The Living Income
Community of Practice

MICHELLE BHATTACHARYYA
On-Up LLC

Using the Anker Methodology for Living Income

PART II:
MANAGING AN ANKER METHODOLOGY LIVING INCOME STUDY

2019

Prepared for the Living Income Community of Practice

Supported by the

Federal Ministry for Economic Cooperation and Development

Implemented by

giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

iseal alliance

Sustainable Food Lab

This document has been prepared by Michelle Bhattacharyya, CEO of On-Up LLC for GIZ and the Living Income Community of Practice. The views expressed in this report are solely based on the author's experience, and do not necessarily represent the views of the organizations or individuals mentioned in this report.

Acknowledgements

I would like to acknowledge that this guidance would not be possible without the years of hard work of the Global Living Wage Coalition (GLWC), the Living Income Community of Practice, and Richard Anker and Martha Anker. This guide explores managing studies for living income and living wage and is based on years of experience managing studies alongside GLWC members and Richard and Martha Anker that utilize the Anker Methodology for estimating living wage and cost of living as developed by Richard and Martha Anker. Without their thoughtful efforts on this topic, supported by the GLWC and later, by the Living Income Community of Practice, I would never have had the opportunity to engage so many on the issue of living wage and living income.

Within the GLWC I have been lucky enough to benefit from the shared ideas of important organizations and individuals, namely Jessica Grillo (founding partner at On-Up LLC and formerly of Rainforest Alliance),Kristin Komives of ISEAL Alliance, Wilbert Flinterman of Fairtrade International, Noura Hanna of Rainforest Alliance, Jane Hwang and Stephanie Wilson of Social Accountability International, Biko Nagara (formerly of GoodWeave International), Oliver Bach of the Sustainable Agriculture Network, and Joachim Meyer Dornberg of Forest Stewardship Council.

I would also like to thank Friederike Martin of GIZ who has been an incredible thought partner in advancing living incomes and has offered this opportunity to share lessons learned. Stephanie Daniels of the Sustainable Food Lab also kindly commented on an earlier draft of this report in the context of living incomes.

Finally there are a wide variety of stakeholders and organizations that have enriched my experience and added to my understanding of how to properly conduct this work. I thank them for their patience and participation in each of the studies and in its overall acceptance and advancement for action, particularly calling out the network of researchers with whom I have had the great pleasure to engage over the last few years.

Foreword

The guidance in this report is based upon experience managing and socializing Anker Methodology Living Wage studies, with the strong oversight of Richard and Martha Anker and the facilitation of the voluntary sustainability standards that form the Global Living Wage Coalition (GLWC). It focuses on later efforts by the Living Income Community of Practice (LI CoP) to use The Anker Methodology cost of living estimates for considering approaches to living income. Estimates created by the GLWC, and LI CoP present objective third party estimates based on a detailed and published methodology. This Anker Methodology is fully explained in detail in the manual *Living Wages Around the World.*[1] It includes explanations of the reasoning behind estimating cost of living for all stakeholders to review and has been published with free online access so that no interested party will be subject to costs in understanding the details behind the estimates. Using a published and freely available methodology and having studies conducted by a party absent of perceived bias allows a variety of stakeholders to confidently use the data when advancing living wages and living incomes for workers around the world.

[1] https://www.elgaronline.com/view/9781786431455/9781786431455.xml

Table of Contents

Section I. Enabling Environment for Benchmarking a Living Income

A party that expects to create real impact in supporting workers and farmers around the world to achieve a decent standard of living must consider whether an enabling environment exists. Although creating a clear understanding of living income levels in a given geography that can be accepted by all stakeholders is key to moving forward, having a target alone is not a solution to the problem of the working poor globally. It is part of the toolkit that motivates stakeholders to make progress.

Cost of a decent standard of living estimations using the Anker methodology should always be accompanied by a plan for action that uses those benchmarks and should consider whether the conditions are right to drive success. There are a variety of reasons to start work on living income issues, not least of which is stakeholder interest, number of lives that can be potentially positively affected, potential for overcoming key issues to create a case for scalable action, etc.

<u>Key Takeaways</u>

1. A number of factors should be considered in a holistic manner when deciding where to prioritize living income studies.

2. Prioritization should always be viewed through the lens of potential impact in every factor considered.

3. Ample resources not only in terms of funding, but also partnerships and contacts in a target location are key to a successful living income study.

1. Considerations for Choosing a Macro Location for Cost of Living Estimates

Some key elements existing in a given geography or industry are essential to ensuring that living income work has the optimum likelihood of achieving impact. This section will explore those conditions.

If unlimited resources are available to conduct cost of living studies to be applied to living income are available, prioritization considerations are less important. However, assuming limited resources and the global need for many more studies of living income than currently exist, I am exploring here some of the factors that may be important to consider in prioritization.

Prioritization of living income research should be transparent and clearly delineate why benchmarks are being proposed for prioritization. Below are a number of considerations for choosing a general macro level location for conducting a living income benchmark study.

<u>1.1 Number of workers or small-holders that might benefit</u>

How many workers or small-holders dependent on the income from farming activities will be covered in the geographic scope of the living income benchmark? Are there overlapping industries and interests in the area that could encourage targeted work affecting more lives? Does the local government consider living wage/income, or service provision based on achieving basic decency for small-holders a priority topic and might it consider the work when setting minimum wage levels or investment strategies if it is an area representative of the broader cost of living across the country? Is economic viability of farmers a priority for the industry and origin governments and is it possible to focus on the regions of highest private and public interest? These are key questions to consider when choosing a location for a living income geography so as to optimize the overall potential impact of a study. Each of these factors influences the number of people that might benefit from understanding the cost of a basic but decent lifestyle in a given location. They should be combined to assess how one potential location compares to another in terms of likely impact.

1.2 Generalizability

Some important industries are located in very specific areas with unique cost of living structures. For example, flower farms must be located near a large source of water and have nearby airport access for exporting flowers while they are still fresh. This unique scenario means that flower farming communities are peri-urban in nature and separated from surrounding cost structures. Working in similar areas with limited geographic scope should be a carefully made decision considering whether the investment might be better suited in a more generalizable location.

It would be a mistake to reject workers and small-holders in similar situations merely because estimates are not generalizable. That is why this must be considered as one factor in a holistic approach. The work done by the Global Living Wage Coalition to estimate living wages in flower farming areas of Kenya and Ethiopia with the leadership of Fairtrade International creates a clear example of where investing in estimates for areas that are not generalizable are perfectly sound choices.[2] In this case, the existence of a multi-stakeholder Floriculture Sustainability Initiative (FSI2020) pushes forward action on implementing living wages and the interest of organizations like Hivos and The Sustainable Trade Initiative (IDH) ensures a strong chance of seeing the research lead to real livelihood improvements for workers.[3] This likelihood of impact leads us to the next point for prioritization.

1.3 Likelihood of follow-up implementation projects

As in the case of floriculture detailed above, assessing whether there is sufficient interest and resources in an industry, or among interested stakeholders to carry forward a project implementing work on living income is essential when deciding on where to conduct a benchmark study. It is not always necessary that the party commissioning the study needs to lead the implementation work, but it is incredibly sensible to evaluate whether others in the area are willing to take forward work on closing income gaps after the study is complete.

