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The Resurrection of a Steel Plant and the Renaissance of a Steel City

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INTRODUCTION

In about two years during 2002-04, the Rourkela Steel Plant (RSP) achieved one of the most dramatic turnarounds in Indian Corporate history (Reference: <http://www.steelworld.com/rour.htm>; Rourkela Steel Plant; A Saga of Transformation). In fact, what happened there is rather unique. While turnarounds in industry and business are not uncommon, the process through which it was achieved at Rourkela is not what is commonly seen. To comprehend this, one has to actually understand, first of all, the circumstances that had the steel plant in their stranglehold and the kind of hopeless situation that existed there.

Rourkela Steel Plant (RSP) was the torch-bearer of the public sector steel industry in India and carried the banner of the industrial revolution for the nascent Republic of India. The construction of the Steel Plant, then a part of the erstwhile Hindustan Steel Limited (HSL) and now a unit of the Steel Authority of India Limited (SAIL), was started during the mid-fifties of the 20th century, in collaboration with a consortium of leading steel plant designers from the Federal Republic of Germany.

The units at the 1.0 Mt stage were commissioned between December, 1958 and early part of 1962. With a view to meeting the additional demand for flat products in the country, it was decided to increase the capacity of the blooming and slabbing mill, hot strip mill and plate mill at RSP. Accordingly, capacity of ingot steel was increased from 1.0 Mt to 1.8 Mt between the year 1965 and 1969. Besides expansion of the capacity of the existing units, the scheme also envisaged addition of new units like electrical sheet mill (for dynamo and transformer grade steel) and galvanizing lines (for corrugated and plain galvanized

sheets). Subsequent to the expansion of the steel plant a number of units were added to enhance the product quality, production, productivity and to meet the market needs. These units included spiral weld pipe plant, silicon steel mill, captive power plant-II, mechanical shop, structural and fabrication shop, heavy loco repair shop, slag granulation plant and coke ovens battery number 5.

These additional facilities made Rourkela Steel Plant one of the unique steel plants under the SAIL umbrella with a wide variety of special purpose steels. The uses of its plates in ship building and high pressure vessels, silicon steel in electrical industries, corrugated galvanized sheets for roofing including industrial roofing, pipes in the oil and gas sectors, tin plates in packaging industries and special plates in the defence of the nation are well known.

In order to overcome technological obsolescence and to continue to remain competitive in the market place, even internationally, RSP went in for modernization, which was conceived in the year 1988. Phase-I of modernization, which Laid emphasis on improving the quality of raw materials, consisted of a new oxygen plant, upgradation schemes for blast furnaces, dolomite brick plant, cast house slag granulation plant at blast furnace-4, raw material handling system, coal handling plant (in coke ovens) and power distribution system, was completed in the year 1994. Phase-II consisted of a new sinter plant, basic oxygen furnace and slab casting shop in steel melting shop-II, modification of plate mill and hot strip mill and installation of slab casting shop in SMS-I. Except for hot strip mill, which was completed in the year 1999, all the other areas were completed in the year 1997.

On the other hand, RSP had been continuously incurring losses year after year, since the mid-90s. While a part of this could be explained due to the overcapacity in the steel industry and the consequential decline in steel prices, there were other factors that did not meet the eye and were the ones which had become taken for granted. The facilities which had been introduced during the modernization were done at a cost of more than Rs.4000 crores and with borrowings mostly from financial institutions, carried a huge burden of interest. These equipment and facilities also entailed a huge amount of depreciation. The only way-out for the plant was to utilize these equipment and facilities fully for generating revenue to payback this burden. But what was noticeable was that capacity utilization was very low both in the modernized units as well as the pre-existing units, adding to the fixed cost of production which ultimately brought down the profitability and contributed to the losses.

The reason for the low capacity utilization was because of poor level of equipment health that led to breakdowns quite frequently, thus interrupting production. Fires and "maloperations" were occurring quite regularly contributing to breakdowns and interruptions in production. The state of health of equipment in the critical areas like coke ovens, blast furnaces, steel melting shops, power plants and other downstream areas was also not anywhere near satisfactory, stifling the efforts to hike up production. Another phenomenon that was quite visible was the acceptance of low standards. This led to low efficiency in the form of poor techno-economics on the one hand which again added to cost, and poor quality of products on the other hand leading to the pile up of unsold stocks. Apparently, significant quantities of production had been carried out only for volumes thus earning incentives, and not catering to the requirement of customers. At the same time, the level of discipline in the steel plant was also far below the mark, making any effort to come out of the situation a difficult one. There was a perceptible fear among the employees due to the dominance of pressure groups who resisted any kind of even incremental improvements at the shop floor.

