A Plant Manager Surveys The Forest of Industrial Safety

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THE MANUFACTURE of insulating building board, acoustic tile and allied products from sugar cane bagasse in Hilo, Hawaii may, to the initiate, seem a distant field from the subject of forestry. The experienced forester and wood-utilization specialist, however, will recognize immediately the corollary in wood pulp and wood-fiber products with sugar cane fiber (bagasse) products.

Volumes could be compiled on the many subjects involved in managing a multimillion dollar insulation board plant. Labor relations, contract negotiations, personnel training and management, purchasing, accounting and office management, public relations of a large corporation in a small community, fire prevention, detection and suppression, sales and top-management liaison are a few of several dozen that could serve as titles for these textbooks.

A trained forester must look for the "keys of reason" in the vast undergrowth of silvicultural problems and wooded mysteries if he will know his business well. This basic thought was one that was to race through my mind many times during the next five years after I arrived in Hilo, Hawaii in September, 1950, to serve as General Manager of the Flintkote Company’s insulation board plant.

My first visit to the plant, which was at night, showed me that there were many areas for improvement and tremendous opportunities to shed the “light of reason” as well as physical illumination. Flintkote had purchased this complex 7-acre factory situated on 26 acres of land in the heart of Hilo’s residential section during April, 1948 from a company largely owned and controlled by residents of the Hawaiian Islands. During the first seventeen years of the plant’s existence (1931 to 1948) prior to Flintkote’s acquisition, the failure to provide new products for new markets, improve quality standards and to progress with the passing parade of business contributed to a general adverse psychological condition of the personnel. The loss of business, due to lack of customer acceptance of the products, resulted in complicating this picture and kept morale low.

From any viewpoint, the entire operation in 1950 not only looked sick, it was SICK. The equipment, building and grounds were in dire need of repair and maintenance. All personnel needed an infusion of business-life adrenalin, “American style” to rejuvenate their capabilities for operating a large industrial plant. Their many diversified talents were latent, having become dormant through lack of physical and mental activity. As a pine seed in an arid seed-bed requires water, all that was needed to cease this quiescence were the waters of courage, initiative, ambition, hope and faith in someone to administer these vital elements and give the employees encouragement with a few examples of their own successes.

As a student of elementary economics, you were taught that the four fundamental factors of production are: (1) Land; (2) Labor; (3) Capital; and (4) Entrepreneurship. To the inexperienced, this academic statement will sound plausible and even have a ring of finality about its actual meaning. The statement is quite true but not complete because in our present world it is not sufficient to assume that these are the only factors of production. The items often forgotten by the careless individual, but always remembered by the level-headed businessman are: safety; quality; housekeeping; and costs. These four are the other essential factors for the production of all types of goods and services. The one listed first takes priority in importance over the other three because without safety the others are useless or might not even exist; and we should never forget this important fact. If we fail to maintain high standards in any one of these, all of which are bound together by a two-way ganglion, we are soon liable to have poor conditions in land, labor, capital and management.

The accident frequency rate for the calendar year ending December, 1948 was 59.2. That is, they had suffered 59.2 lost time accidents per million man hours worked. Considering the fact that frequency rates in excess of 100 were common in the Island sugar mills, the management of the insulation board plant apparently assumed that by comparison their record was good.
The only thing wrong was their gauge of standards. The National Safety Council's records showed that the average accident frequency rate for all American insulation board plants during that same period of time was 9.5. A manager who loses his overall perspective sometimes finds himself in a position similar to the chef who baked horserabbit meat pies and only used one rabbit per horse in his recipe. At the end of two years we had reduced the frequency rate to 9.8. By 1954, after the application of four years of a well-planned program of good housekeeping, fire prevention, maintenance and supervisory on-the-job training, the accident-frequency rate was less than \( \frac{1}{3} \) the national average, or an enviable 2.7. During a portion of that period, i.e. from October 13, 1953 to August 15, 1954 three hundred men worked 306 days without a lost-time accident, in plant where practically all industrial hazards known existed. The hazards included those found in high-pressure steam plants, high-voltage power plants, heavy-duty trucking industry, the pulp and paper industry, machine shop, chemical industry and high-speed sawmill and fabricating machinery, together with many others.

Let us consider the human side of accident prevention and see how important it can be in your life. How would you explain to the mother of a five-year old boy the accident that caused her son to be chopped to pieces in a sugar-cane mill and every bit of his body reduced to a pulp so completely that the electric motor, or the mechanical equipment with which he worked, had a lot more variables than the electric light bulb, and, therefore, will not instruct his body to do the normal, or other liquid on floors, improperly stacked materials, or other poor housekeeping, or obvious unsafe conditions that should be corrected? Have you watched with pride the elimination of these accident hazards by the foreman and on-the-job employees and observed the increased interest and pride they have taken in their jobs with the realization that they have a safer working area? If you have experienced the warm glow of pride from such observations, then you, too, can join the ranks of others who have said, "HALLELUJAH! WE SELL SAFETY!!"