[2] http://fsi2020.com/wp-content/uploads/2018/03/FSI-Key-Topic-Paper-Living-Wage-1.pdf
[3] https://www.globallivingwage.org/case-studies/east-africa-flower-industry/

1.4 Presence of certification standards that have incorporated living wage or are positioned to set up a minimum living income price (e.g. Fairtrade International work on minimum prices) into the standard and thus are pushing the issue

It is important to know whether VSS would be able to use the study in implementing their own standards so as to provide further momentum toward action. Many VSS, inclusive of all Global Living Wage Coalition members already include reference to Anker Methodology estimates and varying requirements on living wage within their standards. Some use living income data to set a minimum price (Fairtrade International) or guide programs focused on small-holder farmers. Before conducting a study, it is helpful to analyze the relevant VSS in the industry or area and to assess whether they will apply the estimate in their own standard implementation.

1.5 Openness of local government

When local government actors are receptive to understanding more about cost of living at a basic standard of decency for their citizens and are willing to engage and consider research in a policy setting, it is important to prioritize this engagement and these potential locations. Again, this is not to say that populations with less inclined governments should be ignored, but the benefit of having a nationwide step toward living income is substantial in holistic review to identify a macro study location. The importance of the sector to the origin country government is also a factor in engaging relevant ministries in implementation strategies to close the gaps.

1.6 Strong local network (field staff, connections with researchers, etc.)

Addressing issues of living income is much stronger with the involvement of local actors. Although studies can be conducted by researchers outside of the country, they rely heavily on local understanding and information. Introductions to local stakeholders are necessary and facilitating access to workers and farmers is extremely helpful in conducting an impactful study. If the organization interested in commissioning a study does not have local staff or strong local contacts, including among researchers, it would be wise to consider either first establishing those linkages through partnerships, or targeting another area where local support is more readily available.

1.7 Existence of advocacy efforts targeting the area

Experience with Anker Methodology estimates through the GLWC has shown that where significant advocacy activity has recently targeted a particular industry in a particular location, it may prove beneficial to follow-up with an Anker study on living income. There is often an appetite for clear benchmarks and a solution-oriented approach to labor issues following the highlighting of labor concerns by advocacy organizations. Nascent work on living income benchmarks have followed industry, advocates and government concerns over chronic poverty among farmers, even those on certified farms. This facilitates quicker pickup of the work among stakeholders.

In Brazil for example, when the GLWC conducted a study on living wage in coffee growing areas of Minas Gerais[4], the organization Danwatch had recently published a scathing report[5] on the industry in that area. The result was that producers and supply chain actors were highly receptive to the research and validation process. Agreement to the benchmark was much easier to obtain than it has been in locations where pressure was not applied to the issue through unrelated advocacy efforts.

[4] https://www.globallivingwage.org/wp-content/uploads/2018/04/Living_Wage_Benchmark_Report_Brazil.pdf
[5] https://old.danwatch.dk/wp-content/uploads/2016/03/Danwatch-Bitter-Coffee-MARCH-2016.pdf

Section II. Managing Research and Stakeholder Engagement

Proper Management of a study is essential in carrying forward impactful work on living income using the Anker Methodology. Although the methodology as published is highly detailed and prescriptive in order to create international comparability, it also leaves a certain amount of decision making to the researcher to facilitate the consideration of local contexts. As such, the selection and management of researchers, structuring of technical support, and ongoing engagement of stakeholders is key to the success of the overall project. Appendix B contains several checklists that should provide easy reference guidance to research managers.

Key Takeaways

1. Quality control is essential in living income studies, despite a detailed and published methodology, most researchers will need assistance from qualified and experienced technical backstoppers to deliver accuracy in income estimates.

2. Have a plan in place to not only manage research, but also involve stakeholders in the research process and manage their engagement. This will ensure a much easier process of acceptance, far greater impact, and will ensure that research is connected to the realities of target populations.

3. Choose your researcher wisely. Researchers must not only be able to conduct an accurate and technically correct study but must also be free of the appearance of bias and capable of communicating with stakeholders to defend the work.

2. Planning and Managing Benchmark Studies

Planning should allow for proper and efficient benchmark work. Milestones should be tracked and shared on a weekly basis for all project partners to see progress on the plan agreed. This allows different participating parties to anticipate when their role will be activated. They will then have sufficient time to prepare for their activities. This should limit any significant setbacks in scheduling. It is not unusual for an initial time plan to be extended for these projects. Small delays can quickly become large ones as multiple parties are involved in ensuring a quality report and availability often fluctuates. The longer timelines extend, the more that those working on a study must revisit all of the calculations to remember aspects of reasoning and the less efficiently the study will run. Release may also come at a point where an annual update is already due, causing further delays to ensuring accurate and up to date data.

It is suggested that before starting a benchmark study, the team create a preliminary benchmark plan to do the following:

2.1 Decide upon researcher & technical backstopper(s)

Before launching a study, it must be decided how quality shall be ensured. Although the Anker Methodology is fully detailed in the manual and can be followed by researchers directly every researcher working with the methodology for the first time needs some technical guidance about how to adjust for the specific context of a particular country.

Thus, it is important to assemble either a technical backstopping team as was created for living income benchmarks in Cote d'Ivoire and Ghana, or to contract technical backstoppers with rich experience in conducting successful Anker Methodology studies. The GLWC has the benefit of receiving backstopping assistance for its living wage benchmarks directly from Richard Anker and Martha Anker, the creators of the Anker Methodology. This method is the gold standard in ensuring a technically correct study. Where this is not possible, every effort should be made to have a committee with more than one experienced researcher overseeing the work. In this way troubling issues can be decided through the framework of multiple experiences.

The technical backstopping team should also be identified before the researcher is selected to conduct the study. Researchers experienced with the Anker Methodology understand well the key skills that are necessary to conduct a successful Anker Methodology study and can contribute through the interview process or by reviewing proposals to help identify the right researcher for the work. More details on selecting researchers are contained below in section 5.0 later in this report.

Even if a benchmark is being conducted by a researcher that has formerly produced a study for the GLWC or LI CoP and learned from the direct oversight of the Ankers, it is necessary to engage another backstopper as new questions arise in each local context and having a team to discuss the proper decisions will drastically increase the chances of having a successful and well thought out study.

2.2 Develop consultation group (inform / consult / involve)

A consultation group of interested stakeholders, often involving those that will manage the study, funders that are interested in the results, and organizations that will work toward implementation is essential to driving research toward action. This should be a smaller subset than the overall stakeholders involved in the study and it is ideal to have monthly check-ins to discuss challenges and questions as they arise. In this way resources and connections can be pooled to support researchers in overcoming challenges. This group can also work to ensure that when the living study is complete, the stage is set for widespread acceptance and uptake of the work.

2.3 Develop proposed scope and geography (within a chosen country)

Once an initial country and region have been selected for a benchmark study as detailed in the previous section, it is essential to decide representative locations within the chosen geography to include in the fieldwork.

For example, in conducting living income benchmarks in Cote d'Ivoire, the team assessed that it needed to visit major cocoa producing areas. All of these were located in the rural southern section of Cote d'Ivoire, but there were too many districts to visit and so a subset that would likely represent the range of costs of living in the area needed to be selected.

