



COMPANIES: Creative Converting
COUNTRY: United States
ASSESSMENT DATE: 10/20/16
ASSESSOR: Miriam Rodriguez
PRODUCTS: Apparel
NUMBER OF WORKERS: 70

FLA Comments

FLA Comment: The FLA conducted a review of the corrective action plan for this assessment. Despite deadline reminders and extensions for submission of a revised corrective action plan, the FLA has not received a response to its recommended revisions. Therefore, the report is posted in its current state and will be updated once a revised corrective action plan has been submitted to the FLA. Upon receipt (and acceptance) of the CAP for this factory, the comment will be removed and the report will be published with the accepted CAP.

Summary of Code Violations

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

While it is important to note when violations of the FLA Workplace Code of Conduct occur, the purpose of these assessments is not simply to test compliance against a particular benchmark, but rather to develop an understanding of where and how improvements can be made to achieve sustainable compliance. Code of Conduct violations can be found throughout the course of an assessment of the employment and management functions, and are addressed in companies' action plans.

Findings and Action Plans

FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

- 1.The orientation training for new workers is not adequate as it does not cover the FLA Workplace Code of Conduct. The company provided Code orientation by phone shortly before the SCI assessment to prepare for the SCI assessment. Workers are not trained at any time on the FLA Code.
- 2.Orientation does not cover Termination & Retrenchment or Industrial Relations. Additionally, Industrial Relations is not covered at any other time in the employment life cycle.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.2, ER.15.1, and ER.25)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Our customer, Hoffmaster Group, Inc. in its "Hoffmaster Group, Inc. Supplier Code of Conduct: Legal, Ethical. Social and Environmental Standards" does not state training of the FLA Workplace Code of Conduct is required.
2. There are no statutory requirements to train employees on Termination, Retrenchment, or Industrial Relations. Indiana is an "At-Will" employment state and employees are informed of their rights regarding such an employment relationship upon new hire.

Planned completion date

09/08/18

Company Action Plan Update

Complete

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

- 1.The factory does not provide specific training to supervisors on factory policies and procedures with regards to Termination & Retrenchment.
- 2.The factory does not provide specific training to workers or supervisors on Industrial Relations.
- 3.The factory does not provide any ongoing training to workers or supervisors on Retrenchment, Grievance Procedures, or Recruitment, Hiring, and Personnel Development.
- 4.The factory does not provide ongoing training to workers on Workplace Conduct and Discipline or Industrial Relations.
- 5.The factory does not provide specific or ongoing training to supervisors on Compensation.
- 6.At the time of the assessment, Human Resources and Corporate were in the process of evaluating and revising company policies on all the Employment Functions except for Freedom of Association.
- 7.The factory does not provide specific training to supervisors regarding environmental protection.
- 8.The factory has little to no ongoing training for workers using chemicals as a part of their daily routine. There should be bi annual training to raise awareness on chemical risks and safety.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.2, ER.15.2, ER.17.1, ER.17.3, and ER.25; Health, Safety and Environment Benchmark HSE.9)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Supervisor training and development has been added as an employee development segment of the Employee Performance Review for 2016 and forward.
2. Indiana is an "At-Will" employment state and employees are informed of their rights in such an employment relationship and of the complaint resolution procedure upon new hire.
3. Supervisor training and development has been added as an employee development segment of the Employee Performance Review for 2016 and forward. General employee training is planned for the 2017 Calendar Year which would consist of such topics.
4. Supervisor training and development has been added as an employee development segment of the Employee Performance Review for 2016 and forward. General employee training is being planned for the 2017 Calendar Year which would consist of such topics.
5. PPG does not provide specific nor ongoing training to supervisors on Compensation.
6. Human Resources and Corporate are in the process of evaluating and revising company policies on all the Employment Functions.
7. General employee training is planned for the 2017 Calendar Year which would consist of such topics.
8. Employees are trained annually on the OSHA Hazzard Communication requirements.