The result was that the steel plant was accumulating losses year after year. Instead of

working towards changing things, the employees were more concerned about finding reasons that had led to the mess and blaming everything of the past to be the cause of the problem. The confidence of employees, both executives and non-executives, had been shaken up and no one believed that any improvement was possible. Most employees were already apprehending the closure of the plant; hence morale was low. The other thing was that there was a visible absence of leadership throughout the organization. Another important feature was that no one seemed to be in a position to understand the implications of this phenomenon.

At this stage, the Rourkela Steel Plant was incurring a loss of Rs.3 crores a day.

EXPERIMENTS IN COURAGE

Telling people the plain truth

It was in this background that I was drafted to head the Rourkela Steel Plant as its Chief Executive. On joining, the first thing I did was to study the ground realities and understand what actually was wrong. It became increasingly clear, with some homework, that there were some common external factors which were the same for every player in the steel industry which had to do with the depressed market. But I also discovered that many of Rourkela Steel Plant's woes were very specific to the steel plant itself and had nothing to do with the outside world. These were the "internal" factors. Low capacity utilization, poor equipment health, breakdowns, maloperations, fires, poor techno-economics, poor quality of finished products, etc. were all the result of the actions of the management and employees of the steel plant. It was therefore, the employees who had to undo the same, working hand in hand with the management.

Throughout my life I have firmly believed that "human resources are the most powerful force in taking any organization forward even if the organization is highly technology-centred." So any effort that needed to be made had to have employees at the centre. Considering the industrial relations situation and a lack of employee faith on the management which was largely the creation of shop floor pressure groups, many had cautioned me on the steps to be taken where the employees were concerned. But it was clear that if things at Rourkela

Steel Plant had to improve then steps were needed right away and we simply did not have the luxury of an unlimited time frame.

I also told myself that if the Steel Plant had to improve its lot primarily through internal actions, then it had to be isolated and insulated from any form of interference from political masters and bureaucrats. I understood clearly that this was an onerous responsibility which was solely mine, and I also understood that in doing so, there was a very real risk to my own position and continuance as the Chief Executive of the Steel Plant. I decided to take that risk, telling myself that if the plant had to survive and revive, that was the least I should be doing.

Oblivious of the words of caution of my well-wishers, then, I decided to listen to the voice of my own conviction and move on. In fact, I took the unprecedented step of visiting the shop floors in an exercise that was internal "Reaching Out", within a week of taking charge of Rourkela Steel Plant. This was actually a clear deviation from the protocol of hierarchy which was broken very consciously. My idea of doing things keeping in mind the interest of Rourkela Steel Plant was in effect aimed at engaging the attention of each and every employee in the process of revival of Rourkela Steel Plant. While my colleagues on the shop floor were somewhat surprised and taken aback seeing the Chief Executive right at the work place, I chose to speak directly to the employees who operated machines and equipment.

In about a month, or so, having travelled the length and breadth of the steel plant, I got the opportunity of meeting thousands of employees. I began by telling each group the truth regarding the prevailing state of affairs at Rourkela Steel Plant. I described the unenviable situation before the organization in clear terms and explained to them that unless each employee understood and worked for the steel plant the future could no more be taken for granted. At the same time I welcomed to hear their feelings about the situation that we were in. It was easy to notice that a number of people had no clue of the importance of their individual roles. Many did not know how their own performance affected others and how the performance of others affected their own performance. I had a straight forward question to each section of employees which was simply "Are you

prepared to take up the challenge for the future of the steel plant or are you going to sit and watch as the situation goes out of hand?" Happily many were willing to give a honest effort to make things better. Most of the employees found my approach of speaking my heart out an unusual one and they also spoke from their heart telling me things like, "Give us challenges and we will achieve" and "Give us the resources and we will produce at record level."

