



## **Injury Analysis for Swedwood Corporation:**

**Danville, VA  
USA**

**Prepared by:**

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Executive Summary: Swedwood workers in Danville Virginia are several times more likely to be seriously injured on the job as others in their industry and are 7 times more likely to have an accident requiring job reassignment. Since Swedwood apparently fails to keep legally required accident reports for all workers at this location it is probable that adding all worker accidents would double these already high accident rates.

While discovering the exact causes for these unsafe conditions is difficult, likely drivers are unreasonable production pressures, poor training, and a “Safety First” message from management that is compromised by large numbers of terminations in those Departments with the highest accident rates.

## The Situation

The Swedwood factory, located in Danville Virginia is an unsafe place to work by almost any measure used for non-fatal injuries. The national Lost Time injury rate for NAICS sector 337122, Non Upholstered Wood Household Furniture Manufactures for 2008 was 1.4 Lost Time injuries for every 100 workers<sup>1</sup>. The rate for full time Swedwood workers in Danville estimated at 5.5 is more than 200% higher than this national average. This rate seems to put Swedwood, Danville in the top 20% of most dangerous worksites in the US for this industry. For the year 2009, the Danville Swedwood rate for Lost Time accidents fell to 2.1 which would still have this operation 50% above the national average and in the highest quartile for dangerous work sites. For the year 2009, a Danville Swedwood worker had greater than 1.5 times the chance of being seriously injured on the job than a worker in the same industry elsewhere in the US.

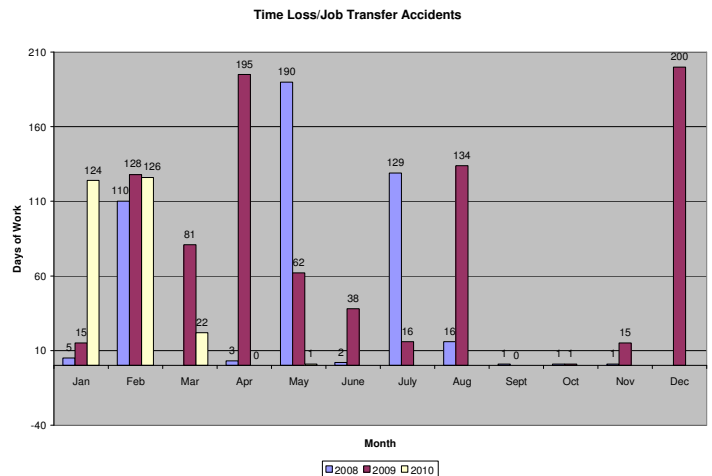
For accidents that required a job transfer, another measure of serious injury, the situation was even worse. The national incidence rate for injuries requiring job transfer for this industry was 2.1 in 2008<sup>2</sup>. The Swedwood rate for Danville for 2008 was 5.9<sup>3</sup>. By 2009 this incidence rate rose to 6.9 and is averaging 10.0 for the first five months of 2010. In 2009, it is likely that a full time Danville Swedwood worker had a job transfer required injury rate 228% higher than the national average.

During the past two years and the 1<sup>st</sup> Qtr of 2010, Swedwood has lost 1,536 days of work

<sup>1</sup> <http://www.bls.gov/iif/oshwc/osh/os/ostb2077.pdf>

<sup>2</sup> <http://www.bls.gov/iif/oshwc/osh/os/ostb2078.pdf>

<sup>3</sup> OSHA Form 300, Swedwood, Danville, LLC



from either lost time or accidents requiring job transfer.

As bad as this is, the situation is actually worse since an additional 30% of the production work force are temporary workers. Apparently in violation of US safety reporting requirements Swedwood, Danville does not record injuries for temporary workers, doing regular production unit work on their site. Interviews with workers suggest that temporary workers are injured at the same or higher rates than regular workers. If this is

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the case then the injury rate in Danville at the Swedwood site could well be another 2 times higher than the national average for lost time serious injuries and many times higher than the national rate for accidents requiring job transfer.

Dept	2008		2009		2010		Total	
	Transfer	Days Lost	Transfer	Days Lost	Transfer	Days Lost	Transfer	Days Lost
MPS	8	1	180	20	0	0	188	21
Band/Board	8	0	180	0	0	0	188	0
Maint	0	0	97	3	0	0	97	3
BOS	77	0	0	0	14	32	91	32
Pack Line	0	9	32	0	53	6	85	15
Packaging	0	0	21	0	8	0	29	0
Print Line	0	209	0	27	10	0	10	236
Saw	0	0	0	0	10	0	10	0

Preliminary data from Swedwood factories in other countries seems to indicate that the safety issue is uniquely a US problem<sup>4</sup>.

