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Participatory Tool Design Guide

A Case Study on the Development of Verité's Socially Sustainable Sourcing Toolkit for the Latin American Coffee Sector

Introduction

Systemic labor violations, including forced and child labor, are pervasive in the Latin American coffee sector, largely due to the fragmented response on behalf of coffee industry actors. Lack of support for producers to comply with various codes of conduct and certification standards, the failure of some standards to cover prominent indicators of forced labor, and the inability of audits carried out on behalf of brands and certifiers to detect the most egregious labor violations have inhibited effective social due diligence in the coffee sector.

Fortunately, producers and roasters have come to recognize that the success of their companies depends upon the recruitment and retention of skilled farmworkers, which necessitates improvement of working conditions on coffee farms. Verité has recently noticed a steep uptick in concern about labor risks in the coffee sector among multinational brands and major industry associations. Amidst this increasingly favorable enabling environment, Verité began implementing the Cooperation on Fair, Free, Equitable Employment (COFFEE) Project in 2019 with the objective of improving implementation of social compliance systems in coffee supply chains.

Although opportunity is currently ripe for a broad-based, coordinated intervention focused on improving labor conditions within the global coffee sector, there are persistent obstacles to positive change. Individual brands are hesitant to act on their own, especially with respect to sector-level problems, and root causes require multi-stakeholder solutions. Furthermore, producers are unlikely to act unless a critical mass of roasters and traders provides them with the resources and incentives to do so. To truly address the risks of forced and child labor, they also need access to relevant knowledge, tools, and resources.

Recognizing these limitations, the COFFEE Project employed an innovative stakeholder engagement and participatory tool design process to promote widespread buy-in and uptake of social due diligence tools and practices tailored to the Latin American coffee context. This Participatory Tool Design Guide uses Verité's experience with the COFFEE Project as a case study for highlighting learning and best practices for participatory tool design. Developed with supply chain sustainability practitioners in mind, this guide promotes the replication of effective participatory design processes in other sectors and geographies.

As you enjoy your morning coffee, consider Brazilian photographer Sebastião Salgado's reflection that the beans used in each cup of coffee were once touched by dozens of human hands. To those hands, we dedicate this guide. According to Verité's research, each bag of green coffee on the market requires the equivalent of six farmworkers for harvesting. In 2020, more than 170 million bags of coffee were produced worldwide.

Background
Coffee Project Overview

With generous funding from the U.S. Department of Labor's Bureau of International Labor Affairs (USDOL-ILAB), Verité launched the Cooperation On Fair, Free, Equitable Employment (COFFEE) Project in May 2019 with the objective to improve the implementation of social compliance systems that promote acceptable conditions of work and the elimination of child labor and forced labor in coffee supply chains.

Verité's COFFEE Project was designed to be centered on the creation and piloting of a Socially Sustainable Sourcing Toolkit (S3T) to enable industry actors to implement robust and sustainable social compliance systems, along with trainings for key stakeholders in the global coffee sector. Grounded in participating stakeholders' priorities and aligned with USDOL's Comply Chain, the S3T was designed as a comprehensive resource that provides companies and other coffee sector stakeholders with tools and practical guidance to improve the detection, prevention, and resolution of labor challenges in the coffee supply chain.

From its ideation, the COFFEE Project was conceived of as a participatory intervention aimed at maximizing the adoption of the tools and practices included in the S3T that promote acceptable conditions of work and the elimination of child labor and forced labor in the coffee sector. To address this objective, the project adopted a participatory approach to tool design, embracing the notion that the people and organizations who experience a specific problem in their daily lives are best positioned and have the expertise to identify the most appropriate, effective, and sustainable solutions.

To test the S3T tools in three key coffee-producing countries – Brazil, Colombia, and Mexico – Verité created concepts for innovative pilot projects with private sector and industry association partners. The pilot projects were intended to generate significant impacts and provide opportunities for expansion and replication. Learnings from these pilots will be used to refine the S3T.

The COFFEE Project adopted a **participatory approach** aimed at maximizing the adoption of social due diligence practices in coffee supply chains.