Another thing I did during this time was taking a look at the critical and important positions at the senior management and general manager level, making a complete reshuffle of many of the incumbents giving them new areas for delivering results instead of continuing them in departments where they had grown. These senior executives were posted with clear-cut responsibility for results. Similarly, non-performers were also eased out to the sidelines, making way for potential performers in key positions.

One of the purposes behind all these actions was to demonstrate to the employees and people all around that there had to be a paradigm shift through visible initiatives directed towards bringing about improvements.

THE TEN PRIORITIES

During my interactions with the employees, I took time to make a note of different aspects of the organization, keeping in view the ultimate objective of turning around the steel plant from a loss-making one to a vibrant one.

I introduced and energetically engaged employees in "10 Priorities".

To convey the seriousness of these initiatives, crack teams were formed with senior executives to monitor each one of them:

- ♦ Employee motivation and employee pride
- ♦ Leadership practice
- ♦ Environmental relations and organizational change
- ♦ Plant maintenance and equipment health
- ♦ Small investment schemes for maintaining current operations
- ♦ Sustained operation and consistent production
- ♦ Strengthening secondary streams of cash generation

- ♦ Operation and purchase cost reduction
- ♦ Sustaining the benefits of any improvement projects already carried out
- ♦ Enhancing gross margin and net sales realisation

BRINGING CLOSENESS: REDUCING THE DISTANCE BETWEEN MINDS

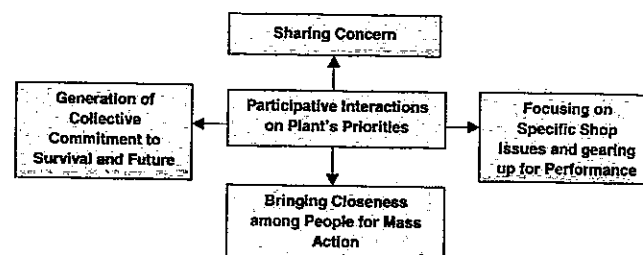
By now I had already firmed up my objective of bringing about a turnaround through a mass movement that involved each and every employee of Rourkela Steel Plant; a movement that would reduce the distance between minds. One of the difficulties was that in any interaction, employees always came up with the blame game and kept pointing out the responsibility of management to bring about improvements and its failures, besides failure of equipment performance and other shortfalls. This was a mindset that had crept in over many years of working in a casual manner and had put the management and managers on the defensive. It had become an accepted position that managers would listen to allegations from the employees and it was their responsibility and the responsibility of top management for all wrongs. The other thing was to blame the upstream units and downstream units besides blaming maintenance by operation and vice-versa. Moreover most employees be it executives or non-executives, thought that they were working very hard and not getting enough reward or recognition. These made interactions focused on these aspects rather than on discussing how to make things better. This had to be overcome, again, by a paradigm shift. It needed some straight talking and some courageous actions. It was of paramount importance that the employees understood that turning around the loss-making steel plant was not the sole responsibility of the managing director only and that each employee had to accept responsibility in his/her respective place and sphere of work.

A NEW CREDO

Regenerating strength with people

It was against this backdrop that I commenced a string of interactive sessions within a few months of taking over the charge of Rourkela Steel plant. These were called workshops for "sharing concern", involving nearly 120 employees at a time from key operational (production) departments to start with, and

later from centralized services and maintenance departments. In each of these workshops, 70% of participants were non-executives. I sat through each and every workshop and set the tone with some tough talking. I explained the areas of concern, which I had identified and have explained earlier on in this article and repeatedly reminded them that "We ourselves are responsible for the situation in which the steel plant finds itself". While things were bad, improvement could not come from actions by anyone from outside or the managing director alone. On the other hand solutions to Rourkela Steel Plant's problems could come only through internal physical actions to be performed by the employees themselves on the shop floor. The deliberations in these workshops can be summarized as shown in the sketch below.



For the first time, we had the financial figures of the steel plant placed before the employees who got a feel of where we stood financially. Although there was a possibility of employees becoming demoralized through this sharing of information, I decided to go ahead so that there could be a sharing of concern through this knowledge. Components like gross margin, revenue realisation, fixed cost, variable cost, contribution and net margin (or profitability), relevant to the department, were also presented and discussed in detail. Through this type of presentations, one thing was made clear: Our focus had to be on "profit related working" and each one had to understand whether a particular action was contributing to more cost, or, to more revenue. Accordingly employees, as member of a collective, or, a department, had to be careful and carry out actions in a manner that there was addition to revenue rather than cost.