The easiest way to look at multiple variables concerning a specific geography and to assess what sample of locations for field research is most well-suited to the work at hand, is to create a custom google map with a layer for each variable. In this way it can easily be understood how different elements being considered for chosen sites interact, allowing for identification of areas of importance to the industry of context, but with expected differences in cost of living that should be included in the study. It is important to have this cross-section of data so that once field work is concluded it can be determined whether one representative benchmark can be released for the area under consideration, or if it is better to approach the work by releasing more than one benchmark according to different cost structures.

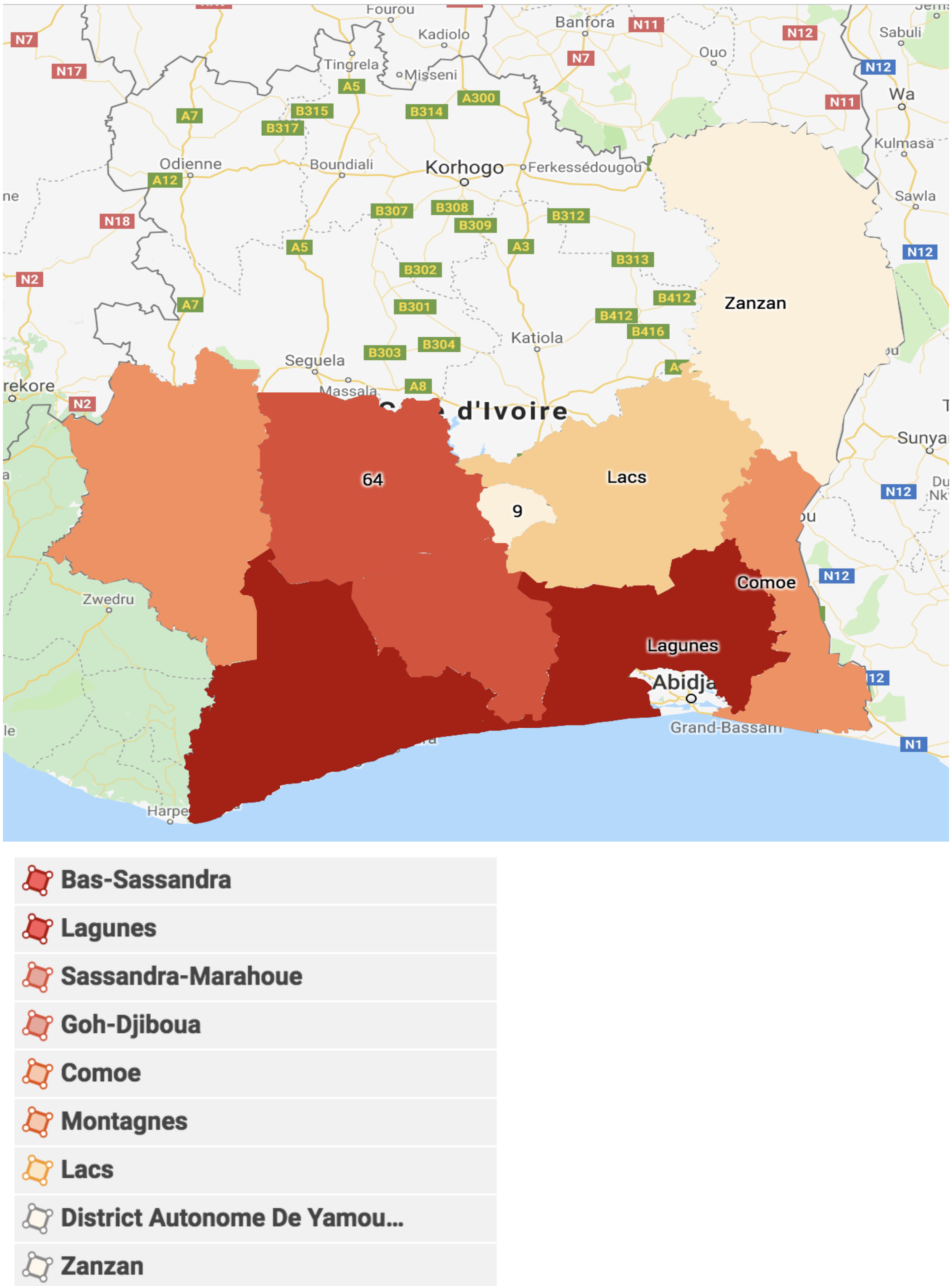
The following images represent elements examined to ensure that proper locations were chosen for the benchmark study in Cote d'Ivoire as well as an image of how those elements were tracked on google maps[6]:

2.3.1 Cocoa Producing Districts to be considered for the benchmark in Cote d'Ivoire

[6] Data obtained from Institut National de la Statistique de Côte d'Ivoire

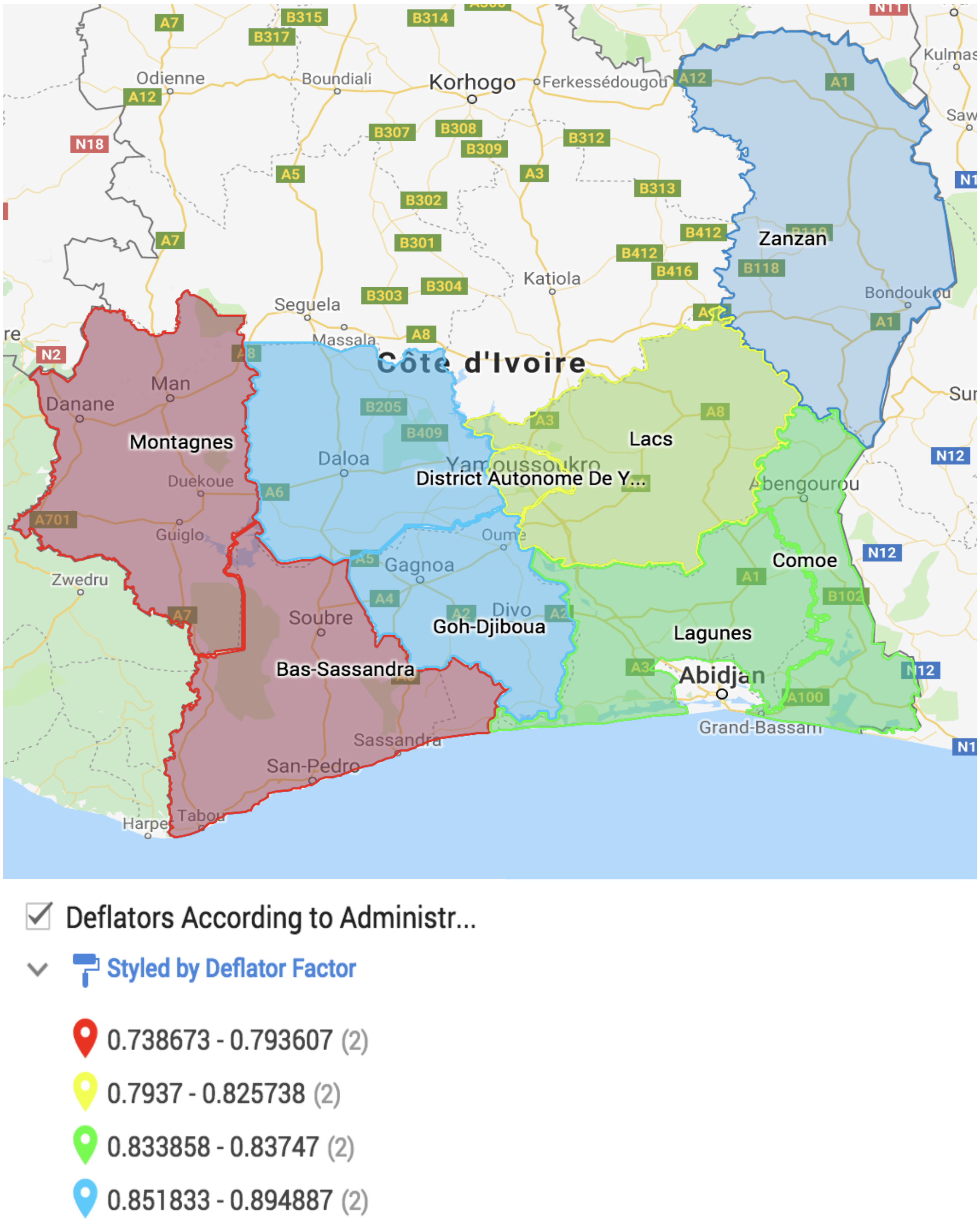
2.3.2 Percentage of Cocoa Farmers in Each District