Planned completion date

09/08/18

Company Action Plan Update

Complete

FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Communication & Worker Involvement (Macro)

Finding Explanation

- 1.Although the factory communicates policies and procedures on Termination, they do not communicate any such policies or procedures on Retrenchment.
- Workers, as a general rule, are not consulted when a layoff is imminent.
- 2.The factory sporadically and inconsistently communicates the hours of work policy and procedures, wages and benefits structures, payment policies and procedures, and updates to the general workforce.
- 3.There is no communication in any regard on Industrial Relations due to a lack of policy and procedures.
- 4.The factory does not communicate its environmental protection policy to the general workforce.
- 5.The factory does not, as a rule, communicate the grievance procedures to the workforce during orientation or any other time.
- 6.The factory only partially communicates Health & Safety procedures to the workforce.

Local Law or Code Requirement

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Precision Products Group, Inc. is an "At-Will" employer and employees are free to leave employment with or without reason and apply for return employment consideration at their discretion. There is no statutory requirement for Retrenchment.
2. Layoff decisions are a major business decision and the necessary parties are consulted.
3. General employee training is planned for the 2017 Calendar Year which would consist of such topics.
4. There are numerous policies relating to Industrial Relations; Equal Employment Opportunity, Employment At-Will, Performance Evaluation System, Compensation Reviews, and the Transfer and Promotion policies to name a few.
5. General employee training is planned for the 2017 Calendar Year which would consist of such topics.
6. The Complaint Resolution Procedure is communicated to newly hired employees during Orientation and the General employee training planned for the 2017 Calendar Year would consist of such topics.
7. Safety & Health policies and procedures are communicated during Orientation and On-Boarding with regular re-training conducted as required by OSHA including during the monthly Safety Committee Meetings.

Planned completion date

09/08/18

Company Action Plan Update

Ongoing

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. Workers hired through the temporary agency do not have a direct relationship with the factory. They are paid through the temp agency. Workers hired through the agency do not receive an orientation or formal training on any of the Employment Functions.
2. For those workers converted to full time workers (there were nine temporary workers converted in the past year out of 45), they do not receive fringe benefits, nor does management respect seniority that is calculated from the first day(s) as a temporary worker at the factory.
3. There is no staff member at the factory that oversees the temporary agency's vigilance in payments. The temporary workers interviewed at the time of the assessment confirmed that all payments had been paid on time per the agreements between the agencies and the factory.
4. The facility does not maintain records for active temporary agency workers assigned to the facility. The temporary labor agency, as the employer of record, maintains the permanent personnel files for workers assigned to the facility.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.6, ER.11.5, and ER.12)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Workers assigned to the work location through a Temporary Agency are employees of the agencies; they are oriented and paid by their employer. This is a permissible business relationship.
2. If workers are hired as Full-Time Regular employees following completion of the temporary assignment are afforded a pay rate in consideration of their time with the company and several benefits are made available upon immediate Full-Time Regular hiring.
3. There is a business relationship with the agencies involving regular communication between the Human Resources Department, the Plant Manager, and the agencies such that work hours are reported to the agency in order to ensure assigned temporary employees are paid per statutory requirements.
4. A recorded list is maintained of active and in-active temporary assigned persons. The employment file is maintained by the Temporary Agency, employer of record.

Planned completion date
09/08/18
Company Action Plan Update
Complete

FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

- 1.The company has no written policy or procedures on Industrial Relations nor do they have any procedures for ensuring Industrial Relations and/or Freedom of Association in the factory.
- 2.The company has no written policy on Environmental Protection, nor written procedures for managing environmental impact within the factory or to its surroundings.
- 3.The company only has written procedures and documentation for Termination, but not for Retrenchment and therefore does not regularly update Retrenchment policies and procedures.
- 4.As no policies or procedures exist for Industrial Relations or Environmental Protection, nor any communication thereof, workers and supervisors are unaware of the person accountable for these code element

