

agers would like to have. And I think this makes sense. We could decide in New York City that they ought to have a report of all the injuries that are occurring throughout every plant of IBM; we could decide in New York that maybe they would like to have accident frequency and severity rates reported to them.

But maybe they wouldn't be a bit interested in them. I think one of the problems facing safety engineers is that most managers have never really been told what accident frequency means, how it should be interpreted, how good a measurement it is.

We must only ask for information from the operating departments that will help us help them do a better safety job. And at the moment the only information we are asking for is this information that pertains to an unsafe condition or a procedure that might exist somewhere else. And this is mandatory, and this responsibility is not to be minimized—information must get out fast to all the plants so that if corrective action is necessary it can be taken. Now I hope that later on somebody will disagree with me on this and we'll have an opportunity to talk some more on it because I feel strongly that as safety people we must operate as staff people, and as staff people we must give our operating departments what they want, not what we think they want.

Harvey: We like to keep our frequency and severity company-wide. Our frequency at the moment is 1.04 and our severity is 208, if you are interested in how we are doing by this system, but I might point out this—we are not all on decision-making levels. In my company, for example, the Industrial Relations Staff has functional supervision of all industrial relations programs.

Tuma: I think that was "what minimum data was needed." I think the minimum data needed at a centralized point is the sufficient data to enable the safety director to convert that information into something that can be presented to management in a form that they can understand. I'm not saying that management needs to have things simplified for them but maybe we can sell our point much better if we can simplify it.

Accident frequency rates, injury frequency rates, severity rates are good and we who are in the safety profession understand them; we can relate them, one with another, but if we are going to sell the top manage-

ment of the company a bill of goods about what is needed and what is accomplished, then we have to convert that to a point where we would have had in the certain plant or a certain division or a certain group—one man injured, if there were so many people, in a certain period of time. Or, if we are talking about automotive accident reports—if I can tell my sales department people that a truck operator may expect to drive at the rate we are having automotive accidents, he may expect to drive 12 years and 7 months before he has an automotive accident, while the passenger car operator may expect to drive 10 years and 9 months without an automotive accident. These figures are arbitrary, of course. Then I think they realize it much more when we say that our rate was so much per hundred thousand or per million miles of travel.

Stuffing: The next question is "How can a safety director of a multi-plant operation utilize the services of an insurance company engineer to the greatest advantage? Additionally, how far can he go in requesting and expecting services which are considered to be more than normal services that the insurance company provides?"

Temple: Our company represents something a little bit different from the four preceding members of the panel in that we have a much more varied products involved—everything from electric motors in the East Coast division of General Dynamics and the Electric Dynamics plant to large aircraft on the West Coast; in the San Diego Division Convair; aircraft again up in Canada; down to the atomic submarines of Electric Boat Company, and our public relations people are not keeping us too well informed, because I had to find out the other day that we now own a plantation down in South America where they take extract from a flower and make it into vanilla—Standard Vanilla. So, we've got everything in the business—I mean in variety.

Now, how can you or I, involved in multi-plant problems relating to safety utilize the services of the insurance company, particularly their safety engineers? In the first place we're going to have to know something about what the broker consummated in the contract with the insurance carrier so that we can keep our requests within line of the contract, although definitely we should get all that the contract is for and most of

us try to get a little more. But, by the same token, we've got to stay within the bounds of reason.

Now, what can we get? Well, in the first place, if the insurance carrier has safety engineers we get consultation services on problems. We can get information on what is going on in other plants, for which they are the carrier. We can get some technical services which may not be available in our own plants or in some plants. We can also get benefits of their suggestions from inspections in the plant. Those inspections should be made very closely with the safety engineer in the plant. The inspections should be made for the purpose of improving the plant safety, as should all inspections. They should not be made for the purpose of putting somebody on the spot, whitewashing some fellow who is not doing a good job—but they should be made for the purpose of helping. And sometimes the safety engineer for the insurance company is roaming around through the plant unescorted, contacting people and making suggestions direct to supervision—this can lead to trouble. Another thing that we can expect of them is efforts toward researching some problem on which we are having trouble or a problem which arises out of a new product.

Another thing which we can expect of our safety engineers from the insurance carrier is that they know something about what the compensation experience is in our divisions. Now, here we run into peculiar problems, because sometimes the claims department and the engineering department of the insurance carrier don't seem to know that the other exists.

I don't know why that should be; I think that is a mistake, but it is a fact. So, with one or two insurance carriers that we have had, we've had to get the claims department and the engineering department acquainted with each other and cross-feed a little information, because there is a definite relation between engineering and claims. We asked the engineers to give us back some information on accident analysis. Sometimes the statistical department of the insurance carrier doesn't have that service, but where they do have that service, they can give you good information back in accident and statistical analysis. Of course some plants are big enough—they can do that for themselves.

Another thing we insist that our insurance

company furnish back to us—now, this may not come from your engineering group; it may come through the claims department of your insurance carrier—and that is to give us full information on the compensation monies spent. This is most especially important to the companies, to the individual division, particularly if you are on retrospective audit basis, in your insurance contracts, where there is a premium return of monies that are not expended. There are many other services which if the insurance carrier engineers and various other functions of that carrier, if they have, can be very valuable to you.

I would suggest one thing—don't ever expect your compensation carrier to team up with you to put pressure on top management, because this can be a fatal mistake. I remember one instance that occurred in one of our divisions where the top safety man in the division teamed up with the insurance carrier to try to get a little bit more support out of management. They tried it in this manner—of making a rather critical report back to the insurance carrier's general offices, which in turn goes through the broker down through the general offices of the corporation, back to the division. Well, obviously this didn't turn out right because when the answer came back to the division and to the safety man and to the insurance carrier, the answer was, "Any time we want the insurance carrier to make a critical report and suggest that management isn't doing its job, we will ask for an appraisal, and until then please hold that information. We don't want it." So this whole thing had a very adverse reaction on the engineer who was involved in the plan as well as the insurance carrier itself. This should never be done, but we can get a lot of help from good engineering service of our insurance carriers and more especially, if they have good engineers.

Parsons: Before I answer this question, I'd like to give you a little information about Carnation Company and the scope of its operation so you will know why we have our present program. We operate 358 plants in the United States and Canada, and 28 foreign plants. The safety organization is organized and directed from our Los Angeles world headquarters. You can see that we have a problem.

Now, to get to answering the question, "How can we utilize the services of our