### Analysis

The Swedwood operation in Danville is a new operation and by most accounts is state-of-the-art technology. Saws are guarded, Lock-Out/Tag Out (LO/TO) devices in place. Yet many of the injuries are of the type most likely to occur in places where there is inadequate LO/TO equipment or where saws are not guard properly.

Analyzing accidents by Department (see table above) it is unusual to find so few accidents in the areas where saws are in use. Likewise it is relatively rare to have severe injuries in a pack line and print line situation. Interviews with Pack Line and Print Line workers indicate that production pressures from management are very high, perhaps more so than in other areas of the operation. Examples of workers at the head of the Pack line having to run down the line to fix pack issues abound. Likewise many workers cited

poor housekeeping in these portions of the operation. In both MPS and the Print lines workers report regular occurrences of improperly material storage which seems to be contributing to injuries.

It would be interesting to have the accident data by shift to see if practices and protocols on one shift are superior to how those practices and protocols are implemented on other shifts using the exact same equipment.

Workers routinely cite a wide discrepancy in how the shifts are managed. Whether this is the result of different functions or expectations of the various shifts or differences in managerial style can not be determined from the data available.

A union safety committee would of course have access to the data by shift and by supervisor to determine which best practices could be applied across all shifts and which supervisors are clearly not adhering to the "Safety First" motto.

When looking at accident by type (See Appendix 1) the one conclusion is that the majority of accidents seem to be avoidable. Accidents involving fork lift/pedestrian conflicts, falling material, and most

<sup>4</sup> Interviews with workers in Sweden and Poland show accidents rates substantially below the US average.

lacerations can be eliminated with proper safety SOP's. Dedicated berms for stacking material, painted walk ways for pedestrians, and rigorous enforcement of Lock-Out/Tag Out procedures can usually put an end to these types of accidents. Once again interviews with workers confirm that many of these types of things, especially the stacking of material is often last minute and done without a conscious plan.

Yet, state of the art equipment and proper guarding of saws should make this operation one of the safest in the US not potentially the most dangerous.

If in fact the workplace is as safe as any other in the US in terms of technology and mechanical safety protocols what can explain the abnormally high injuries rates?

A number of possible explanations exist.

### **1. Managerial style**

Except a few top management personnel most of the management team is local to the Virginia/North Carolina area. The managerial style described by workers inside Danville is best characterized as "My way or the highway". While this is not in and of itself unique to either Danville or any other region of the country it is an approach that does not foster communication between workers or across shifts.

Management's perception of its workforce was exposed accidentally in the Local newspaper when a Banker not directly connected to Swedwood lamented how Swedwood workers did not have the skills to work in such a work system that requires workers to engage in problem solving. The

article was part of a piece on the need for early childhood education. It was clear that Swedwood management does not see its workers as a valued resource.

The combination of a particular management style coupled with a ruthless termination policy could help explain why this operation is so unsafe. While exact numbers of terminations are not available, Swedwood routinely discharges significant numbers of workers for what would be viewed as minor infractions at other locations. At least 10% of the full-time production workforce has been discharged during the past 12 months. The fear of discharge is an important component in the Danville Swedwood management philosophy and approach. Seeing security or HR escort co-workers out of the building is a clear message that no matter what anyone says, safety is not the top consideration for shift supervisors or some team captains.

### **2. Least Cost Pre-occupation**

IKEA, the owner of Swedwood Industries is one of the most cost focused retailers in the world. There is constant pressure to reduce the costs of production, especially with suppliers, be they contractors, or as is the case with Swedwood in-house providers. In Danville, this drive for cost reduction has taken many forms. Some of these include: mandatory overtime, mandatory week end work with little or no notice, scheduling so as to avoid paying overtime for week ends, a "no fault" attendance policy, and daily production pressure. One Supervisor is reported to have lined up an entire production unit at the start of shift and yelled at them that if they performed as badly this evening as last evening each and every one of them would be fired. None of these workers had control over machine speed, production functions, or product mix.