Stakeholder Engagement Strategy

In the current global economy, characterized by complex supply chains and dynamic market systems, effective stakeholder engagement is critical to the success of coffee companies and their social sustainability efforts. For optimal impact, engagement strategies must be tailored to specific stakeholders and contexts, such that social sustainability issues and concerns (e.g., forced labor and child labor) are properly linked with a given company's business priorities.

The COFFEE Project engagement strategy can be summarized as a three-step *evolving process*. The process is not intended to offer step-by-step guidance, but rather a framework that should be adapted depending on the particularities of companies and their operating environment. For the COFFEE Project, the key components of and activities for enabling this stakeholder engagement environment included:
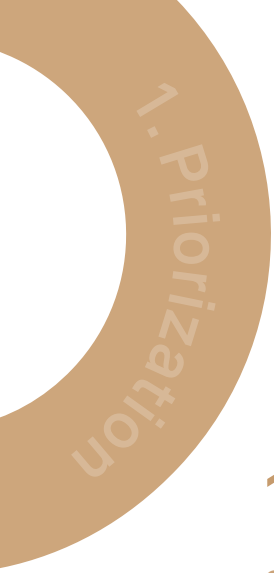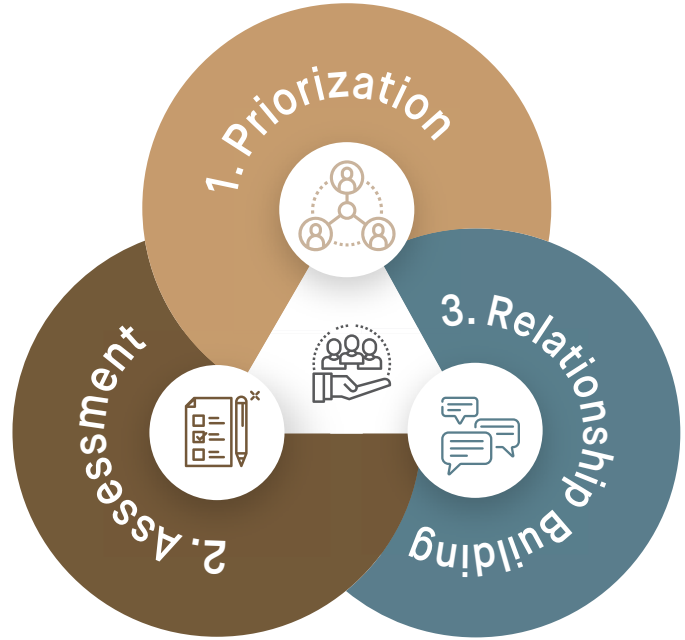
1. Priorization

Stakeholder and initiatives mapping

High-level analysis of potential and participating institutions along two areas—power/influence and interest/engagement—to orient decision-making processes for engagement and leverage implementation strategies.

2. Assessment

Capacities and needs questionnaire

Used to generate a basic understanding of stakeholder communication priorities and preferences, jointly with a baseline analysis of capacity to address labor risks in the coffee supply chain. This activity was combined with a persuasive communication strategy aimed at building awareness of the COFFEE Project and aligning commitments on key labor issues and priorities for addressing them.

Analysis of workers' perspectives

A thorough analysis of workers perspectives on the most significant changes they would like to see for improving their working conditions in the coffee sector.

