



*Case Study:*  
**Council for Stronger Communities Model**

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**Organizational Profile:** Foundation and Corporate Giving Program

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**How this program connects to the five-point leadership agenda of *Increasing Impact, Enhancing Value*:**

- 1. Create a new narrative for corporate philanthropy as an investment in society.**
- 2. Develop an inclusive “operating system” for philanthropic investment.**
- 4. Improve collaboration, communication, and knowledge sharing.**
- 5. Mobilize “field level” leadership behind this agenda.**

This concept helps disseminate the practice of corporate responsibility, builds our reputation and brand in our communities, and allows for collaboration and knowledge sharing among stakeholders. The practice permeates multiple operating functions and roles at our facilities as well as in the nonprofit community and helps support our local leadership by providing a framework for philanthropic engagement.

**What problem or issue were you trying to overcome? What was the ultimate objective?**

In 2008, ArcelorMittal was exploring ways of managing the corporate responsibility (CR) pillars at a local level in 18 mining and manufacturing facilities in the United States. As a global company, it was challenging to communicate corporate responsibility priorities and why these are relevant at local facilities. We sought to do the following:

- Raise internal and external awareness of ArcelorMittal’s commitment to corporate responsibility and our core values of sustainability, quality, and leadership.

- Direct public attention to ArcelorMittal's CR initiatives so that clients want to purchase our products, businesses want to partner with us, talented people want to work for us, and local communities and governments trust us.
- Strive to be transparent, accessible and accountable by creating and reinforcing positive relations in neighborhoods surrounding the local facilities with all stakeholders, including community leaders, environmental advocacy groups, nonprofits, media, residents, suppliers and clients.

### **What strategies, tools, and resources were used to address the issue and achieve the goals?**

It was clear that the approach wouldn't be implemented successfully if it was driven only by the CR team. The solution required a deeper connection to local issues and challenges our facilities and communities faced. Therefore, we needed to develop a cross-functional team representing the most critical operating functions and provide each with a seat at the table and the opportunity to shape CR activities to strategically benefit the business.

We created the Council for Stronger Communities (CSC) model in 2008 to help support CR locally and globally. Today, ArcelorMittal has CSCs at all 16 of our major facilities across the United States. Each consists of individuals representing plant management, health and safety, the environment, human resources, and shop-floor employees.

Each CSC champions CR activities internally and externally at its local facility. These efforts include coordinating events such as Health and Safety Day and International Volunteer Day, supporting recruitment efforts, and implementing and promoting environmental programs such as hazardous waste collection. As a result, the CSC creates a sense of ownership in corporate programs, and a stronger and more vibrant community is established within the facility as well as with external stakeholders. The CSCs work closely with local nonprofits, peer employers, and community officials and encourages employee engagement and volunteerism.

### **What were the outcomes for the business and society, and how were they measured?**

ArcelorMittal has corporate responsibility managers assigned to each CSC to help lead and guide the local CR activity and track success. ArcelorMittal has dedicated key performance indicators relating to CSC activities and measures them annually:

- Total philanthropic giving
- Philanthropic giving by focus area (environment, education, health and safety)
- Number of grievance mechanisms in place
- Number of significant incidents reported through grievance mechanisms
- Number of stakeholder engagement meetings
- Number of community engagement plans
- Beneficiaries of ArcelorMittal's philanthropic investments

- Number of local governance structures (CSCs) in place and number of local governance meetings

Each year, ArcelorMittal dedicates approximately \$1 million to the activities governed or determined by the 16 CSCs. Local CSC members and a CR manager collaborate in selecting the local nonprofit partners and identifying community engagement priorities.

**What advice would you give a grantmaker faced with a similar opportunity?**

- CSC members at local facilities are eager to participate in philanthropy. However, getting them to fund nonprofits working in the three focus areas can be challenging, especially in the smaller communities where interrupting legacy relationships can be difficult. Consider convening and engaging with stakeholders to communicate philanthropic and business goals and evaluate mutually beneficial opportunities.
- In many of our smaller communities, there is no organized forum for regular discussion between corporations or between corporations and the nonprofit community. Our stakeholder-engagement meetings convene groups that would not normally have regular conversations around corporate philanthropy/responsibility.
- Local sites require regular contact with a CR manager; this relationship is crucial to maintaining a flow of information and for all parties to stay up to date on national and local issues. A minimum of quarterly touch points is a good idea.
- Leadership makes a difference. Select individuals who are passionate about CR, who understand local objectives, and can forge an alignment with corporate goals.