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.1, ER.1.2, ER.1.3, ER.31, and ER.32; Health, Safety and Environment Benchmark HSE.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. There are numerous written policies on Industrial Relations ranging from Equal Employment Opportunity and Employment At-Will policy statements to Complaint Resolution, Anti-Harassment and Discrimination, and Paid Time Off. There is no applicable statutory requirement regarding Freedom of Association.
2. An Environmental Policy Statement has been issued, effective 1/12/2017. Policies and procedures are in place for the purchase, use, disposal and training of hazardous materials. Former employees are free to re-apply for employment consideration at their choosing.
3. There are numerous written policies on Industrial Relations ranging from Equal Employment Opportunity and Employment At-Will policy statements to Complaint Resolution, Anti-Harassment and Discrimination, and Paid Time Off. There is an annual plan of training and communication involving employees at all levels.

Planned completion date
09/08/18
Company Action Plan Update
Complete

FINDING NO.6

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

Workers are able to refuse overtime the majority of the year, if they give their supervisors ample notice. However, there are exceptional times throughout the year, such as during peak season (June-July), when management deems overtime necessary and workers are not given the opportunity to refuse. If they refuse, they can be subject to the factory's progressive disciplinary procedures. No worker worked more than 60 hours in one week over the past year.

Local Law or Code Requirement

FLA Workplace Code (Hours of Work Benchmark HOW 8.2; Forced Labor Benchmark F.8)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. While we strive to maintain an environment whereby Over-Time is not necessary there are period where by business demands drive the need for employees to work Over-Time. The assignment of Over-Time, whether voluntary or involuntary, is statutorily permissible.

Planned completion date

09/08/18

Company Action Plan Update

Complete

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

- 1.The factory has not taken proactive steps to reduce repetitive stress associated with factory operations and has not conducted an ergonomics study. Most of the workers undergo repetitive motion in their daily routine operations.
- 2.Workstations are not adjustable. For example, due to the type of machinery used in the straw production and all other operations, most individual workers should have adjustable work stations.
- 3.Material Safety Data Sheets (MSDS) are available to workers but are not maintained in the immediate work areas nor are easily accessible to workers, should there be an electrical outage.
- 4.Two fire extinguishers in the factory area are blocked by various materials.

Local Law or Code Requirement

OSHA 29 CFR 1910.1200(g) and OSHA Publication-OSHA3514; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.2, HSE.6, HSE.10.1, HSE.14, and HSE 17.1)

Recommendations for Immediate Action

Remove blockages from all fire extinguishers. Create a visual inspection system to ensure that the problem does not reoccur.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Additional discussion planned

Planned completion date

09/08/18

FINDING NO.8

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

The mezzanine area has an opening for loading boxes. The chains going across do not meet OSHA standards for fall protection.

Local Law or Code Requirement

OSHA 1926.502 (b)-(e) 29; FLA Workplace Code (Health, Safety and Environment Benchmark HSE.1)

Recommendations for Immediate Action

Ensure that chains used in this area meet OSHA standards for fall protection.

COMPANY ACTION PLANS

Action Plan no 1.

Description

The mezzanine opening meets the OSHA standard for fall protection. This was addressed on the spot.

Planned completion date

09/08/18

Company Action Plan Update

Complete

FINDING NO.9

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

Due to HIPPA regulations, a woman's pregnancy status cannot be publicly revealed. HR is only aware of a woman's pregnancy status if she chooses to tell HR. Therefore, the factory does not identify a woman's pregnancy status on working hours' documentation. However, pregnant workers are fully protected against exposures that could harm her health or that of the unborn child, if she chooses to be identified.

Local Law or Code Requirement

FLA Workplace Code (Hours of Work Benchmark HOW.5)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The policy against Harassment and Discrimination prohibits actions that "has the purpose or effect of creating an intimidating, hostile, or offensive work environment.... interfering with and individuals work performance or otherwise adversely affect an individual's employment opportunities."

Planned completion date

09/08/18

Company Action Plan Update

Complete