3. Relationship Building

Local dialogue facilitation & S3T co-design

Intentional communication channel for building trust and receiving feedback on overall project design and implementation.
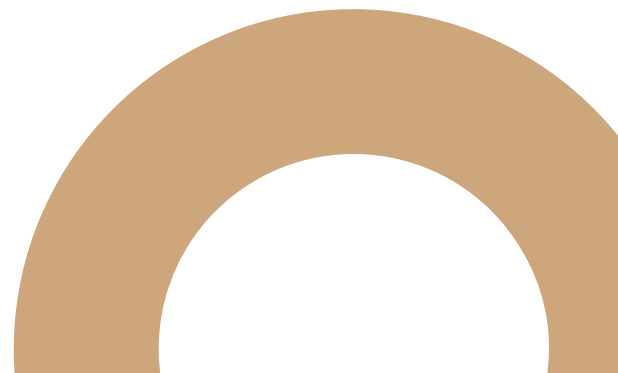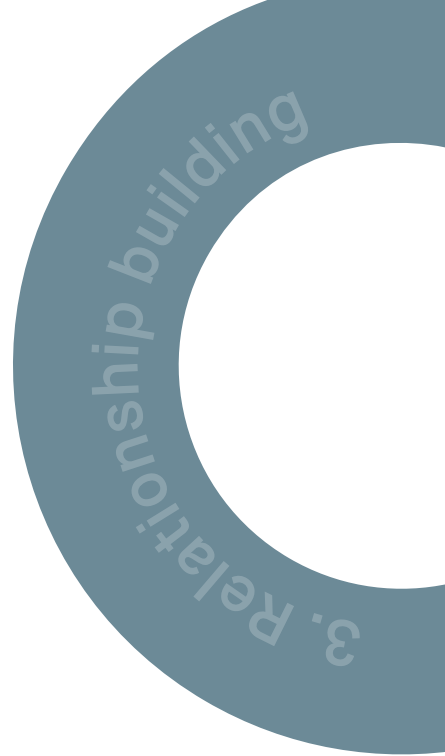
Expert Committee feedback

Technical review focused on assessing the legitimacy of the S3T. Committee members validated the use of unbiased design processes, as well as the Toolkit's credibility, by reviewing each tool for its reliability and technical adequacy.

Advisory Council dialogue

A diverse group of intended end-users reviewed the Toolkit with an eye towards practicality and ease of adoption and implementation.

Pilot projects design & implementation

Based on Verité's research and dialogues on labor challenges in the Latin America coffee sector, three different pilot projects were designed to test the S3T tools jointly with private sector companies and other relevant stakeholders. Pilot projects aimed to gather feedback on tool effectiveness while implementing innovative solutions to address labor issues and promote decent working conditions in coffee production.

Participatory Design Overview

Human-Centered Design is based on the belief that problem-solving is most effective when the affected stakeholder groups (in this case, the S3T's intended end-users) are active participants in designing the solution.

Inspired by the basic principle that the people and organizations that are closer to the ground or facing the specific problem that a project seeks to address are the ones who hold the knowledge for solving it, the COFFEE Project team decided to intentionally incorporate an *expanded and improved* Human-Centered Design (HCD) approach for the participatory S3T design process. HCD is usually user-oriented (i.e., involving farmworkers and/or coffee traders/roasters in the design process), but acknowledging that complex problems are best addressed when the whole institutional environment is committed, Verité decided to incorporate additional insights from relevant stakeholders working and collaborating in the coffee industry, such as civil society organizations and certifiers.

Furthermore, based on Verité's experience in the Latin American coffee sector over the last decade, the COFFEE Project recognized the need for changing the strategy from reactive (**problem solving**) to proactive (**solution identification**), paving the way for positive interactions that could generate greater and lasting impact. This plan of action requires looking for new ways to think about the problem, generating insights in unconventional ways, and providing holistic perspectives to transform these variegated insights into actionable solutions in the COFFEE Project's S3T Management System. Design Thinking tools and approaches help to create the right environments for inspiration, ideation, and implementation, removing obstacles to creating a consistent design process within a complex institutional landscape. Design Thinking tools used in the COFFEE process include the Business Model Canvas, the Value Proposition Canvas, and the Value Map provided by Strategyzer. The COFFEE Project also leveraged the World Café dialogue technique, adapted as a virtual dialogue by Verité's training team due to the COVID-19 restrictions.

The Socially Sustainable Sourcing Toolkit:

A Case Study

The COFFEE Project's S3T serves as a unique case study of participatory tool design in the context of social due diligence and supply chain sustainability.

To promote successful S3T design and adoption, Verité turned to business design tools to inform the participatory tool design process. Considering that the end-users of the S3T are coffee companies and other industry actors, the COFFEE Project used elements of the Value Proposition Canvas to ensure that the final Toolkit meets a crucial need at the intersection of private sector priorities and the root causes of labor violations in the coffee sector. The Value Proposition Canvas has two main elements: **(1)** the customer profile, which helps clarify user or customer perspectives on the product's "pains" and "gains," and **(2)** the value map, which describes how a product generates value for the user through "pain relievers" and "gain creators." Verité's vision for successful S3T design and adoption relies on alignment between the value map and customer profile.

