define a timeframe for each step of the process?		<p>Timeline set for each step, allowing for flexibility when needed:</p> <ul style="list-style-type: none"> Timeline indicated for category of issues Timeline for resolution set at 2 - 3 weeks, but flexibility allowed depending on the complexity of the issue <ul style="list-style-type: none"> » Tool: Expected timeline recorded in electronic system that generates calendar reminders
	3.3 Define the types of complaints that fall under the scope of the mechanism	<p>Did your company define what type of grievances fall under the scope of its grievance mechanism, as well as the available outcomes in a way that allows users to have more clarity on the process and to set their expectations as to what the mechanism can actually undertake and deliver?</p> <p><i>*For example, a company could accept complaints related to health and safety, but not related to breaches of the code of conduct because those issues are already covered by HR management</i></p> <p><i>*E.g.: compensation, opening of continuous dialogue channels between complainant(s) and the company, reform of company policies, etc.</i></p>		<p>Clear definition of the types of complaints that fall under the scope of the mechanism:</p> <ul style="list-style-type: none"> Admissible complaints grouped in categories (e.g.: environment; social issues; security and human rights; damage to private property; labour-related issues)
4. Equitable	4.1 Be open to share relevant information in a way that can be easily understood	Is your company proactive in sharing information using a language and format that can be easily understood by the complainant?		<p>Share relevant information in a format/language that can be easily understood</p> <ul style="list-style-type: none"> Avoiding technical terms Promote stakeholder events to discuss human rights Provide trainings on specific issues such as harassment, discrimination, retaliation Produce communication materials Engage with social offices on the ground to spread information on the rights of the communities and on the existence of the complaints office.
	4.2 Facilitate the means through which the affected stakeholders can have access to advice or expertise	<p>Does your company encourage/support complainants' access to independent advice and expertise?</p> <p><i>*E.g.: involve trade unions, attorneys, local NGOs or other expert in order to ensure that the complainant access the mechanism on fair and equitable terms.</i></p>		<p>Information is made accessible. Access to information and advice actively promoted:</p> <ul style="list-style-type: none"> Information on human rights/ on the functioning of the mechanism included as part of employee trainings Use external third party to advise complainant throughout the process
5.Transparent	5.1 Keep users of the mechanism informed throughout the process	Does your company send information to the users about the progress of their complaints at key stages?		<p>Complainant regularly updated throughout the process:</p> <ul style="list-style-type: none"> Complainant informed regularly on how the process is evolving
	5.2 Report internally and externally on the performance of the mechanism	<p>Does your company share internally information on the performance of the mechanism, to those involved in the monitoring and at board level?</p> <p><i>*This is useful to inform revision of company policies and practices.</i></p> <p>Does your company report externally information as regards the mechanism, in order to meet public interests at stake?</p> <p><i>*Companies can go beyond providing statistics on the number of grievances received and include information on results obtained and the level of satisfaction of complainants.</i></p>		<p>Reporting internally and externally detailed information, while respecting confidentiality:</p> <ul style="list-style-type: none"> Internally - Detailed information on complaints reported to Chairman; CEO; CSR Committee Externally - Detailed information provided on corporate website (e.g.: cases studies)

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6. Rights-Compatible	6.1 Assess any complaint on its possible human rights impact	Is there a process in place to link each complaint with its human rights implications ?		The mechanism specifies when a grievance raises a human rights concern: <ul style="list-style-type: none"> • Tool: A matrix to match complaints with potential violation of human rights
	6.2 Ensure that outcomes do not infringe on the rights of the complainant	Does your company assess the human rights impact of the process outcomes ? <i>* Identified solutions should be in line with the human rights of the complainant as well as do not infringe on the rights of others. Companies should take a holistic approach. Resolutions should constitute the best alternative for all parties involved.</i>		Formal process to check that outcomes do not infringe on the rights of the complainant: <ul style="list-style-type: none"> • Assessment to check if agreement is sustainable, viable, optimal and fair • Tool: Impact assessment tool for resolution check
	6.3 Adopt the higher standard in case of conflict between national legislation and international norms on human rights	In case of conflict between local laws and international human rights norms, does your company always uphold the highest standard ?		Balance between national and international norms to complement local laws with international human rights standards: <ul style="list-style-type: none"> • Reference is always the stricter standard • Flexible approach to come up with local solutions: <ul style="list-style-type: none"> » Where indigenous people are not recognised by the law, call them "vulnerable groups"
7. Source of Continuous Learning	7.1 Keep a centralised record of complaints	Does your company keep track of submitted complaints , investigation processes and outcomes? Are grievance mechanism records kept and analysed at the HQ level?		Centralised record of complaints kept at HQ level: <ul style="list-style-type: none"> • Tool: Have a system (software) in place that centrally records all complaints received
	7.2 Monitor and assess the performance of the mechanism on a regular basis	Does your company have a process in place to monitor and assess the effectiveness of the mechanism? <i>*This can include a qualitative evaluation, but also be supported by quantitative indicators. Participation of stakeholders in the process is useful.</i> Does your company set specific KPIs for monitoring purposes?		Monitoring and assessing the performance of the mechanism on regular basis with a set of KPIs: <ul style="list-style-type: none"> • Target to resolve 70% of complaints received each year • Measure the number of complaints received and resolved • Measure the number of cases analysed in accordance with human rights • Built in: Monitor performance of mechanism at both at group and local level <ul style="list-style-type: none"> » At local level by the audit department; At group level by CSR committee that received the consolidated report+each year as part of the independent assessment and verification
	7.3 Integrate key learnings	Does your company have a reactive approach to integrating lessons learnt in the process, meaning that changes and adaptations take place as the result of a particular incident that triggered a response?		Process to integrate key learnings to update the mechanism/ company policies: <ul style="list-style-type: none"> • Mandatory to review the process based on feedback • Learnings used for the regular review of the Code of Conduct. Board of Management decides upon amendments as appropriate • Tool: After each complaints is closed, update risk register and dissemination of learning and knowledge management
		Does your company take proactive approach and foresee revisions as part of an established review and monitoring process of the mechanism?		
8. Based on Engagement and Dialogue	8.1 Establish a system for feedback collection from users	Did your company set up a system to collect complainants' feedback from the receipt of a complaint, throughout the investigation process, resolution and follow-up?		Formal process for feedback collection: <ul style="list-style-type: none"> • Survey on satisfaction with outcome and process after complaint is resolved
	8.2 Prioritise engagement and dialogue as the means to address and resolve grievances	Does your company uses a collaborative approach aimed at reaching joint solutions by prioritising dialogue with complainant ? Does your company uses a collaborative approach aimed at joint solutions throughout the whole process ?		Resolve complaint together with complainant/ stakeholders: <ul style="list-style-type: none"> • Stakeholders can be involved in the resolution: <ul style="list-style-type: none"> » Involve relevant stakeholders in the resolution of issue » Contact NGOs to discuss specific complaints • Built in: Grievance committee comprised of a CSR manager and local community chiefs, oversees the mechanism • Built in: Facilitation as part of the process <ul style="list-style-type: none"> » Community representatives act as facilitators » Internal staff specialised as facilitator » For resettlement cases, the company hires external facilitator to help in achieving an agreement

WANT TO LEARN MORE?

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