Darker colors indicate highest percentage of cocoa farmers (maximum is 76%), lighter colors indicate lower percentages of cocoa farmers in the area (lowest figure is 9%)



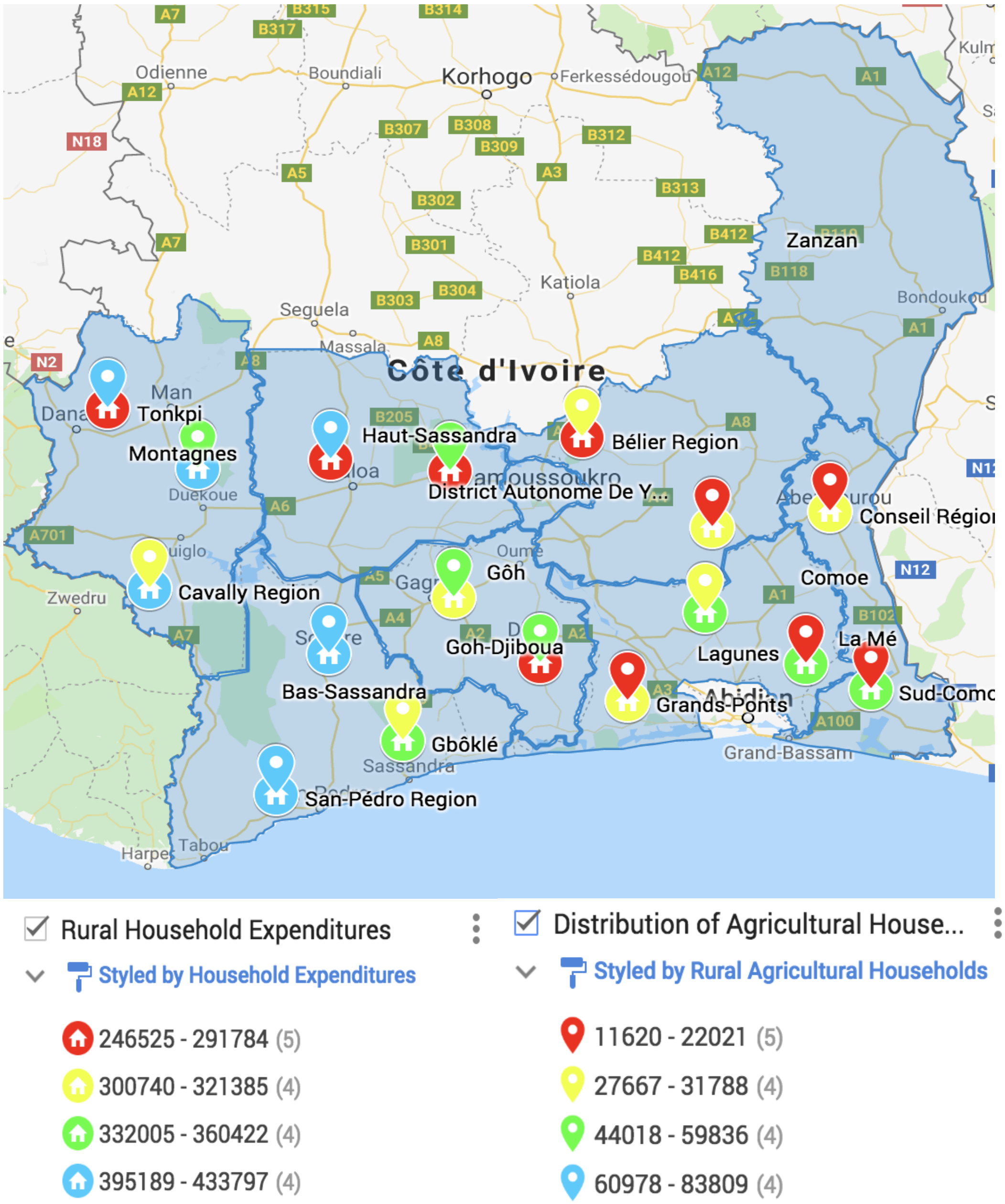
2.3.3 Economic price deflators according to administration

This measure gave some indication of where differences in prices for cost of living calculations across the region might be found. The map suggests sample locations from each of the 4 different zones that are coded in separate colors would be ideal.



2.3.4 Rural Household Expenditure Differences and Distribution of Agricultural Households

This measure gave some indication of where the most agricultural households in each region are found, as well as where expenditure differences exist that could indicate a different cost of living.



The information above was used to assess where field research might take place. It is important that researchers and backstoppers have considerable input in this process. The information can then be shared with stakeholders at a launch meeting. In Cote d'Ivoire this enabled further understanding of conditions not tracked in the map that clarified a final plan for field work. This process ensures that the resulting benchmark is relevant and defensible. In this case, for all major cocoa growing areas in Cote d'Ivoire where the benchmark is intended for use.

A field guide to selecting locations for living wage benchmarks is expected to be released some time in 2020, and will be authored by Richard Anker, Martha Anker, and Sally Smith. This field guide may contain additional strategies for selecting a location and she take precedent over the information presented here if the guidance differs. However, in the absence of such guidance, this method has proven to provide a solid grounding for the living income benchmark produced in Cote D'Ivoire.

2.4 Decide how to include gap analysis and/or prevailing income for a specific sector

Understanding how to assess the gap between current income to a living income benchmark is important from the start.

For living income, the issue can be difficult as incomes are complex to measure. If there is an existing study in the area on actual incomes of the target group that will be used to analyze the gap to a living income, this should be identified up front. It is potentially valuable to have the geographies of benchmarking studies and existing studies of actual incomes align or at least overlap. This should make it easier to assess the gap between typical farmer incomes and a living income.