Employees were encouraged to explain their understanding of the problems and what according to them could be a solution and their views were taken seriously. But it was emphasized during the interactions that there was no use of blaming others for our faults

because everyone was accountable for results. It was, therefore, necessary to sit with the people of the agency we blamed (because they were also one of us), so that the job was done as it was supposed to have been done. During the workshops, it was reiterated again and again that, "The future of the steel plant lay in the hands of the employees themselves". It was therefore important that each employee did what was expected from him/her and not what was convenient to him or her." On several occasions when employees felt the pressure of hard work, they would talk of rewards. But I was quick to tell them that "No one was doing Rourkela Steel Plant a favour by working hard. And I frankly cannot tell you not to work hard. The process of reviving Rourkela Steel Plant involves hard work like never before and I cannot promise you anything for this hard work. But the one thing I can assure you of at the end is a sense of accomplishment. I can tell with confidence that it will be much more satisfying than any reward that you may get."

Because of adverse market conditions, the steel plant had been operating only three out of its four blast furnaces. The steel plant, because of its low capacity utilization in the primary units, had evolved a system of importing slabs from other sister units to keep its finishing units in the mills running. While low capacity utilization added to fixed cost, the import of slabs also added to cost. For RSP's profitability, it had to produce slabs from its own hot metal and then convert them into finished products against firm orders rather than estimated projections.

I took two important decisions in the early days to counter this situation. The first was to absolutely minimize the import of slabs from sister units and the second was to reintroduce four-blast-furnace operation. Since the market conditions had not improved this was a risky decision. But I decided that instead of importing slabs it was better to focus on cost reduction through existing capacity utilization for profitability, which was our ultimate objective. This entailed pressure on blast furnaces and steel melting shops which both had poor track record in continuous operations. At the same time, I issued clear instructions that the finishing units shall not produce except against firm orders. I made it clear that it is better to keep our finishing units idle and carry out maintenance activities for better operations than to make steel which

ultimately is not sold.

I impressed upon my colleagues that while it was the job of the Central Marketing Organisation to organize orders for us, we had to wake up to the fact that RSP had many unique products for which the customers were known and that we needed to get them to understand that we were in a position of fulfill their needs. This strategy of organizing customer contact was also put in place by which their requirements of quality were understood and met.

I simultaneously called upon all concerned to explore ways and means to meet customer requirements in terms of quality, packaging, chemistry, etc. Innovations were encouraged in all units right from sinter making to finishing units.

As I had mentioned the health of blast furnace (specifically BF # 3) was in very bad shape. During November 2001 when pressure on production was very high, I decided for its shell repairs in banked condition and fixed a target of 21 days for the same. I did some straight talking to the concerned agencies and all those involved to achieve the result, which we eventually did. This was for the first time in 4 decades that a major job was finished before time.

Side by side, we took up the problems of frequent breakdowns and maloperations. Employees numbering 100 to 120 at a time from departments involved in these characteristics were called and spoken to. These employees were asked to frankly diagnose the cause of these breakdowns and maloperations and come out with their own suggestions for preventing them. Surprisingly, after initial heart burning they came out with solutions and even some departments took oaths to not do anything that will cause maloperations.

To meet the challenges that we were building up for ourselves, it was essential that there was discipline throughout the organization. Also, it was essential that everyone joins in. It was made clear through disciplinary actions that those who did not consider the duties at the shop floor seriously, were not going to be tolerated. The background or level of the person ceased to matter in cases of breach in discipline. Several executives and non-executives were proceeded against in a very transparent and fair manner to set examples of our seriousness to set things right at the steel plant.

