

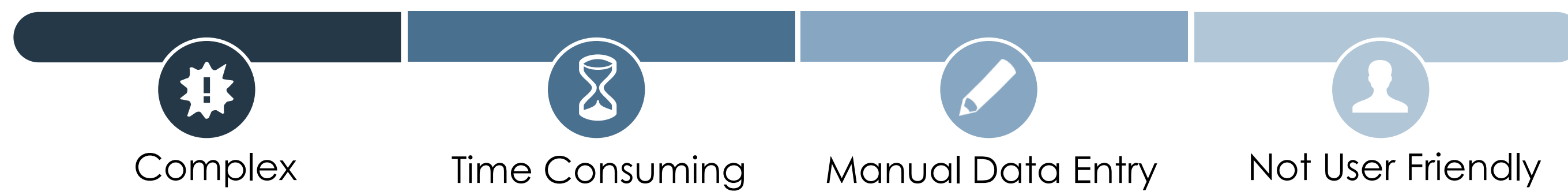
PROBLEM STATEMENT

Patagonia recently committed to the Fair Labor Association's (FLA) fair compensation workplan to pilot and implement living wage models in their finished-goods supply chain. Patagonia is interested in collecting reliable aggregate data on what workers are paid, the value of benefits provided to them by suppliers, and the supplemental overtime hours worked to meet a basic standard of living to ultimately **understand how far each of their suppliers is from a living wage target.**

BUSINESS CASE

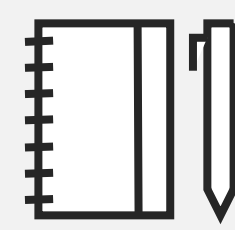
By accurately capturing wage data from suppliers, Patagonia would be able to benchmark current wage levels and in-kind benefits provided to workers. Our project will allow Patagonia to move forward in devising a strategy for influencing suppliers and peer apparel companies to raise wages.

CHALLENGES WITH THE CURRENT FLA TOOL



PHASE 1: DISCOVERY & SYNTHESIS

Understand the challenges, landscape, and stakeholders. Map users and various use case scenarios.



