

Linking Quality to Social Responsibility

BY KIMBERLY A. SWISS

There are lots of ways to define social responsibility—and even more ways to implement it.

LATELY IT SEEMS THAT MORE AND MORE CONVERSATIONS IN THE STEEL INDUSTRY circle back to the topic of social responsibility as it relates to businesses and corporations. It makes sense to me that holding corporations socially accountable should be a hot topic, given the surge in problems over the past few years in a wide range of industries covering everything from meat and produce to children's toys to pharmaceuticals.

But what about the steel industry? One can easily make the connection between quality and social responsibility if you are shipping out beef, but does the same hold true for steel? Because of steel's high recyclability and the popularity of Leadership in Energy and Environmental Design (LEED) efforts, you could make the case that it is a socially responsible product. But couldn't social responsibility extend further than this? As it turns out, many companies in our industry have been working hard at being socially responsible for some time, thereby making an even better name for steel.

How to Define It?

What exactly does social responsibility mean? When I read how the American Society for Quality (ASQ) describes social responsibility on their web site, I felt that they really embody how it applies to our industry. ASQ "believes that being 'socially responsible' means that people and organizations must behave ethically and with sensitivity toward social, cultural, economic and environmental issues. Striving for social responsibility helps individuals, organizations and governments have a positive impact on development, business and society with a positive contribution to bottom-line results." I think this definition captures how being a socially conscientious organization can mean multiple things. Be it in-house or out in the community, social responsibility gives room for even the smallest of efforts to become meaningful to a business.

Likewise, the International Organization for Standardization (ISO), who is currently developing ISO 26000, a guidance standard on social responsibility, states: "In the wake of increasing globalization, we have become increasingly conscious not only of what we buy, but also how the goods and services we buy have been

produced. Environmentally harmful production, child labor, dangerous working environments, and other inhumane conditions are examples of issues being brought into the open. All companies and organizations aiming at long-term profitability and credibility are starting to realize that they must act in accordance with norms of right and wrong." I think that this certification will give assurance and ease to individuals or companies when looking for socially responsible companies to partner with. It supports tangible socially responsible goals for companies to adhere to.

In the past it seemed many companies essentially made decisions based on one thing: net profit. "Value" primarily meant "dollars." But today, many astute decision-makers that I speak with anticipate how their choices not only impact their bank account but also their organization, employees, community, and reputation. By incorporating socially responsible behavior into their business practice, companies are thereby positioning themselves to potentially gain the respect of their customers, attract employees, help the marketplace, and improve society and/or the environment.

Beyond the Shop

For many AISC Certified fabricators and erectors, having a Certified quality management system in place is appealing because of the benefits it brings to the workplace environment. When observing audits, I always find that there is a sense of pride and forward thinking that coincides with the ability to identify, measure, control, and improve core business processes, ultimately leading to improved business performance. And many of these same companies apply this attitude to how they forecast the future of their organization, and how social responsibility can be linked to quality. In my experience, many who believe in the value of a quality system also make the connection that incorporating socially conscientious policies is equally valuable, not only to their company, but to the industry overall.

For instance, Able Steel Fabricators, Inc., a Steel Building Certified Fabrica-



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tor in Mesa, Ariz., partners with Mesa United Way on an annual basis to fundraise for United Way's mission in helping the community. Able Steel is also helping Arizona State University structure its steel detailing curriculum in the architectural program. Mark Fultz, vice president of Able Steel, explains that "courses are primarily geared toward architectural fields, so we are trying to get more technical awareness. This will help as we are looking to grow the market and the industry." The company also advocates for promoting from within the company, giving more incentive to the employees it already has in place.

Kenny Waugh, Director Industry Liaison for Ironworker Management Progressive Action Cooperative Trust (I.M.P.A.C.T.), explains how ironworker unions approach social responsibility: "The Ironworkers Union has always considered giving back vital to their existence in [any given] region. Some local unions even require their apprentices perform a certain number of hours community service as part of their training. It is important to raise the bar of your work force just like certification."