INITIAL RESULTS OF THE TURNAROUND STRATEGY

Gradually the results started coming, in the beginning in trickles, but later gathering certain momentum. Monthly production and sales figures surpassed all earlier levels in almost every area. Stocks were brought down to a manageable level. Innovations enabled smooth operation of production units even in the worst monsoon. Hot strip mill took up rolling of longer slabs for better customer satisfaction. Packaging of HR coils, cold rolled products and silicon steel reached a level that customers began to acknowledge. Employees were able to recognize the kind of potential that they and the steel plant possessed and began to speak of targeting higher levels of performance. For the first time many of the units like sinter plant, steel melting shop No.2, hot strip mill and silicon mill simultaneously performed at rated capacity giving employees tremendous confidence. Other departments also smashed their existing records and began to look for further improvements.

What had been achieved was a "reduction in the distance between the minds" of people and a spirit of working to help each other in their respective departments which made the initial results possible. Employees began to see themselves as members of a family **on a single platform with a common purpose.**

This gave me a great deal of confidence. In fact, by now the resistance among the employees to work hard for results seemed to be significantly less. They had tasted success and felt a sense of accomplishment like they never had before. This led to targets that were nearly 20% higher for the financial years 2002-03 and 2003-04.

ENGAGING LARGE GROUPS FOR SECURING THE FUTURE: THE MASS CONTACT EXERCISE

With steep growth plans, the need was to involve the entire collective in larger groups so that the combined effort required could be brought about through synergy. So, we began what is unprecedented in corporate history. Starting from April 1, 2002, each Wednesday, I along with the Executive Director (Works) interacted with 500 different employees of different levels belonging to departments cut across

the steel plant, sitting at the Gopabandhu Auditorium inside the Plant premises. (Popularly known as Managing Director's weekly Mass Contact Exercise, it is now being regularly held since then, and perhaps constitutes the longest-lasting large group intervention anywhere in the world.) Here again, I set the tone first by spelling out the issues which impacted the "survival and future of Rourkela Steel Plant". Here also, we shared information regarding the priorities, achievements, performance against potential, what prevented us from doing better, etc. the presentations on each topic were made by non-executive employees from different shop-floors who communicated in either Oriya or Hindi. These were backed up by departmental level discussion programmes called "performance excellence workshops" which focused on the kind of performance expected from the departments for RSP's growth targets. In both kinds of programmes the presentations were followed by interactive sessions where the idea was to enable individual employees to come out with their action plan as to what they would like to do individually and as members of their department to bring about actions for achieving the steep targets.

As would be expected, the interaction programmes began with the question of low earnings in some units due to low production which was not always the fault of workmen. People also complained of lack of resources and lack of planning etc. I took it as an opportunity to tell people that we had to address customer needs. For example, unless the pipe plant collective produced shorter lengths there would be less orders. Similarly, I told employees that attention to maintenance and ensuring proper maintenance was the responsibility of the department's employees and the maintenance was also under the same head of department. If they did not sit together and sort out then things could not improve. While answering and responding to suggestions of employees I made it *amply clear that we should better stop the production if there is any risk to the safety of our employees, or, if the health of the equipment is not up to the mark.* I also emphasized that all employees would have to report in time and stay till the end of the shift so that we got continuous production and output. Similarly, on another occasion, I had informed an employee, who was trying to shirk his responsibility and pass it on to

his superiors, that I did not see any difference between executives and non-executives and that we are all equally responsible for the job assigned to us.

THE SAMSKAR MOVEMENT

I had to keep up the pressure and had no hesitation in telling people that we were still far from our potential. I pointed out that we were losing quite substantially on account of delay at shift start and on account of leaving work before shift end. I also informed people about the kind of losses incurred due to some instances of wild cat work stoppages which were due to people with interests not in line with the interest of Rourkela Steel Plant. I called upon employees to understand the choice was either to work hard and survive or perish. In different forums I impressed upon the gathering of people that if we do not respect Rourkela Steel Plant and work for its survival and future then it will not be in a position to support us anymore. Most importantly, I told employees that it was up to us as to what our future is going to be.