PHASE 2: SOLUTION DESIGN

Generate possible solutions and develop a prototype

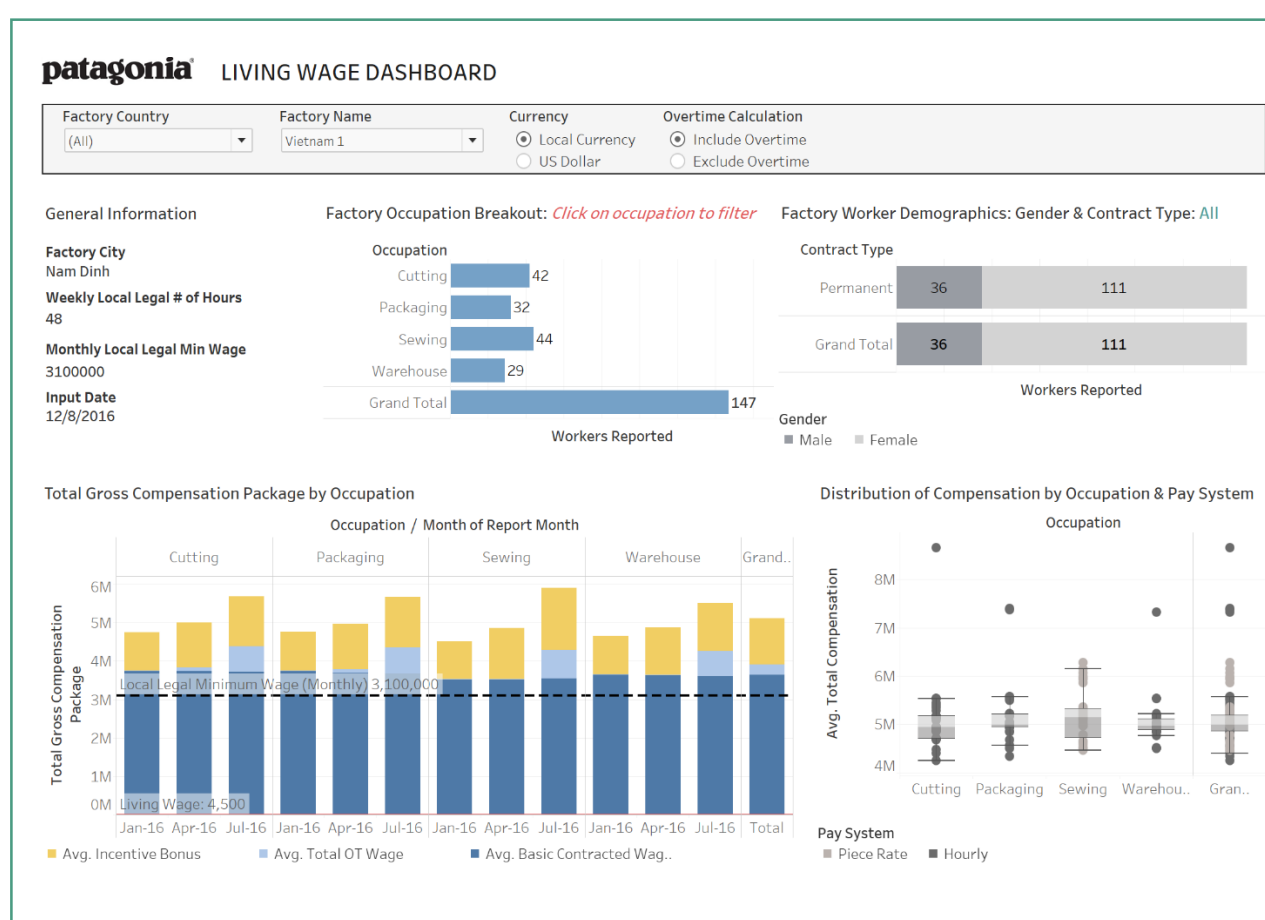


Designed dashboard using FLA data to extract key insights for Patagonia, and demonstrate the quantitative analysis that's possible with more reliable data

After conducting stakeholder interviews, we designed four user personas (Brand, Supplier I & II, & Advocacy Partner) to capture motivations and pain points

Designed a 'turbo tax' style wireframe for a living wage tool for use by Patagonia and FLA informed by user personas:

