



UNIVERSITY OF
LIVERPOOL

Management
School



**READING BETWEEN
THE LINES:**

**ASSESSING LANGUAGE
IN MODERN SLAVERY
STATEMENTS**

What do businesses say they do to tackle modern slavery in their supply chains... and what can we learn from what they don't say?



Research led by experts at the Centre for Sustainable Business (CSB), has found ambiguous language is often used by businesses to avoid taking timely action on modern slavery in their supply chains.

The study identified 'defensive reassurance', 'transferring responsibility' and 'scope reduction' as the three main ways in which firms use ambiguous language. With only 5% of firms analysed demonstrating sufficient progress, most corporate statements lack detail, evidence, and imply symbolic gesturing rather than tangible action to assure human rights are protected at all points in supply chains.

The analysis illustrated how firms use ambiguity in Transparency In Supply Chain (TISC) statements as a strategic form of action to defend the status quo, reduce accountability and delay action against modern slavery within supply chains.

How does modern slavery relate to supply chains?

Modern slavery captures a range of violations that exploit people for the purposes of work or commercial gain. It includes human trafficking, forced labour, and debt bondage.

Latest global figures for 2021 estimate that 28 million people were in situations of forced labour, with numbers and risks rising year-on-year.

The UK Government's Modern Slavery Act came into force in 2015, and includes a **TISC provision (Section 54)** that places an annual public reporting obligation on firms with a turnover of over £36m to report either:

- The steps taken to ensure slavery is not taking place in their operations and supply chains
- Confirmation that no action has been taken.

Although the UK's modern slavery's TISC provision is a step in the right direction, it has faced wide criticism for mandating the publication of a statement, rather than mandating action, particularly as a business can still be legally compliant by stating it has made no steps to tackle modern slavery.

From policy to practice: ambiguous language hides lack of action

TISC legislation and guidance are unambiguous in their aim: to tackle modern slavery, firms should work collaboratively across their supply chains to drive changes in practice.

TISC reporting aims to get businesses to respond to risks of modern slavery through demonstrating:

- Changes in business/procurement practice
- Accountability for workers throughout a firms' supply chains.

How were firms responding to these twin policy aims?

Unfortunately, the TISC statements analysed showed insufficient progress was being made on both counts, with only 5% of firms in the sample demonstrating sufficient action.

Statements lacked detail, evidence, and implied symbolic gesturing rather than tangible action to enable socially sustainable supply chains.

The researchers identified three ambiguous techniques:

Defensive reassurance

'Defensive reassurance', is the attempt to convey an impression of best practice, but crucially without evidence or a specific focus on modern slavery, to establish trust and reassure stakeholders.

This was the most common technique observed among the 66 companies, with many firms asserting no incidents of slavery have been found, and therefore concluding their processes are effective.

Transferring responsibility

Firms use their commercial power to contractually transfer responsibility for tackling modern slavery to their suppliers, and in doing so, distance themselves from the issues, the risks, the solutions, and the causes.

While joint efforts from all supply chain parties are needed, there were extremely limited examples of collaboration, and the shifting of responsibility appears to be unilaterally imposed.

Scope reduction

Supply chains are complex, and ensuring human rights are protected at all points is difficult, so organisations can choose different routes to limit the extent of their modern slavery supply chain management commitments.

Scope reducing techniques include narrowing the task; limiting the range of internal staff involved; and the use of thresholds, risk assessments and geographic boundaries to reduce the number of suppliers that are assessed.

Ambiguity protects businesses, not people

The use of these techniques has implications far beyond suggestions for clearer corporate communications, because the lack of action resulting from ambiguity protects firms, rather than potential victims of modern slavery.

Ambiguity can give an impression of change but action is likely illusory, as the language implies current approaches are sufficient.

This perhaps sidesteps the more difficult question of whether their own practices – which may intensify cost and delivery pressures – create conditions that increase the risk of modern slavery.



What can policymakers and businesses do?

The UK's weak legislative environment for modern slavery reporting creates the opportunity for ambiguous responses that allow firms to prioritise reputation management over change to supply chain practice.

A series of implications on how to reduce ambiguity through legislation arise from this study:

- Introducing additional liabilities in the TISC requirements
- Greater enforcement of the existing requirements
- Strengthened policy guidance for firms.

Passing new legislation and increasing enforcement can be lengthy processes, as a first step additional government guidance focused on how firms can demonstrate accountability of the solutions for, and causes of, modern slavery in supply chains) should be made available.

To demonstrate best practice and leadership in their own supply chains, government buyers need to shift their attention to the content of their suppliers' statements, beyond assessments of technical compliance.

They also need to not only assess **what firms are doing**, **but most importantly what they are not doing**, going beyond what they report.

Solutions, and root causes, should be explored and tackled in collaboration with supply chain members.

The study also highlights the need for firms to adopt accountability in a supply chain context:

Businesses and procurement professionals must become more proactive in challenging and changing the use of ambiguous techniques in their suppliers' TISC statements, and a collaborative effort is recommended to explore what is being done and not done to tackle modern slavery.

This is a challenging endeavour and will require firms to:

- Work with suppliers beyond the first tier, to actively engage in finding instances of modern slavery
- Acknowledge their own role in creating pressures within their supply chains.

The latter means firms need to be open to questioning how their procurement practices may be contributing to root causes of precarious labour and exploitation.

However, there may be reluctance to adopt proactive attempts to 'find' modern slavery in their supply chains, due to fearing damage to corporate reputations if instances are identified.

But although ambiguity may obscure or distance firms from exploitation, it does not remove it, and can make it even more difficult for victims' voices to be heard.

This research won the *International Federation of Purchasing and Supply Management Award* at the IPSERA conference in Milan in 2019.

The full, peer-reviewed scientific paper was published in 2021 by the *International Journal of Operations and Production Management*, a world-leading academic journal.

You can find the full paper here: [doi:10.1108/IJOPM-05-2020-0292](https://doi.org/10.1108/IJOPM-05-2020-0292) (paid access may be required)

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Have you used this research to make a change?

To build a picture of how our research is making a positive difference, and to help shape future research studies, we are collating evidence on how our research is being used.

If this article has contributed to changes in practice, policies, or even just helped spark a new conversation, please consider emailing us to let us know how our research has impacted your work.

Would you like further discussion?

The Centre for Sustainable Business is planning to facilitate a series of focused roundtable discussions, bringing together a range of stakeholders interested in a particular area of change.

These may be areas with complex tensions or trade-offs, or where internal expertise is limited.

Please contact us if you are interested in taking part in a roundtable debate based around issues raised in this article.

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