Integrating Social Responsibility with Quality and Environmental Management Systems

Chad Kymal
Omnex, Inc.
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Session Number:
Speaker Bio

- Chad Kymal is the CTO of Omnex Inc., an international Consulting and Training organization. After graduating from the General Motors Institute, Chad spent a number of years working at General Motors and KPMG before founding Omnex Inc. in 1986. Over Chad's successful career, he has served on the Malcolm Baldrige Board of Examiners and has received numerous quality achievement awards, including the Quality Professional of the Year award by the American Society of Quality Automotive Division in 2005. In addition to his Bachelor's degree from GMI, Chad holds both a master's degree in industrial and operations engineering from the University of Michigan and an MBA from the University of Michigan.

- Chad both developed and conducts auditor training for ISO 9001, ISO 14001, and OHSAS 18001, as well as an Integrated Management Systems Lead Auditor training course where all three standards are combined in a single audit. Omnex and Chad has worked extensively with the Semiconductor Industry and including assisting customers in implementing a Social Responsibility standard EICC that is similar to ISO 26000. He has also helped organizations implement an integrated management system integrating Social Responsibility with Sustainability, Quality and Environmental Management Systems.

- Chad is the author of three books and over a 100 papers including several on integrated management systems. He is currently working on a book for “Implementing and Auditing Integrated Management Systems”.
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Reach us at:
www.omnex.com
e.mail to:
info@omnex.com
Learning Objectives

- At the conclusion of this session, attendees should be able to:
- Understand that ISO 26000 can be implemented using ISO 9001 and ISO 14001 processes
- Understand key principles and concepts of integrating ISO 26000 with ISO 9001 and ISO 14001
  - Business processes of ISO 9001 can help integrate social responsibility throughout an organization
  - The scope of the risk assessment in ISO 14001 can be extended to include both environmental and social impacts
  - The environmental management system of ISO 14001 can be used to address the environmental concerns of ISO 26000
  - The governance system in ISO 9001 and ISO 14001 can integrate with governance of ISO 26000
  - Understand that independent management systems and processes hurt an organization and are fundamentally inefficient
Social Responsibility has the organization as its focus and concerns the responsibilities of an organization to society and the environment.

ISO 26000:2010, 3.3.5
Social Responsibility Core Subjects

Organizations need to address their social responsibility by understanding their relationship to stakeholders and society.

Figure 3 – The Seven Core Subjects
ISO 26000
Social Responsibility and Society

Societal Obligations

- Human Rights
- Fair Operating Practices
- Labor Practices
- Consumer Issues
- Community Involvement and Development

ASQ
Social Responsibility and Environmental Obligations

Relevant technical tools such as standards from the ISO 14000 Series of Standards assist an organization in addressing environmental issues in a systemic manner and should be considered when evaluating environmental performance, quantifying and reporting greenhouse gas emissions.

How?
# Comparison of Social Responsibility

**ISO 9001 (QMS) ISO 26000**

<table>
<thead>
<tr>
<th>ISO 9001 Principles</th>
<th>ISO 26000 Principles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Focus</td>
<td>Accountability</td>
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<tr>
<td>Leadership</td>
<td>Transparency</td>
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<tr>
<td>Involvement of People</td>
<td>Ethical Behavior</td>
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<td>Process Approach</td>
<td>Respect for Stakeholder Interests</td>
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<tr>
<td>System Approach to Management</td>
<td>Respect for the Rule of Law</td>
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<tr>
<td>Continual Improvement</td>
<td>Respect for International Norms of Behavior</td>
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<tr>
<td>Factual Approach to Decision Making</td>
<td>Respect for Human Rights</td>
</tr>
<tr>
<td>Mutually beneficial Supplier Relationship</td>
<td></td>
</tr>
</tbody>
</table>

*Are these principles compatible?*
Process Models in ISO 9001 and ISO 14001

ISO 9001

Clause 4
Seven principles of social responsibility
Accountability 4.2
Transparency 4.3
Ethical behaviour 4.4
Respect for stakeholder interests 4.5
Respect for the rule of law 4.6
Respect for international norms of behaviour 4.7
Respect for human rights 4.8

ISO 26000

Clause 5
Two fundamental practices of social responsibility
Recognizing social responsibility
Stakeholder identification and engagement

Clause 6
Social responsibility core subjects
Organizational governance
Human rights
Labour practices
The Environment
Fair operating practices
Consumer issues
Community involvement and development

Clause 7
Related actions and expectations
Integrating social responsibility throughout an organization
The relationship of an organization’s characteristics to social responsibility
Understanding the social responsibility of the organization
Voluntary initiatives for social responsibility
Practices for integrating social responsibility throughout an organization
Communication on social responsibility
Voluntary initiatives for social responsibility
Reviewing and improving an organization’s actions and practices related to social responsibility
Enhancing credibility regarding social responsibility

ISO 14001

Sustainable development

Omnex implementation of ISO 9001 and ISO 14001 has shown over 90% of QMS and EMS are compatible and can be integrated

How is ISO 9001, ISO 14001 and ISO 26000 different?
Social Responsibility and Management Systems (ISO 9001 and ISO 14001)

Relevant Key Elements

- Policy
- Risk Management
- Objectives
- Documents and Records
- Processes/Procedures
- Management Review

- Competency
- Internal Audits
- Suppliers and Purchasing
- Continual Improvement
- Corrective and Preventive Actions

These governance and deployment systems are present in both ISO 9001 and ISO 14001
What About Governance?