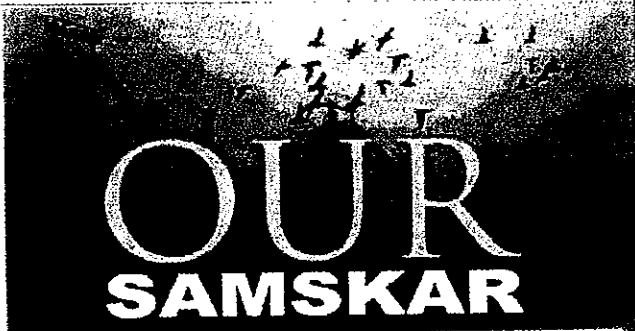
I introduced a movement called "SAMSKAR", which later on came to be recognized as the Vision of Rourkela Steel Plant. It emphasised that "We have to

create and sustain a peaceful work environment where every employee can contribute to the plant in assigned area of work with full freedom and dignity and without fear".

The employees also wholeheartedly adopted OUR MISSION which stated – "The future of our Steel Plant lies in our own hands. It is our collective responsibility to rebuild our Plant into a profitable, harmonious and vibrant organization. We will do whatever things are necessary which are good for our Plant. We shall never do anything that hurts our plant."


COLLECTIVE COURAGE


The process of change that was evolving so uniquely at Rourkela Steel Plant was one that focussed on accepting the primacy of the Rourkela Steel Plant. During the mass contact exercise it was made clear that we are sitting together to discuss the future of Rourkela Steel Plant which in reality was the future of the employees and their family members. Responding to a workman who had justified a work stoppage orchestrated by some unruly contract labourers and spoke with disrespect to the dreams and aspirations of the RSP collective, I had spontaneously said, "People like you who do not want to work for the



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**OUR
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**We will do whatever things are
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**We shall never do anything
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ROURKELA STEEL PLANT

future of Rourkela Steel Plant are not wanted here and you can go." All employees present accepted that this was what we all wanted.

Several employees in fact got up to say that they did not want indiscipline in the plant and wanted the harshest action against culprits who spread indiscipline. In fact, we got our young executives who were unbiased, to examine various aspects of our working life discipline, late coming and early going, house-keeping and welfare facilities, etc. Based on their reports which evolved on the basis of extensive interaction with shop floor employees, a process of REFORMS was put in place in line with OUR SAMSKAR.

NEW SYSTEMS FOR THE WORKING OF THE STEEL PLANT

Far reaching reforms

Standard operating practices were put in place for dealing with cases of indiscipline. We came down very heavily on each case of indiscipline by employees, irrespective of their being executives or non-executives sending out a clear message that those who did not respect RSP were not going to be tolerated. Exemplary punishment orders were passed to convey this.

The distinction between workers and officers was removed and each employee was responsible for result in his area of work. While the transfer of officers for improving working was routine, for the first time, workers were transferred to other departments when required. The redeployment of employees was seen as purely to meet work needs and not to satisfy pressure groups or personal preferences.

Direct reporting system was introduced to get over the wasteful practice of reporting through zonal time offices, and also to give dignity to the employees who now sign 'in' and 'out' in attendance registers at their respective workplaces.

A new system of gate pass and identity cards for contract labourers and other visitors was introduced. The plant refused to issue gate pass to those who have criminal background and withdrew gate pass from the existing contract labourers who were found to have criminal background. The purpose was to protect the sanctity and security of the steel plant and its employees.

Check off system for membership of unions was made open to all trade unions so that employees got the freedom of choice in union affiliation.

Safety standards were overhauled and reset, keeping in mind the "safety first of employees", and employees without basic protective equipment were routinely turned back from work. Two-wheeler drivers without helmets were not allowed entry.

Departments were encouraged to organise campaigns like safety, environment with melas involving large groups and also rewards were given every month to the departmental collectives for achievements like zero accident, zero absenteeism, 100% production performance etc.

RESULTS FOR FINANCIAL YEAR 2004-05

Confirmation of the model

The steel plant continued to perform at high volumes. What was significant was that the steel plant not only produced more than 1.50 Mt of saleable steel but also dispatched on identical quantity to the market doing so for a record third year in a row establishing the acceptability of RSP's products among the customers.

An important feature in the steel plant's success was the operation of many of the production units at more than 100% capacity utilization for months together overcoming the problem of capacity utilization that had plagued its progress since inception. Besides this, RSP improved significantly in its techno-economic parameters with unprecedented improvements in various items like energy consumption, consumption of water, consumption of stores and spares etc., per tonne of crude steel, besides phenomenal improvement in the lining life of converters in both SMS – I and SMS – II which brought down the cost of production, thus contributing immensely to the profitability of the steel plant.