We like to think of the word Management as Management, the handling of man, or a better explanation would be the proper ageing of man, as well as the efficient handling and distribution of materials. The following specific example, though elementary, illustrates this point. When we return home after a day's work, we may sit under a reading lamp that is powered by a 75-watt bulb. As long as the power company furnishes 110 volts and the proper amperage to that bulb and so long as the filament does not burn out, we will continue to receive 75 watts, the rated power of that bulb. The same principle applies to other electrical and mechanical equipment whether it is in an automobile, your house, a hotel or any commercial establishment.

The working man or the working girl, however, has a lot more variables than the electric light bulb, the electric motor, or the mechanical equipment with which we work. One of the fundamental things which should be considered in our associations with people as contrasted to our dealings with mechanical or physical objects, is the factor of safety. The man or woman who reports to work at 7:00 A.M. would normally produce so many units of work in the regular eight-hour working day. But let us suppose he has automobile trouble on the way to work and is late; or let us assume that he has a dispute with his wife or another member of his family before he leaves home. His mind is not in proper condition, and, therefore, will not instruct his body to do the work as efficiently as he would if he had not been perplexed with these problems. His mind is occupied with things other than his specific job and it is im-
possible for him to think clearly with regard to safety, housekeeping, quality, costs and all the other essential factors of production. Is it any wonder that safety directors, insurance men and others throughout the country can prove with factual evidence that many accidents are caused by the improper mental attitude of the worker?

Most of us see dollars and cents signs in a financial statement more clearly than we comprehend the monetary values of emotions or the benevolent returns from charitable or humanitarian acts. Therefore, we desire to list a few ideas that may be helpful to both the students and alumni, the professors and associates and any other person who may not otherwise have pondered this important subject which is so commonplace in our daily lives that it is usually taken for granted.

First of all, let us assume you are a manager of a firm that has an industrial accident which is serious enough to involve many weeks of lost time to the injured employee. The total direct costs of the accident to the company are $5,000.00. The company must pay for all accident costs from stated profits after taxes. Further, let us assume that the company made only $50,000.00 net profit after taxes during the fiscal year in which the accident occurred. You don't need an abacus to show you that ten such accidents would wipe out all profits for that year. Let us take another view of the same hypothetical case. The company manufactures and sells a commodity that brings them a net profit after taxes of $5.00 for each item. This loss from a serious accident means that they would have to sell 1,000 more units to pay for the $5,000.00 accident, or if they were not that progressive or fortunate the firm's net profit would, in reality, be only $45,000.00 for the year.

Then, how to avoid accidents must be one of the most important questions, and its answer some of the most valuable advice that can be given the young industrialist if he is going to stay in business. That is quite true, and remember, the cost of accidents today can bankrupt you as an individual, or as a firm even if you have made arrangements for insurance and other contingencies.

The application of the following four verbs in the field of industrial management will do more than anything else I know to prevent serious accidents. Whenever you approach any new task use them to their fullest extent in the following sequence: (1) Analyze; (2) Organize; (3) Deputize; and (4) Supervise. The chances of an accident occurring when a task is thus handled are very remote. Take any one of these responsibilities away and chaos and trouble begin.

Couple these factors of management with the other four factors of production, namely, Safety, Quality, Housekeeping and Costs, then link them together with a management team that is vitally interested in the physical well-being of all employees and you will see the accident frequency rate drop and with it a parallel drop in severity rate. On the other side of the ledger, you will witness a satisfied group of employees who will perform better for the company, themselves, their families and their communities.

America needs young men who can intelligently tackle safety problems at home, on the highways, in commerce, industry and in the Armed Forces, so please remember, the difference between being safe and not being safe might mean your LIFE.

About the Author

Kenneth W. Sauer is Managing Director of Fiberpane Corporation, El Segundo, California. He was born near Ottumwa, Iowa in 1914 and came to Ames in September, 1932. His curriculum in Forestry was interrupted for two years when he worked for the Lake States Forest Experiment Station in St. Paul and Ely, Minnesota. He received a B.S. in Forestry at Ames in June, 1938 and began working for a company manufacturing insulation board in Mobile, Alabama that same month. He has spent the last twenty-four years in manufacturing and sales and two years in the Navy during World War II, attached to Military Government. One assignment during that period was a forest and lumber resources survey on the Island of Okinawa.

He has been active in industrial and traffic safety and received the first Industrial Safety Award in 1954 from the Territorial Governor, for outstanding achievement in the field of Industrial Safety.