Rooted in principles of participatory methods and business design, the S3T development process is described in three distinct, but interrelated steps: **(1)** initial tool design, **(2)** stakeholder review and validation, and **(3)** pilot projects. Verité approached tool design as an iterative process, with each step informing the next and providing multiple feedback loops and opportunities for continuous enhancement.

The **Value Proposition Canvas** helped the COFFEE Project identify the intersection of coffee companies' priorities and the S3T's added value – resulting in a product that customers want.

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1 Initial Tool Design

Verité implemented a Pre-Situational Analysis comprised of three main components:

(1) stakeholder and initiatives mapping

(2) analysis of worker interview data

(3) the implementation of a stakeholder capacity and needs questionnaire

2 Review and Validation

The process involved two strategic validation phases:

Phase One
Technical feedback from an Expert Committee, comprised of civil society and industry association representatives.

Phase Two
Validation by the Advisory Council, comprised of the S3T's intended end-users.

S3T

Socially Sustainable Sourcing Toolkit ·

INITIAL TOOL DESIGN

REVIEW AND VALIDATION

PILOT PROJECTS

3 Pilot Projects

The COFFEE Project pilot projects were designed to test "in vivo" tools, best practices, and processes to advance the objective of building ethical and socially sustainable coffee supply chains.

MEXICO

COLOMBIA

BRAZIL

Initial Tool Design

The initial tool design process was informed by a thorough review of the social due diligence landscape in the Latin American coffee sector, including an analysis of key stakeholders' needs and priorities. At the outset of the COFFEE Project, Verité implemented a Pre-Situational Analysis comprised of three main components: (1) stakeholder and initiatives mapping, (2) analysis of worker interview data, and (3) the implementation of a stakeholder capacity and needs questionnaire.

The stakeholder mapping exercise produced a comprehensive inventory of relevant institutions, as well as current social compliance and labor initiatives in each of the three target countries. Using standardized rubrics to score each stakeholder's level of influence over and interest in the project, Verité systematically identified stakeholders' ideal strategic positioning within the project. These findings informed the COFFEE Project's stakeholder engagement strategy, including determining which stakeholders should be closely involved in the Toolkit design process.

The review of worker interview data involved a qualitative analysis of open-ended responses from interviews with more than 300 workers employed in the Brazilian, Colombian, and Mexican coffee sectors. Verité's 2018 rapid appraisal research on working conditions in each country emphasized evaluating the risk of forced labor and child labor, including the worst forms of child labor. This qualitative analysis provided valuable insights into workers' priorities, helping ensure that the Toolkit composition reflects workers' perspectives and addresses the root causes of labor violations.

Worker perspectives were incorporated into the initial S3T design through analysis of interviews with more than 300 workers employed in the Brazilian, Colombian, and Mexican coffee sectors.

Lastly, Verité administered a questionnaire to participating coffee supply chain stakeholders to gauge their capacity to address labor issues in the coffee sector, existing social compliance tools and practices, and priorities for tool development. A total of 19 stakeholders completed the questionnaire. An analysis of questionnaire results on stakeholders' social due diligence gaps, needs, and priorities informed the COFFEE Project's design of the S3T and the suite of tools it encompasses.

Upon conclusion of this process, a preliminary list of tools for the S3T was created, prioritizing tools and corresponding guidance materials that support their implementation based on potential users' preferences and farmworkers' needs.

S3T Review and Validation

The objective of the S3T review and validation process was to solicit valuable feedback on draft tools from a variety of stakeholders with expertise and interest in the coffee sector — with a focus on the tools' end-users — thereby improving the potential for widespread adoption by private sector stakeholders. Throughout the process, the COFFEE Project also aimed to document learning on private sector actors' motivations for adopting sustainable social compliance systems.