With this performance, the steel plant, which had entered the net profit made from January 2004, was now able to move into net profit made for every quarter of the financial year 2004-05 and ended the year with an incredible net profit of Rs.1045 crores. This net profit was not only the highest ever in the plant's history but was also much higher than the sum total of profit earned during all the earlier years put together.

Thus, the Rourkela Steel Plant had come up from a level of Rs.3 crores loss per day to a level of 3 crores profit a day, a remarkable recovery achieved in exactly in 3 years.

A very important aspect of this performance was the restoration of confidence in the employees, their ability to break away from the shackles of fear and low performance and a growing belief that there was no limit to their abilities once people start working together like the members of a family.

ACHIEVING A SENSE OF FREEDOM

Today, Rourkela Steel Plant is a transformed place. It boasts of record profits in excess of Rupees one thousand crore per year. But the real achievement is perhaps elsewhere. For example, the employees have developed a quiet confidence while working for the steel plant which can be described somewhat like this:

- ◆ The uncertainties of the future are now a thing of the past
- ◆ The ignominy of belonging to a loss-making plant with no future has now made way for pride
- ◆ The fear of disruptive elements who held the future to ransom has disappeared
- ◆ Lack of confidence which had become the mindset of employees has waned giving the employees the enthusiasm to work
- ◆ The identity of Rourkela Steel Plant and the respect it has started receiving from all around gives a sense of pride to the employees
- ◆ Interference from outsiders, whether politicians or bureaucrats, is not there
- ◆ Establishment of a sense of dignity in working as equals in the progress and prosperity of the steel plant
- ◆ A feeling among employees that Rourkela Steel Plant is one big family where employees are employees and not executives or non-executives
- ◆ Most importantly, with the kind of transformation that has taken place against all odds, there is a confidence that Rourkela Steel Plant has built up inner strengths for securing its future

MAKING ROURKELA STEEL CITY "A BEST PLACE TO LIVE"

It began with my reinforcing the Annual Vanamahotsav which involved our school children, followed soon by revival of rose and chrysanthemum show, boating facilities and toy train in the Indira Gandhi Park, making the annual horticulture and flower shows more popular and several such steps.

Somewhere along the line, as the steel plant marched ahead on a path of prosperity, the residents of Rourkela (known as "Steel City", and by 2001, labelled as a "Dead City"), started dreaming of renovating the town and rejuvenating life and living.

As a starter, with a view to fighting the menace posed by plastic bags, we launched one of the first campaigns in the state in the year 2003 which was truly unique, when nearly 14000 participants belonging to schools, colleges besides citizens, socio-cultural organizations and employees of RSP formed a human chain stretching more than eight kilometers to create awareness and discouraging the use of plastic and polythene bags. We then banned the use of polythene and plastic bags in all our establishments.

The entire city was given a massive facelift, roads given fresh carpeting, drains rebuilt, chowks made wider in many places, all walls cleansed of all graffiti, etc. Playgrounds and facilities for games and sports were revamped, attracting the sports-loving school and college students to these locations with new enthusiasm.

Rourkela then pioneered "city architecture in steel" by building monuments in welded and painted steel to reinforce the commitment of the steel plant to various social purposes and the vision for the future. Some examples are: water for life at the water supply department, ring of well being at the Ispat General Hospital, steel for harmony dedicated to the citizens of Rourkela at the Birsa Munda chowk, steel for safety at the traffic chowk, steel for prosperity inaugurated by His Excellency the then President of India, Guru-Shishya Sampradaya in Ispat English Medium School, etc. All these were conceived, designed, fabricated and installed from Rourkela Steel Plant's own steel by its own employees. This truly represents the creativity and enthusiasm of the RSP collective who wanted to fulfil their dream of a new prosperous Rourkela.

Amongst many new civic infrastructures that were built in Rourkela during the years 2003-05, the notable ones are: an astro-turf stadium for hockey, a musical fountain, an open air theatre suitable for an audience of 20,000 people, an 800-seat auditorium. Many other existing infrastructures which were in poor shape were completely revamped, such as the Gopabandhu Library, the Civic Centre, the Adarsha Pathagar. The Ispat General Hospital, the second largest hospital in Orissa, with more than 700 beds, was similarly revamped.