Often income studies follow different guidelines than the Anker Methodology that make comparison between the two levels difficult. For example, living income studies in Cote d'Ivoire and Ghana used data collected by a broad, open source baseline survey done by the Royal Tropical Institute (KIT) study in both countries[7]. This work analyzed household size as opposed to family size. Research teams for each study therefore had to calculate not only a living income for a family, but also the factors that would allow adjustment of those figures to household size as identified in the KIT study for comparability. Further, limitations in how income data was collected (e.g., not including the income attributed to food grown by small-holder farmers for own consumption) should be highlighted in the living income report as limitations which restrict a more exact analysis of the income gap. Additional expected challenges have been highlighted in KIT's recent paper on living income gaps in Ghana and should be referenced where applicable in a living income comparison.[8]

2.5 Identify field representatives from managing or partner organizations that can help with connections in country

Local contacts from the managing organization or from a key partner are essential to a smooth benchmarking process and to identify important stakeholders. It is not typical that the research team will be able to properly map essential stakeholders.

Research teams might also need assistance to gain access to farmers or workers. A GLWC researcher, Koen Voorend, who conducted living wage studies in Costa Rica and Guatemala had dramatically different experiences in the two countries. In Costa Rica, it was fairly easy to knock on doors and gain access to homes to assess rents for example of a decent dwelling or to understand local food purchasing habits and educational and healthcare payments. But in Guatemala, workers and farmers were reluctant to allow a stranger entry into their homes or to answer questions without a full understanding of context. This

[7] https://www.kit.nl/project/demystifying-cocoa-sector/
[8] https://docs.wixstatic.com/ugd/0c5ab3_93560a9b816d40c3a28daaa686e972a5.pdf

experience highlights how important local introductions can be depending on specific attitudes present in a given geography. Without introductions from someone with connections on the ground, a study might stall or be forced to rely on insufficiently detailed information. In the Ghana living income benchmark study, the local research team from the University of Ghana were well connected to both the government Cocoa Board district managers and farmer organizations that facilitated farmer and community introductions. They were also experienced in data collection for the national Ghana Living Standards Survey and were able to facilitate connections with the Ministry of Agriculture quickly.

2.6 Decide budget and timeline for the overall project inclusive of stakeholder engagement

The cost of studies can range from a low of around 30,000 euro to upwards of 150,000 euro, depending on the depth of stakeholder engagement, specific researcher and backstopping team contracted, and the geographic area represented. Often this cost in borne by a coalition of funders who will all use the finished product. This is advantageous in that it reduces the financial burden on any one player, and it ensures engaged stakeholders that are invested in using the work to advance living wages/incomes.

When forming a collaborative funding group, ensure that the funding pool represents different interests. If all funding is coming from corporate sources, it can introduce bias or at least the perception of bias that makes implementation work more difficult. The same can apply to research funded solely by unions or advocacy organizations. Funding from organizations that are multi-stakeholder in nature, or from a large institutional or government funder is less necessary to diversify.

Listed Below are some of the major categories of expenditure that should be included in the budgeting process as well as assumptions on time contributed by funders and organizing bodies outside of the budget in a typical study:

1. **Researcher time** - Typically a researcher needs 7-14 days in the field, depending on the breadth of geographic focus of the study. A lead researcher is often local or hires a local team to assist with the field work. Researchers budget for around 60 work days to complete a project. This should include time for any necessary stakeholder meetings as well as validation events, field work, secondary data analysis, reviews with the backstopping team, and adjustments to the study when necessary after validation events are held. It is also essential to plan for any necessary travel costs.

   Additionally, it is sometimes important to conduct a scoping study or desk analysis of conditions in a given place before conducting a full study. The detailed example of Cote d'Ivoire data that was examined in the mapping exercise explored in section 4.3 shows how early desk research may guide the overall scope of the study. The data showed where sampling would be necessary in terms of field work so that a generalized benchmark could be used to cover the entire target area. It also showed that costs were likely close enough to plan one rather than multiple benchmarks for the geography. This was an important piece of information to obtain before launching into a full study, and it significantly effects the scope of the study for overall budgeting.

2. **Technical oversight** – Backstopping of the benchmark work is an essential piece of developing a high-quality living wage/income report. Technical oversight is detailed and occurs at various

stages of the benchmarking process. It may also be helpful to engage a backstopper in stakeholder conversations or validation events. This cost can range based on composition of a backstopping team or other type of technical oversight selected.

3. Management and Coordination – As there are a number of players involved in successful research that is aligned with real action, it is necessary to reserve sufficient funds for proper benchmark management and coordination. Typically, a manager needs to dedicate around 20 work days to a study, but this can vary widely depending on location.

4. Stakeholder Outreach Role – An expert in stakeholder outreach is extremely helpful in ensuring that research leads to action. Budgeting for this role should include attendance at all in-country events and the associated travel time. Those in charge of stakeholder outreach should have the authority to speak at a senior level and need to be engaged in the work and to understand it intimately in order to explain key aspects to the variety of different players involved in the work. The manager who have strong skills in working with a variety of stakeholders, understanding technical economic concepts, and project managing complicated work with many moving pieces.

5. Translation – If translation is necessary to ensure release of the study in a language necessary for funders and a large global audience (usually English) as well as for the local actors (local language in region), it is good to hire a professional translator that is familiar with technical language. Some researchers are capable of switching between writing in two languages easily and can do their own translation, but generally experience shows that the report written not in the native or primary language of the researcher generally suffers in terms of form and quality. It is better to have a high-quality report with high quality translation in most cases.

6. Stakeholder Engagement and Workshops – Ideally a study will include two planned workshops with a variety of stakeholders and a number of potential side meetings. Ideally these meetings occur both before the study and after the study to gain buy-in first on the methodology and then on the final results of the work.

   This includes a launch workshop to explain the Anker Methodology and get acceptance of the living wage/income workplan before the study starts. The meeting also allows an opportunity for stakeholders to inform chosen locations and other key design elements of the study with which organizers and researchers may be struggling. The launch workshop should occur in-country and include any stakeholder with potential interest in the work. This early stage buy-in will make subsequent steps much easier.

   The second essential in-country meeting is the validation event. This event should be clearly defined as not an opportunity to challenge the methodology, which should already be accepted through the work of the launch event, but as a chance to review initial findings of the report and to suggest whether key pieces of information might have been incorrectly understood by the research team. The goal of this meeting is full acceptance of the study and thus it is facilitated best by having a written review period for the draft study two weeks before the meeting so that questions and concerns can be anticipated and answered.

   In some cases, it might be important to meet with key stakeholders separately to review initial results of the study before bringing them together in one room for comment at a validation event. This could be caused by any number of situations inclusive of strained relationships among stakeholders that might prevent them from being up front with concerns in a more diverse setting. It requires an understanding of local context to decide whether this would be essential or merely a helpful bonus. This strategy was implemented in several GLWC studies to good effect. Specifically, in India, Vietnam, and Belize.

Finally ongoing stakeholder engagement after the validation event is ideal to ensure that stakeholders start socializing and using the benchmark.

7. **Benchmark Publication and Release** – Ideally the release of a benchmark study will be accompanied by an infographic or other simple tool for referencing the figures and essential elements of the work without having to read a full study. Creation of these graphic representations should be budgeted before release alongside editing of language in the report, formatting of the report, and development of a communications and release strategy, inclusive of web publication and direct distribution of the work. It is helpful to release the benchmark alongside a brief webinar delivered by the management team of the project, implementing partners, and lead researchers. In this way those interested in the study that were unable to travel for in-country meetings have a chance to ask questions and engage on study decisions, thus building further buy-in and implementation opportunities.