Organizational governance is the system by which an organization makes and implements decisions in pursuit of its objectives.

ISO 26000:2010, 6.2.1.1
Governance Using Management Systems

- Set QMS and EMS Policy and Objectives
- Deploy QMS and EMS Objectives with a Plan Throughout the Organization
- Review QMS and EMS Objectives and Plan on a Periodic Basis, Looking for Deployment and Continual Improvement Opportunities
  - Take actions to improve
- Conduct QMS and EMS Internal Audits and Corrective Actions

QMS = Quality Management Systems, typically refers to management systems implemented for ISO 9001

EMS = Environmental Management Systems, typically refers to management systems implemented for ISO 14001
Management Systems – Policies and Objectives

- **Plan**
  - Policies
  - Objectives

- **Act**
  - Adjust Policies, Objectives and Plan
  - Do Deploy Objectives/Plan Organization Wide

- **Check**
  - Review Policy, Objectives and Plan

- **Board**
- **Steering Committee**
Management Systems (ISO 14001) – Risk Assessment and Processes

Set Policies

Legal and Other Requirements

Risk Assessment

Identify Processes and Controls

Set Objectives and Plan

This is the process Omnex uses for ISO 14001 (EMS) today
(continued on next slide)
Management Systems – Processes

1. Identify Processes and Controls
2. Identify Process Measures
3. Deploy Processes
4. Conduct Process and System Audits
5. Conduct Corrective and Preventive Actions

This is the process Omnex uses for ISO 14001 (EMS) today
Governance – Processes

• Set Policy for QMS and EMS
• Conduct Risk Assessment
• Set Objectives
• Identify/Document Processes, Institute Controls, and Measures
• Implement Processes
• Review Process Measurables
• Conduct Internal Audits of Processes and Systems
• Conduct Improvement Actions and Corrective and Preventive Action
Integrating Social Responsibility – Policies and Objectives

Implement social responsibility integrating quality, environmental and social responsibility objectives – use one process for implementing the objectives and the plan for meeting objectives.
Integration between SR and Q and E

- Set Integrated Business Objectives – QMS, EMS, Financial, OH&S and SR
- Deploy Objectives and Plan
- Conduct Integrated Business Reviews
- Take Actions to Improve Policies, Objectives and Plan
Setting Policies and Code of Conduct

• Review all the Core Subjects to identify which subjects are relevant

The identification of the relevant issues should be followed by an assessment of the significance of the organization’s impacts. The significance of the impact should be considered with reference both to the stakeholders concerned and to the way in which the impact affects sustainable development

– ISO 26000:2010, 5.2.2
Setting Policies and Code of Conduct

SR Policy

Legal and Other Requirements affecting Core Subjects

Conduct Risk Assessment - SR Hazards, Impact and Risk to Organization

Policies and Code of Conduct

Processes Impacted
Using the Risk Assessment, the social responsibility steering committee can formulate the code of conduct for the organization.
Integrate SR Into Processes

• Identify Process Measures Affecting QMS, EMS, Financial, OH&S and SR
• Deploy Processes (integrated)
• Conduct Integrated QMS, EMS and SR Process and System Audits
• Conduct Corrective and Preventive Actions
Possible Integrated Processes

• Business Planning
• Management / Business Reviews
• Purchasing
• Engineering
• Human Resources / Hiring
• Training / Competence
• Internal Audits
• *and more…*

Integration does not mean that the process necessarily includes SR in its scope. It only means that the process is in place and can be used to implement SR and that the process can be modified to include SR activities.
Integrated Management Systems – Why Integrate?

**Stand-alone Management Systems**

Source: Juggling Multiple Standards, Quality Digest, June, 2005
Integrating Social Responsibility with ISO 9001 and ISO 14001

Over 80% of ISO 26000 clauses and intent integrate with ISO 9001 / ISO 14001

Integrate SR into Business Reviews, Internal Audits, Continual Improvement and Corrective and Preventive Actions

Initial SR Assessment and Continued Risk Assessment

Integrate into ISO 9001 and ISO 14001 Governance Process

Integrate Risk Assessment and Code of Conduct and Supplement via Business Processes

Integrating Code of Conduct with Relevant Business Processes

New Process Step Unique to SR

Risk Assessment

SR Manual
Summary

• Social Responsibility (ISO 26000) can be implemented with ISO 9001 and ISO 14001
  – ISO 9001 and ISO 14001 governance processes can be used to deploy SR objectives and plan
  – Management System processes can be used to integrate SR requirements (Code of Conduct) into multiple business processes including Hiring, Competency, Purchasing, Business Review, Auditing and others…
  – EMS risk assessment processes can be used to develop SR priorities and define the Code of Conduct
Summary (Continued)

• Let us review some of the key principles and concepts of integrating ISO 26000 with ISO 9001 and ISO 14001
  – Business processes of ISO 9001 can help integrate social responsibility throughout an organization
  – The scope of the risk assessment in ISO 14001 can be extended to include both environmental and social impacts
  – The environmental management system of ISO 14001 can be used to address the environmental concerns of ISO 26000
  – The governance system in ISO 9001 and ISO 14001 can integrate with governance of ISO 26000
  – Understand that independent management systems and processes hurt an organization and are fundamentally inefficient