In fact, visitors coming from outside acknowledge the change at Rourkela, the cleanliness and greenery that is visible and the fact that from the year 2004, it is easily the cleanest and greenest city in the state of Orissa.

RSP has a dedicated public health department, apart from town engineering and town services Departments, to cater to the sanitation and beautification needs of the township. The steel plant developed an effective system for collection of biodegradable, non-biodegradable and inert wastes. These wastes are disposed of in a systematic and planned manner.

The steel plant also has been pursuing a continual mission to spread the canopy of green in the steel township as well in the adjoining areas. So far it has planted more than 40,34,000 trees since inception. In the last fiscal alone the steel plant has planted around 39,000 trees. RSP has been involving citizens from all walks of life, community neighbours as well as school children in its sustained afforestation campaign. Its efforts have resulted in enhancing the ambience of the steel city and making it a nature lover's delight. It won the "Indira Priyadarshini Brukshamitra Puraskar", from the Ministry of Environment and Forests, in 2005. The same year, it also received the Golden Peacock Award from the World Environment Foundation.

Rourkela industrial township managed by Rourkela Steel Plant has recently been ranked 14th in sanitation and cleanliness, for the year 2009-10, as per a study conducted by Ministry of Urban Development, Government of India. It is noteworthy that no other industrial city in the SAIL family or any city in the state of Orissa has come anywhere close to Rourkela industrial township. The study, which ranks 423 Indian cities, was conducted jointly by AC Nielsen,

Development and Research Services and the Centre for Environment Planning Technology.

A CULTURAL RENAISSANCE

As Chairman of the Bhanja Cultural Trust in Rourkela, which is one of the eminent institutions in the eastern part of the country, I had an insight into the potential for developing cultural activities at Rourkela. While launching the effort by organizing the famous Oriya festival "Kumar Purnima" in October 2002, which was a grand success. I gave the idea of a cultural calendar by virtue of which major festivals of the region and the country would be celebrated by the steel plant with the participation of all the ethnic groups of Rourkela. I am happy to say that this unique concept is rarely seen anywhere in the country. Today, the celebration of cultural events covers Utkal Divas, Baisakhi, Kumar Purnima, Dola Utsav, Makar Utsav, Raja Sankranti, Rabindra Jayanti and many others. These occasions provide the residents of the steel city with a wide spectra of Indian culture, classical music and dance giving them a taste of our rich heritage. Rourkela Steel Plant is also encouraging the Vedvyas Sangeet Nrutyotsav which is held from 1st to 5th November every year. This event brings artists of national and international fame to Rourkela covering every form of dance and music and has come to be a major event which the residents look forward to every year.

LEADING IN CORPORATE SOCIAL RESPONSIBILITY (CSR)

Rourkela Steel Plant started some developmental activities in its peripheral villages in the 1970s. Activities like providing roads, borewells and some health care activities used to be carried out, which were managed by a section of town services department of RSP. The funds for these activities were allocated by SAIL under Peripheral Development.

During 2003, we decided to intensify its Corporate Social Responsibility programmes. A separate department was created to manage the programmes and projects. In order to create a road map for implementation of CSR activities, RSP engaged an expert agency named Society for Rural Industrialisation (SRI) based in Ranchi. After carrying out detailed survey and study of the peripheral area and the people residing there, SRI submitted a report

called SHANKHADHWANI, which provided the direction for implementation of various developmental projects and programmes.

One of the primary suggestions in SHANKHADHWANI was to set up an institute which could be the centre for planning, designing and implementation of RSP's CSR programmes and projects.

With the objective of institutionalizing the activities related to Corporate Social Responsibility (CSR) by RSP, the Institute for Peripheral Development (IPD) was formed. An MOU was entered into with BAIF Development Research Foundation, Pune, to ensure continual professional inputs. The IPD is the nerve centre of RSP's drive on CSR. Indeed, it is one of a handful of such institutes in India.

ACKNOWLEDGEMENTS

The "Experiments in Courage" at Rourkela would not have been successful without the unstinted

enthusiasm of the thousands of employees of Rourkela Steel Plant. I am also thankful to many others who stood by me and had faith in what I was doing. It is not possible to name so many of them here. I salute them all.

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