The process involved two strategic validation phases to understand the priorities, needs, and value gains of the S3T for the COFFEE Project stakeholder base, followed by an analysis and documentation of learning, which will ultimately inform the finalization of the Toolkit.

Phase One focused on soliciting technical feedback from an Expert Committee comprised of civil society practitioners (including NGOs and certifiers) and industry association representatives through two key activities — an independent review of a subset of tools and consultations with the COFFEE Project Director. The Expert Committee review focused on assessing the legitimacy of the S3T, through validation of the use of unbiased design processes, as well as its credibility, by reviewing each tool for its reliability and technical adequacy. Given that Expert Committee members work closely with coffee communities, they were tasked with reviewing tools for alignment with worker priorities and the needs of vulnerable communities. Expert Committee members with expertise in corporate social responsibility and familiarity with labor issues helped to ensure that the tools are evidence-based and aligned with international standards and guidance.

An **Expert Committee** of civil society practitioners and industry association representatives reviewed each tool for reliability and technical adequacy.

An **Advisory Council** of coffee companies and other intended end-users reviewed each tool for practicality and ease of adoption and implementation.

During **Phase Two**, members of the S3T Advisory Council reviewed the complete set of tools with a focus on relevance to the private sector and ensuring the buy-in of key stakeholders. The Advisory Council was comprised of the S3T's intended end-users, which include coffee companies, industry associations, and other industry actors. Verité asked the Advisory Council to assess the Toolkit with an eye for practicality and ease of adoption and implementation.

Pilot
Projects

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The COFFEE Project pilot projects were designed to test "in vivo" tools, best practices, and processes to advance the objective of building ethical and socially sustainable coffee supply chains. Pilot project ideas were informed through intentional dialogue at the local and international level and by Verité's research in each country. The pilot projects were adapted to each specific country context, and being independent in nature, were linked via the project's knowledge management and learning (KM&L) agenda. KM&L has emerged as a key priority for leveraging the S3T refinement process and pilot project implementation, as it will assist Verité's efforts to be more effective in creating sustainable solutions that increase the adoption of best practices that promote better working conditions, while also strengthening supply networks and business success.

MEXICO

BRAZIL

COLOMBIA

Mexico Pilot Project:
Awareness and capacity building

In Mexico, the pilot project focuses on increasing the capacity of field technicians, agronomists, coffee producers, CSOs, and government officials to identify and address forced labor, child labor, and other labor abuses. This will be addressed through a training curriculum on international labor standards and Mexican labor law, leveraged by the adoption of the S3T tools that support the identification and remediation of labor violations and their root causes.

Colombia Pilot Project:
Alternative piece-rate pay system and labor specialization

This pilot project aims to improve the understanding of best practices in coffee harvest alongside a living wage study that will inform the co-design of an alternative payment and direct-transfer system for vulnerable workers. A thorough training curriculum on harvesting best practices, alternative-pay system, and labor legislation will support the implementation of this pilot project in select coffee regions.

Brazil Pilot Project:
Ethical recruitment

This pilot project is focused on research on the recruitment process and associated risks that will support the analysis of coffee producers' and labor brokers' practices and perspectives on recruitment. Furthermore, three recruitment-focused tools will be developed jointly with training on ethical recruitment and tools (best practices) implementation on select coffee farms.

Lessons Learned

The S3T participatory tool design process emphasized the importance of securing meaningful engagement of the right stakeholders, both at the institutional and individual level.

Within the context of the COFFEE Project, that meant involving coffee brands, roasters, and producers, as well as relevant civil society organizations and certifiers. To ensure meaningful engagement of the "right" stakeholders, the COFFEE Project first had to identify key stakeholders. This was accomplished through the thorough stakeholder mapping process described above, which involved systematically assessing each stakeholder's level of power or influence over the project, as well as their level of interest or engagement. The outcomes of that process focused the project's stakeholder engagement strategy to ensure that institutions with an overlap of influence and interest were recruited to participate in the tool development process. This approach also helped to ensure that the project focused its energy on stakeholders that were more likely to commit the time necessary for meaningful engagement.