3. Selecting Researchers

Choosing the right researcher requires a good understanding of the traits necessary to complete a successful study with broad stakeholder uptake. Researcher selection also involves careful reflection on how in-country resources may be built for implementation work. This section will explore the best practices of selection and recruiting for future study researchers.

3.1 Local Expertise

Finding a local researcher (country or region specific) is incredibly helpful for the following reasons:

1. Local researchers provide local context and knowledge as well as an understanding of how to access existing secondary data in country that is essential to the work.

2. Local researchers are more likely to understand stakeholder relationships, especially researchers with experience working on labor issue or within the context industry. This facilitates smoother uptake of the studies.

3. It is less of a financial burden to engage a local researcher who can easily return to the filed should more data be necessary or who does not have a long distance to travel for launch and validation events.

4. Local researchers are better positioned to provide insight on an ongoing basis into implementation projects that launch based on the findings of the study. They build local understanding and capacity that is important to ongoing impact.

5. Local researchers can often attract local government or media attention. For example, in Vietnam the research team was able to get a range of local media coverage for the results of the work, furthering its potential impact. The local team was also able to position the study with the government body that considers minimum wage setting. This would have been unlikely if researchers outside of Vietnam were engaged in the work.

Despite this strong argument for contracting a local researcher, it must be noted that this desire should not be prioritized over finding a researcher with the correct skills and experience to conduct a high-quality study.

If an appropriate local researcher is not available, it is important to then ensure that the international researcher selected has experience working in the relevant country and geography and can find local field researchers or a reputable research team to work with in country.

3.2 General Selection Criteria

Economists are best positioned to grasp the concepts in the Anker Methodology and to carry forward a proper study. Professors of economics also lend the reputational benefit of their University in many cases or can be depended upon to further the academic knowledge after the study that would be helpful in implementation. However, those working full-time at a University may struggle to stay on track with demanding timelines as work hours must be divided. As such, research institutes often produce strong economic researchers that are better able to ensure on-time delivery of projects.

Listed below are some basic requirements for researchers hired to conduct living income studies according to the Anker Methodology. Researchers should:

1. Have research experience including extensive experience with collection of primary data, with a track record in the field of labor and livelihoods.

2. Possess knowledge and experience analyzing household survey data and secondary analysis of data.

3. Understand terms and conditions of work and living conditions in the research countries (rural and urban).

4. Maintain fluency in English or language of management and technical backstopping team, and fluency in local language of research countries.

5. Have a social science background - at least a Masters' Degree (preferably a PhD) in a Social Science or related discipline, preferably economics.

6. Maintain a publication record in reputable journals.

7. Have strong communication skills with low levels of defensiveness. The researcher must explain work to various stakeholders and needs to be able to do so without

8. Not have perceived biases based on other work., For example, a researcher that has only been contracted for corporate research may have the appearance of bias. One that has worked on advocacy pieces for labor movements might run into the same issue. Either way, this makes the research more difficult to accept by all stakeholders. Thus, it is imperative the researchers can provide a neutral point of view in their work.

3.3 Selection Process

Based on the experiences of the cocoa benchmarks in Ivory Coast and Ghana as well as from the Global Living Wage Coalition, and advise list of processes has been included in Appendix B identify and select a researcher/research team:

3.4 Sample Interview Questions for Researcher Selection

Listed below are several sample questions for. Use when interviewing researchers or to request for inclusion in a proposal through the terms of reference.

1. Why do you want to work on this project using the Anker Living income Methodology? What is your primary motivation?

2. Have you read any of the existing benchmark studies? What interests you about the studies? Do you have questions or concerns about the work done and how you might apply it?

3. What are your future goals for this work? Do you plan to publish beyond the benchmark study? How might you use the information gathered as part of this project?

4. What other work have you done that is relevant to this Living Income benchmarking project?

5. Tell us about your experiences with quantitative/qualitative/mixed methods research.

6. Are you comfortable presenting findings to a multi-stakeholder group if necessary?

7. How interested are you in collaborating with other faculty in other disciplines?

8. Are you, yourself, planning to do a major part of the work - supervising the fieldwork and writing the report? What do you plan to designate to junior researchers?

9. Can you describe your experience analyzing national level poverty data on food and other costs?

10. Are you planning to work on or publish anything that could be seen as biased or controversial to the parties interested in this study? (used to assess perceived boas)

11. How has the majority of your work been funded? What types of organizations do you usually partner with? (This is used to assess again any perceived bias)

12. Are you familiar with the organization managing the study and key partners? (If not, please explain a brief overview of the group)

4. Understanding the backstopping/technical oversight function

This section briefly describes the necessary function of backstopping and quality control. It explains the various milestones of a living income study where technical oversight should be engaged and explores different quality control mechanisms and how to set this forward as an affordable function of the study.

The best way to ensure an accurate, defensible, and high-quality study of cost of living is by establishing strong technical oversight and support for the researchers. The gold standard implemented by the Global Living Wage Coalition is backstopping by the creators of the Anker Methodology, Richard Anker and Martha Anker. However, not all parties wishing to conduct an effective living income study will have access to this valuable resource. Despite this limitation, it is still necessary to engage support from someone intimately familiar with the Anker Methodology and the common pitfalls of studies. The backstopper(s) should adhere to certain principles, e.g. an experienced reviewer should be involved in the process to check all work, use existing tools and resources such as charts and tables made for collecting and supporting research and released by the Global Living Wage Coalition[9], read past reports, have a team member with understanding of local context ensure local relevancy.

4.1 Milestone 1 – Pre-fieldwork Tables and Forms

Before a research team conducts fieldwork there are a variety of pre-fieldwork tables and forms that must be completed and shared with the technical oversight committee. These can be accessed through the Global Living Wage Coalition web portal and are titled *Pre-Fieldwork tables and Tables to Accompany Living Wage Report*.[10] They include calculations for:

1. Reference family size needing support.[11]

2. Number of full-time equivalent workers per family.[12]

3. Local housing conditions and living wage standard.[13]

4. NFNH/food ratio for preliminary estimate of NFNH costs[14] It is important in this estimation to review education and healthcare costs specifically so that post-checks for the accuracy of these categories can be grounded in an understanding of costs in the secondary data analysis.

5. Preliminary model diet[15] [16]

---

[9] Available through the Global Living Wage Coalition in their resource library; https://www.globallivingwage.org/resource-library/?fwp_resource_type=worksheets

[10] https://www.globallivingwage.org/resource-library/?fwp_resource_type=worksheets

[11] Based on chapter 12 of Living Wages Around the World: Manual for Measurement

[12] Based on chapter 13 of Living Wages Around the World: Manual for Measurement

[13] Based on chapter 5 of Living Wages Around the World: Manual for Measurement

[14] Based on chapter 7 of Living Wages Around the World: Manual for Measurement

[15] Based on chapter 3 of Living Wages Around the World: Manual for Measurement

6. Additional information on common in-kind benefits and government programs such as school lunches and food subsidies should be obtained so as to further check accuracy during field visits.

As the Anker methodology is rich and detailed, it is not uncommon for a research team to miss important elements of its instruction when completing these forms. Having others that have conducted benchmark studies under the supervision of Richard and Martha Anker review these forms before the research team conducts fieldwork will ensure that the appropriate information is collected and limit the need for additional field visits.