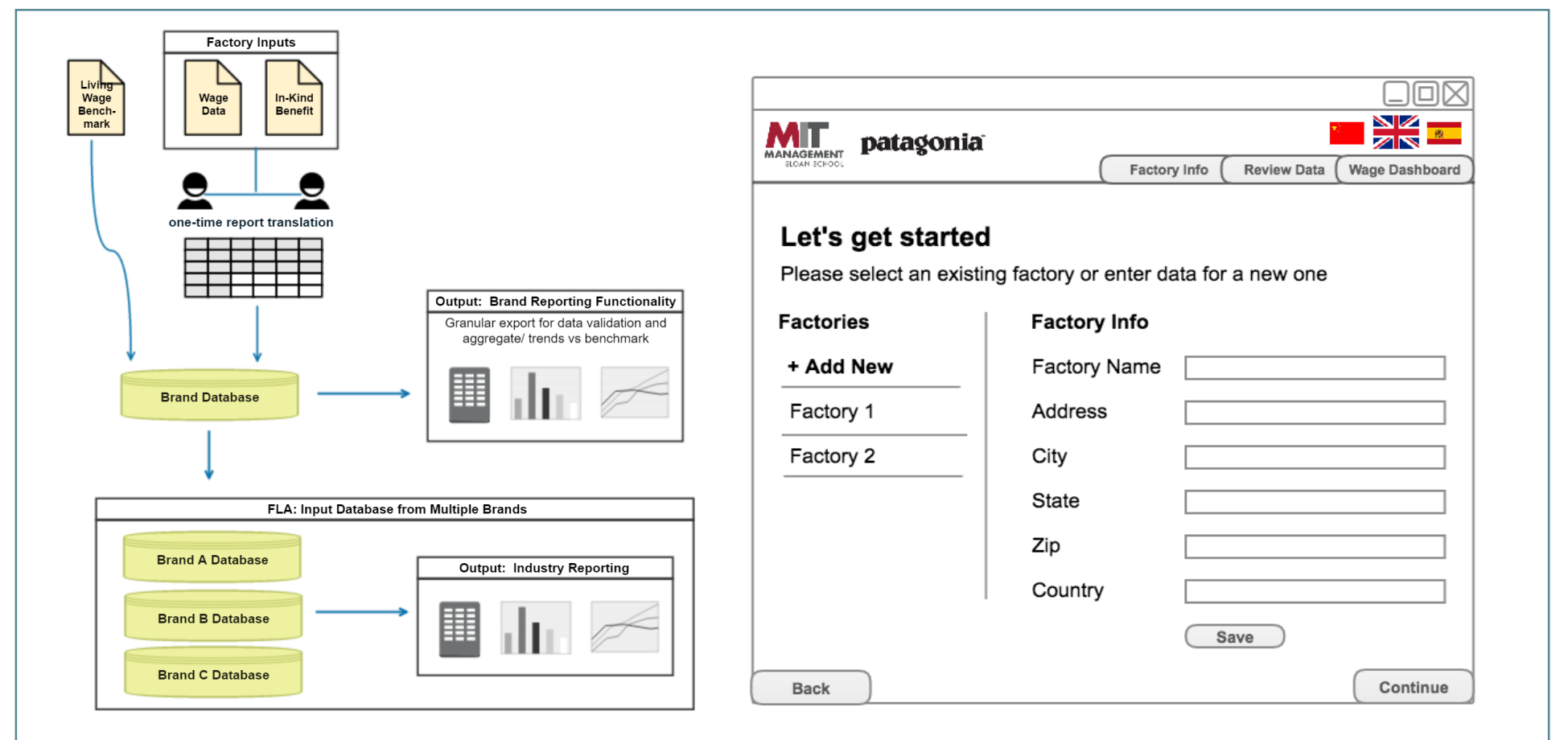
- Incorporated existing FLA Tool Research & Analysis
- Iterated on tool design with feedback from Patagonia and project mentor



Michael, the Passionate Middle Manager

Michael, the passionate middle manager, has been told by upper management that the company needs to make progress toward lifting wages in the supply chain. Michael doesn't know where to begin with this new initiative! Besides the audits the company conducts every once in a while, he doesn't have a complete sense of wages across more than a small sample of workers in a given factory. Can a data collection tool help Michael acquire more complete compensation data from suppliers? If so, what does Michael need in order to leverage a data collection tool?

- Content Knowledge
- Corporate Buy-in
- Relationship With Factory



SHORT TERM RECOMMENDATIONS

Get raw wage data: the best way to build a usable data collection tool is to see and understand the native format of a user's data

Build a tool and iterate: tool building takes money, time, testing, and ongoing collaboration; the best tools result from iterative processes

Analyze data using living wage methods: with basic data visualization and quantitative analysis capabilities, you can draw conclusions about what is happening in the factory in spite of the difficulty in accurately calculating a living wage

LONG TERM RECOMMENDATIONS

Get long term factory buy-in: think about ways living wage data can build the factory's capacity, enhance productivity, increase efficiencies, or give them a competitive advantage

Make the business case for goods produced by living wage workers: marketing tactics, brand coalitions, and strategic sourcing strategies can be a powerful industry signal to catalyze movement on these issues

Galvanize non-industry partners: NGOs, consumers, auditors, and public sector allies can play an important role in driving and sustaining momentum for the living wage movement