A key lesson learned from the COFFEE Project's participatory tool design process was the value of creating an Advisory Council for facilitating meaningful stakeholder engagement and promoting buy-in. This approach allowed the project to gain a deeper understanding of key industry actors' priorities and concerns around social due diligence, which informed a valuable co-design process to ensure the Toolkit meets the needs of end-users.

The Advisory Council also played a crucial role in validating the Toolkit's practicality and ease of implementation, which in turn helped Verité produce a Toolkit that aligns with industry standards. Verité is confident that this meaningful engagement of coffee industry actors and the incorporation of their feedback throughout the participatory design process will increase buy-in and ultimate tool uptake, as well as the relevance and usefulness of tools.

The COFFEE S3T development also showcased the importance of providing a variety of mechanisms for participation in the Toolkit design process. Participating stakeholders across the coffee supply chain had multiple opportunities to communicate their due diligence needs and priorities, from responding to the initial list of tools prioritized for development to providing direct feedback on the tools. Offering several avenues for involvement proved effective in promoting the engagement of diverse stakeholders with competing priorities and demands on their time. This enabled the COFFEE Project to secure valuable input from key supply chain decision-makers with the power to influence social due diligence practices in the Latin American coffee sector.

Verité's experience with the COFFEE S3T also led to some procedural learning. Notably, the S3T development process highlighted the need to budget sufficient time to allow for truly participatory design. Given the need for ongoing dialogue, multiple rounds of feedback, and competing demands on the time of participating stakeholders, participatory methods naturally require more time than typical approaches to tool development. To ensure that the final Toolkit is truly a result of collaborative efforts and reflects stakeholder participation, Verité learned that the project must accommodate a longer-than-normal window for design. The perceived losses in productivity are more than compensated by the improved probability of tool uptake by participating stakeholders, who see their priorities and feedback reflected in the final product.

Finally, the importance of piloting the tools came into view during the COFFEE Project's evolving dialogue with the stakeholder group and cannot be considered a lesson learned by itself. The key learning that surfaced through this process is that it is imperative to approach stakeholder engagement with an *appreciative inquiry* lens. The bigger picture of the pilot projects' strategy is to transition relevant actors' perspectives from a focus on problems to an emphasis on solutions. Shifting the engagement strategy with stakeholders from a problem-oriented to opportunity-focused conversation helped the COFFEE team build trust and open opportunities for meaningful collaboration with private sector companies.

Recomendations
for Replication and Scaling

One of the key considerations for replicating and scaling this "model" is the fact that no model can serve all contexts and needs for creating sustainable impact. Working in three different countries, even in the same sector in the same region, has made it clear that there is a need for flexible approaches that are tailored to each context.

Furthermore, scaling also needs to be understood not only as a challenge of *more* but also *better*, which necessitates continuous learning and the perseverance needed to untangle complex contexts. Finally, we must consider that personal and institutional commitment for tackling labor issues is necessary. Labor issues are created by people and institutions, so we can only solve them if we secure the commitment of key actors.

Overlapped with the **Stakeholder Engagement Strategy** three-step process (i.e. Prioritization, Assessment, and Relationship Building), replication and scaling should consider the following recommendations based on Verité's experience with the COFFEE Project engagement strategy:
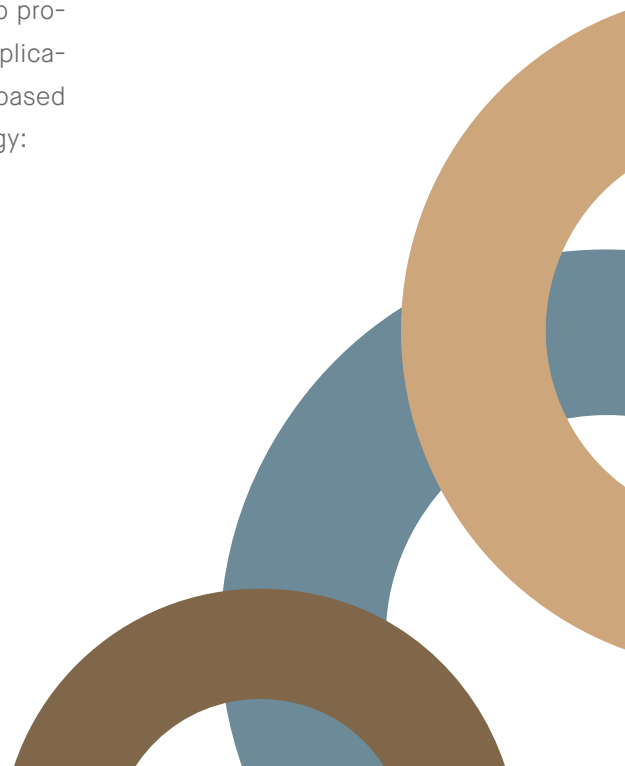
1. Clarify intention and define your core group.