4.2 Milestone 2 – Field Work Completed

Once fieldwork is completed, research teams should share their findings with the backstopping team, completing all summary tables and data collection sheets. This should be followed by a discussion concerning items that were found in the fieldwork to be inconsistent with the initial secondary data analysis. For example, health and education costs may need to be adjusted and should ensure adequate funds for these human rights in accordance with the directions found in the Anker manual. Once the technical oversight team approves the initial calculations based on this data, it is time for the research team to move to the next milestone.

4.3 Milestone 3 - Draft Report

Simply having agreed to appropriate figures for the living income estimate based on completed tables from the field work does not mean that further adjustments will not be necessary to the figures. Often, the first draft of the report provides additional detail and context that backstoppers were not privy to when examining data tables. It should be expected that the first review of the report may require several rounds of comments and editing before all parties are satisfied that the finished estimate is appropriate for the local context.

4.4 Milestone 4 - Editing and Translation

Backstoppers are often essential in the editing and translation stage of work. At least one experienced researcher on the backstopping team should be able to speak and write in English as well as the local language of the study. In this way after the study has been edited and translated, they can provide a useful look at whether technical terms were properly interpreted. They also provide a valuable editing pass as they can assess whether concepts are accurately communicated. This is different than a simple language edits, but still an essential function of technical oversight.

[16] Model diet worksheet is also located on the GLWC web portal and paired with instructions for using the excel sheet at the following address: https://www.globallivingwage.org/resource-library/?fwp_resource_type=worksheets

4.5 Milestone 5 – Validation Event and Stakeholder Feedback

Before the validation meeting the report should be sent to attending stakeholders with a two-week window for initial questions or comments. The group tasked with technical oversight can work with researchers to prepare responses and assess whether these comments demand further explanation of the methodology, or account for conditions not previously considered. For example, a comment about how the non-food non-housing ratio was created and whether this is a correct method of estimating these costs needs explanation. A comment about government provided subsidies on specific food items that were not accounted for in food costs might need to be revisited and could result in a lowering of the overall benchmark estimate. These decisions should be taken. In close collaboration between the technical backstopping team and the researchers themselves.

It is sometimes helpful to have someone from the team with familiarity with multiple living income benchmarks attend the validation meeting. In this way they are able to provide context as to how choices made in one study align with the work completed elsewhere. It is also helpful for them to hear first-hand the comments of stakeholders.

Following the validation meeting there may be additional comments to be considered in the same way as initial written comments were reviewed, providing another important role for technical oversight.

Section III: Conclusion

Striving toward a living incomes for farmers and workers is a highly desirable pursuit. But the space is complicated and involves a range of players. This paper sets out to make the case that with proper management of work and stakeholder engagement, interest in improving lives for workers and farmer can be exponentially more effective. It lays out a clear path to properly manage how that work is completed and create the environment to launch a range of coordinated power that will advance human decency and social sustainability worldwide.

Appendix

Researcher selection and management process checklists.

Checklist 1: Benchmark Organization and Management

1.1Selecting Geographies

- Identify priority geographies for benchmarking activities considering the following points at minimum:
  - Funding availability for benchmark study
  - Clarity of implementation opportunities
  - Engagement of local stakeholders
  - Priorities of the group in terms of needs of each stakeholder
  - Generalizability of results from selected areas
  - Geographic selection should also be discussed with researchers if already chosen, and technical backstopper(s).
- Work to understand existing scheduled benchmarks and to identify opportunities with experienced researchers who have produced benchmarks in the past to focus on the priority geographies identified.
- Engage local or regional offices or networks of your respective organization, identify other organizations with overlapping interest in the benchmark that might contribute to funding or be important to involve in a core multi-stakeholder committee that will drive work forward. Achieve local buy-in to the project and agreement to support from local offices, networks, representatives, etc.
- Assure that the following has been completed through local office or other engagement:
  - Researchers have access to workers or small-holders and their homes.
  - Ground staff or appropriate partners are able to provide ongoing guidance and support to researchers if needed and have been educated on the project.
  - Key Stakeholders have been identified and engaged and are willing to meet with the researchers and/or participate in the verification process for the living income report before publishing.
  - Ground staff and partners and stakeholders are on board with the approach organizers of the study will follow for using the living income report and benchmark in the future.
- Approach the agreed researcher available for work in a given area with a request to conduct a benchmark in agreed geography and targeted industry for research or start a search if an experienced researcher with expertise in the location of choice is not available for the work. Details on this engagement if necessary are in the checklist for engaging new researchers.
- Collect the following from the agreed researcher:
  - Concerns or suggestions about the chosen area.

- Establish an understanding of needs beyond normal process for a specific area e.g. a scoping visit before benchmarking work.

- Address issues or needs stated from bullet above and then move to process of final budgeting and contracting as detailed in the below checklist for engaging researchers.

1.2 Specific Checklist for Engaging New Researchers

- Identify and screen candidates using sample interview questions and assuring minimum qualifications and experience/standards are met, including availability of lead researcher for benchmarking work.
- Refer selected researcher candidates to technical backstopper(s) for final quality evaluation.
- Provide selected/approved researcher(s) with the manual, past reports, and the checklist developed for researchers.
- Request budget and timeline/work plan from selected researcher(s) for work as outlined in ToR and specific to location identified for benchmark.
- Contract the study with the research team, expecting a timeline of 6 months to one year.
- Have an introductory call with selected researchers to introduce the management team and the various players involved in the work.
- Provide researchers with reimbursement policy/instructions if expenses are not included in the overall contracted sum.
- Specifically outline the points at which the research team should engage with backstopper(s) before moving forward to next steps in the benchmark study.
- Provide the researcher with contacts to field staff, factories, farmers and other stakeholders in a given geography as relevant to the study.
- Send key stakeholders preparatory documents to introduce them to the project and the researchers with whom they might need to engage:
    - Letter of introduction
    - Researcher's CV
    - The managing partner's living income strategy and how benchmarks fit in
    - A summary of the Anker methodology
    - The schedule of the research process
    - Opportunities for feedback

1.3 Checklist for Engaging Experienced Researchers

- Request budget and timeline/work plan from selected researcher(s) for work as outlined in ToR and specific to location identified for benchmark.
- Contract selected researcher.
- Have an introductory call with selected researchers to introduce the management team and the various players involved in the work.
- Provide researchers with reimbursement policy/instructions if expenses are not included in the overall contracted sum.

- Provide the researcher with contacts to field staff, factories, farmers and other stakeholders in a given geography as relevant to the study.
- Send key stakeholders preparatory documents to introduce them to the project and the researchers with whom they might need to engage:
    - Letter of introduction
    - Researcher's CV
    - The managing partner's living income strategy and how benchmarks fit in
    - The Anker methodology summary (3-pager)
    - The schedule of the research process
    - Opportunities for feedback

1.4 Management During Benchmark Activities

- Project manage the work, assuring deadlines are met and concerns or needs of the researchers are addressed on an ongoing basis. Also be sure that no steps are missed in the processes and protocols set forth in this guide.
- Ensure that local resources are available from the sponsoring organization if at all possible to provide ongoing support to researchers.
- Ensure payment can be properly arranged in accordance with contract terms.
- Coordinate introductions among various stakeholders involved in the project to the research team as identified in stakeholder mapping exercise.
- Coordinate with researcher(s) and those involved with technical oversight to ensure necessary secondary data forms are filled out before commencing field work and that the field visit plan is sufficient.
- Ensure that required approvals are obtained and that all interested stakeholders are kept up to date on the progress of the work.