David Leavitt, General Manager of Fabrication and Coating for Cianbro Fabrication and Coating Corp., an AISC Certified Steel Fabricator in Pittsfield, Maine and Baltimore, Md., speaks to social awareness as well, noting that the U.S. needs more leaders. "Those that are in a position to lead—and have the courage, convictions, resources, and abilities to make positive change—have the responsibility to do it, to do the right thing," he says. "We need to take control, seize the initiative—not wait for others—and become the catalysts for positive change."

The Cianbro Companies have many programs in place that support Leavitt's statement, including a "Healthy Lifestyle Plan" (HLP) that focuses on healthy living, nutrition, and exercise. Its participants receive subsidized healthcare costs, a people-focused concept that allows Cianbro's employees to partake in a program that has the potential to reduce illness and increase productivity and quality of life without experiencing a reduction in health benefits or an increase in healthcare costs—a revolutionary approach in today's healthcare situation. Overall participation is at 75% and of those who participate, 70% also

qualify for the new healthy living reward by meeting three of the four health criteria: for cholesterol level, blood pressure, body mass index, and tobacco use.

In addition to a scholarship program for employees and their children, the company has created the Cianbro Institute, a program that pays high school and trade school graduates to receive training to work within Cianbro Companies and other organizations and education centers that Cianbro has partnered with. Cianbro has also initiated several innovative building projects such as the "Destiny USA Project" in Syracuse, N.Y., in which a remediated brown field site is being rebuilt into a mall with high environmental standards.

One of the industry's most recognized names, Lincoln Electric, also embraces social responsibility in numerous ways. Recognizing that the health and well-being of its employees can directly affect their job satisfaction and performance—like Cianbro—the company has initiated its own employee wellness program. The program includes an emphasis on diet, exercise, and health; the company now offers healthier food choices in its cafeteria, and a physician from a local hospital is regularly available on-site.

Along these same lines, employee safety, too, is a top priority at Lincoln. In 2000, the company finalized its safety program under the acronym WELD: Workplace, Education, Lifestyle, and Discipline. John Petkovsek, Lincoln's director of environmental health and safety, describes it as a behavior-based safety initiative that looks at ways to empower employees to be responsible both for themselves and others when it comes to safety.

"Since implementing the program, we've seen accident/injury rates drop by 25% of what they were before we started WELD," says Petkovsek. "For this program, as with our employee wellness program, we recognize that an employee's family is involved. The safety measures and focus they learn on the job translates into many situations they encounter at home. One example that highlights this is that we sent home an outlet tester with many of our employees, which allowed them to test the integrity of their home electric outlets."

AISC too has made its own efforts toward social responsibility. Recently, it won the "People's Choice Award" in the

second annual 2008 Chicago Construction Competition held throughout the month of June. The contest was part of a national charity event that combines the competitive spirit of a design-build competition with a unique way to help make a difference in the fight against hunger. Teams of architects and engineers competed to design and build large structures made entirely from cans of food, which were then donated to local food banks. Since its inception, more than 10 million pounds of food have been donated to aid in the fight against hunger. AISC's team captain Monica Stockmann comments, "Our team was so enthused to collaborate for an event where we could use our skills and creativity for such a great cause. I'm proud to work at an organization where I can suggest an idea for a community involvement project, and the whole staff rallies behind the effort to make that idea into a reality."

These examples represent just a few of the efforts those in the steel industry are doing to better their environment, the marketplace, and our world. While it is true that the wave of the future is certainly for organizations to operate in a more socially conscientious manner, it is up to each company to decide what fits best with their overall mission and goals. Social responsibility is one component of a general sustainability focus that not only enhances the quality of your workforce with higher moral and lower turnover, but can also lower operating costs and make your company more competitive. An organization that is a good community partner is likely going to find expansion and operating approvals easier and will be viewed by potential employees as a great place to work. Owners with a focus on sustainability are likely to assign additional value to products and services from fabricating firms that can demonstrate that they are like-minded.

We want to continue to highlight this subject in future articles and would love to learn more about the efforts of companies in the steel industry. Some companies want to do more, but are not sure exactly how. If you wish to share what your company is doing, please e-mail me at swiss@qmconline.com. **MSC**