From the inception of the COFFEE Project, Verité was able to share the specific rationale driving the outreach and engagement strategy (i.e. promoting better working conditions and the eradication of forced labor and child labor in the Latin American coffee sector), which created a clear boundary for exploring options to collaborate. Secondly, it is essential to gain an understanding of the stakeholder base, not only the institutions themselves, but also their strategies and priorities.

A clear intention facilitates initial communication and prioritization activities, which reduces tension in the initial networking activities and smooths the path to properly identify (assess) your core group of stakeholders.

2. Leverage research and evidence.

Verité's rapid appraisals on labor issues (carried out in Brazil, Colombia, and Mexico) and other complementary assessments, provided sound insights that informed Verité's strategy for engaging and communicating contextualized findings, major bottlenecks, and relevant solutions for global and national stakeholders. Research served as a platform for facilitating positive, solution-oriented dialogues.

By identifying stakeholders' needs and capacity/knowledge gaps, Verité was able to improve communication channels and collaboration priorities. The different information and knowledge sources used (e.g., rapid appraisal of labor issues, surveys, questionnaires, etc.) served as building blocks for trust-building and positive advocacy. Finally, incorporating workers' voices should not only be an absolute priority, but also represent an opportunity for developing a shared definition of success and promoting long-term commitments.

RECOMENDATIONS

RECOMENDATIONS

VERITÉ

3. Create nurturing and open dialogue channels.

More is always better when it comes to communication, particularly if your message is clear and consistent, backed by evidence, and based on an understanding of the stakeholder base. These three elements will allow you to generate proper communication channels and adapt tools and methodologies for fostering dialogue and trust. Something to consider is that this is an evolving process that requires not only skills, but also empathy to understand shifting perspectives and needs.

Furthermore, it is essential to create appropriate environments for improving the resonance of messaging and feedback. Appropriate dialogue is also linked with efficiency, and by creating various communication channels (e.g., local dialogues, Expert Committee feedback, Advisory Council dialogue), you can gather more information and minimize time commitments for participating stakeholders.

4. Learn and create actionable solutions.

Scaling engagement must be understood as a continuous process that requires a long-term perspective. Projects and strategies are usually time-bound, limiting the options to scaling impact to SMART (specific, measurable, achievable, relevant, and time-bound) indicators. This indicator-driven approach often leads to shallow commitments from supply chain actors, particularly when solutions to root causes are recognized as beyond the scope of these initiatives. Long-term perspectives and accountability require having skin in the game, and focusing not only on impacts linked to specific (and usually external) initiatives, but also a consideration of sustainability beyond those initiatives.

To mitigate short-term thinking and facilitate long-term dialogue, a good strategy is to create and implement pilot projects that allow for the testing of innovative long-term solutions to complex problems. Firstly, incorporating the strategy or intervention into a broader learning process increases potential for catalyzing further interventions and informing others. Secondly, testing approaches and insights generates trust and engagement, and short-term victories can pave the way for long-term commitments. The reduced financial and time commitment required by small-scale pilot projects also helps to move intention to action, create learning from real experiences, and change the focus to long-term solutions.

Understood as a cycle (from 1-4) of embedded activities, this process supports the design of scaling strategies that can be refined and improved with each iteration. A cornerstone for success of this strategy is based on the quality of leadership, as Bill O'Brien put it:

> The success of an intervention depends on the interior condition of the intervener.

As awareness of labor issues is essential, training on the topic and overall professional development is required to generate a virtuous cycle.

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