1.5 Management Post-Benchmark

- Ensure that the report has been reviewed and validated by the technical oversight group or backstopper(s).
- Ensure that validation of the report occurs with key stakeholders identified by the managing organization and partners through an initial two-week review period of the draft study.
- Ensure that the validation event is well planned and coordinated and represent the managing organization at this event.
- Respond to any concerns arising from the validation process and meet again with key stakeholders to ensure a common understanding and acceptance of any necessary adjustments or lack thereof.
- Develop infographics that summarize report findings for easy reference.
- Release the report once approved through a defined external communications route inclusive of online publication to ensure widespread usage of the report.
- Conduct a brief (1.5 hour) webinar to share report findings with a broad international community of stakeholders and to answer any remaining questions or concerns.

*Note: Additional activities, such as having the researcher present benchmark reports to individual stakeholders at stakeholder engagement meetings may be included in the work stream but are not included in the checklist as they will not apply universally. Changes like this should be introduced before contracting and approved in advance.

Checklist 2: Benchmarking Preparation Checklist for Researchers

2.1 Before Field Work is Conducted for a Living Income Benchmark

- Provide a full budget for work, inclusive of travel costs to specific benchmark area to managing organization.
- Provide a work plan detailing each item to be completed as listed in this checklist, a timeline, and the person (if not the primary researcher) that will be responsible for that item on your team.
- Assure that you have comfort with, and have executed, the contract for benchmarking work.
- Reread the Anker Methodology.
- Collect secondary data in accordance with chapter 2 annex A of Anker living wage manual.
- Connect with managing organization staff and stakeholders in the area being benchmarked (this process will be facilitated by managing organization and identified partners after conducting a stakeholder mapping exercise)
- Raise any concerns or extra needs for the specific geography being benchmarked (are you aware of a strong union the managing organization should contact? Do you know of political issues that should be considered as the standards conduct stakeholder relations? Etc.)

2.2 Project Deliverables

- Attend an initial launch event to liaise with stakeholders that will be involved with the study and familiarize them with the research methodology.
- Complete pre-field work tables based on secondary data and obtain approval from technical backstopper(s) before conducting field work. (managing organization will make appropriate contact with key person from technical oversight committee responsible for backstopping the benchmark)
- Visit the study site and collect and analyze field data needed for the benchmark calculation.
- Liaise with (with the assistance of managing organization or partner staff who will establish points of contact) relevant stakeholders that may be included in the verification process.
- Complete all tables necessary for calculation of a living income as provided by the managing organization and linked in the globallivingwage.org web portal or alongside the manual as published by Edward Elgar. Obtain approval from backstopper(s) on this work, revisiting the field should additional data be necessary for that approval.
- Produce a high-quality report documenting the application of the Anker living wage methodology and key findings, including completion of the summary tables outlined in Chapter 14 of the manual and an effort to put living income estimates into context (as described in Chapter 16 of the manual). Obtain approval with backstopper(s) for this initial draft report. Note: This, as in all stages of backstopping and technical oversight, usually requires several rounds of comments.
- Verify the benchmarking report findings (by email) in the following ways:
    - With the technical oversight committee or backstopper(s).
    - With key stakeholders that were previously identified for inclusion in the process by the responsible managing organization at the direction of the managing organization. Making adjustments as necessary to incorporate valid comments.
- Present the findings of the living income calculation in a multi-stakeholder validation event (organized and led by managing organization, with researcher only responsible for presentation of findings)

- Make adjustments to the report and estimate as assessed to be necessary after the validation event and comments have been collected. This work should be completed in close coordination with those providing technical oversight and the managing organization as they are often politically sensitive.
- Present study findings in a webinar after release.
- Confirm any publications likely to extend from the report and benchmarking work.

Checklist 3: Process for Identifying and Hiring Researchers

- Each project partner reaches out to its network to identify potential researchers in all targeted locations.

- Managing organization identifies relevant high-quality studies in the locations of focus and contacts the researchers for that work to assess interest or suggest another qualified contact for a living income study.

- Examine the published work of a potential researcher to identify biases. If an anti-union or anti-business tone is prevalent in other work by the researcher, it is not relevant if they can set aside bias, the very existence of this other work will harm efforts to get broad stakeholder acceptance of the work.

- Share a clear term of Reference with interested researchers identified as well as a full copy of the Anker manual (online version) and a link to published studies using the Anker Methodology.

- Managing organization conducts interviews or examines proposals to assess fit. Key interview questions are listed below in section 5.4. It is imperative to assess not only the ability to conduct the work, but also enthusiasm, perceived biases, and an openness to follow the methodology exactly. The GLWC has experienced a need to replace some researchers accustomed to conducting large population surveys that have attempted to skew the Anker Methodology to adjust to this way of working. The methodology presented by the Ankers has been chosen specifically to allow for a manageable study that does not rely on large scale surveys that can be expensive and time consuming. Surveys may also risk replicating poverty. For example, building the model diet according to surveys of local food preferences and habits when those surveyed are not receiving adequate nutrition would lead to a diet that is not nutritious. Normalizing to international standards is necessary and the Anker Methodology should be conducted as designed. Anker Methodology studies should be consistently implemented so researchers must accept that they will need to follow the directions of the manual exactly but will have some decision-making ability in terms of applying the methodology to the local context.

- Researchers identified as appropriate for the work by the managing organization should be referred to the technical backstopper(s) with experience conducting Anker Methodology studies to confirm adequate skills and an appropriate fit and ensuring that they meet a consistent quality level.

- Selected researchers are provided with a list of outputs expected in their work (inclusive of stakeholder engagement, launch events, validation events, and webinars discussions) and requested to provide a budget estimate for the work. It is also important to clarify the expected timeline of the study so that the researcher can ensure that deliverables fit within their own schedules.

Bibliography

Anker, Richard (2011). “Estimating a Living Wage: A methodological Review.” *Conditions of Work and Employment Series No.29,* International Labour Organization, Geneva.

Anker, Richard and Martha Anker (2014, March). “Living Wage for Kenya with Focus on Fresh Flower Farm area near Lake Naivasha.” Report prepared for Fairtrade International, Sustainable Agriculture Network/Rainforest Alliance and UTZ Certified.

Anker, Richard and Martha Anker (2017). *Living wages around the word: Manual for measurement*. Edward Elgar. London.

Barbosa, Alexandre de Freitas, et. al. (2016). *Living Wage Report Rural Brazil Minas Gerais South/Southwestern Region Coffee Growing Industry*. The Global Living Wage Coalition.

Bymolt, R., Laven, A., Tyszler, M. (2018). Analysis of the income gap of cocoa producing households in Ghana. The Royal Tropical Institute (KIT) for the Living Income Community of Practice.

Bymolt, R., Laven, A., Tyszler, M. (2018). Demystifying the cocoa sector in Ghana and Côte d’Ivoire. The Royal Tropical Institute (KIT).

Danwatch (2016). *Bitter Coffee*. https://old.danwatch.dk/wp-content/uploads/2016/03/Danwatch-Bitter-Coffee-MARCH-2016.pdf