The drive for lower costs is a natural component of market based production. However there are extremes and the methods to obtain this are varied. The Swedwood approach in Danville, according to workers is so single minded as to outweigh all other concerns including safety. Workers report that they must get permission to lock out a machine before stopping the line. But frequently supervisors are not available so authorization to stop the line can't be obtained. Workers fearful of losing their jobs for inadequate production numbers attempt to keep the line running while trying to solve problems. The inevitable outcomes of these behaviors time and time again are accidents. From the workers perspectives their choice is to work safe and get fired or take what they hope is a small risk of injury and keep their jobs.

In most other Swedwood operations the presence of a collective agreement and a union structure may be the countervailing force to the production-at-all-costs mentality that appears to dominate Swedwood Danville.

### 3. Local culture

Talking to most managers and workers at Swedwood, Danville leaves the impression that each injury is viewed within the context of its own occurrence. The most frequently reported conclusion from safety accident investigation is that the worker was careless. While blaming the victim is not unique to Danville Swedwood, the combination of the Swedwood drive for ever higher levels of production and the managerial perspective that workers are replaceable tends to discourage both honest reporting by workers and objective evaluation by team captains and supervisors. Thus the easy solution is

that each accident tends to get dismissed as a solitary happening.

Not all Departments in Swedwood are equally dangerous yet all Departments however defined suffer from serious injuries. The problem is cultural and across all Departments. The solutions will have to be systematic, culturally based, and across all departments and all shifts as well.

### 4. Race relations

Danville was the last capital of the Confederacy. And even as legal forms of racism are being eliminated, cultural and human relations do not change as quickly. While racial composition of the injured is not available at this time, workers report that workers of color, both African Americans and Latinos are assigned those jobs with the lower pay and the higher production demands. Likewise, the pressure to produce placed on workers of color is reported to be substantially higher than on other workers. This could form a dangerous cycle. Workers of color face higher production pressures, respond to these pressures with fear and create the conditions that result in more injuries.

Based on worker interviews the number of workers of color discharged from Swedwood is much larger than their percentage make-up in the operation. This is a form of racism identified by Gunnar Myrdal in the 1940's. He saw a cycle where whites oppressed blacks, and then pointed to blacks' poor performance as reason for the oppression. In the Swedwood example, the "oppression" takes the form of inadequate training for the job, unrealistic production expectations, wildly different standards and punishments for identical behaviors, and complete de-valuation of family values still held in high

regard by both Latino and African American populations.

The high rate of terminations for people of color overrides all other “work safe” messages delivered by management.

### **Ways Forward**

1. Swedwood must monitor and report all accidents on site. They must be especially attentive to monitoring injuries among temporary workers and non-English speaking workers.
2. An evaluation of all safety protocols must result in standardization of these protocols across all shifts and all Departments. Supervisors who deliver high production numbers but at the cost of high injuries must be re-trained or re-assigned.
3. An injury can not be the start down the path to discharge. Likewise, discharge can not be the first, second, or even third option for workers who have demonstrated success at entry level jobs and then been unable to perform when “promoted” or “demoted” to other jobs or other shifts requiring different skill sets and creating different domestic distractions.
4. Long hours and multi-week work schedules without full weekends off work create fatigue and other distractions which lead to injuries. Family time is extremely important to the majority of the work population in Danville. It obviously isn't to Danville management.
5. The above “fixes” could help reduce accidents. But until workers have a voice in the workplace that enables them to

speaking up without fear of termination honest reporting from workers will be problematic at best. In Danville Swedwood this is not possible as long as workers are in an “at-will” employment situation. Union work sites are routinely safer precisely because workers are free to report all root causes for accidents including managerial decisions and actions.

**Appendix 1: Selected Injuries by type**

Type of Injury	Occurrences	Usual Causes	Potential Solution
Cut on hand	12	<ul style="list-style-type: none"> <li>• Unjamming equipment while running</li> <li>• Blade changes</li> <li>• Tripping sensors</li> </ul>	<ul style="list-style-type: none"> <li>• Shut down equipment or use approved unjamming device</li> <li>• Proper training and PPE's</li> <li>• Shut down equipment, proper training</li> </ul>
Muscle strain	8	<ul style="list-style-type: none"> <li>• Loss of balance</li> <li>• Object too heavy</li> </ul>	<ul style="list-style-type: none"> <li>• Move slower</li> <li>• Buddy lift, lift assist devices</li> <li>• Re-engineering job</li> </ul>
Crushed body parts	7	<ul style="list-style-type: none"> <li>• Falling material</li> <li>• Placing hands into equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Define areas for stacking of materials and set clear protocols for stacking for both method and height, dedicated berms tend to be industry standard</li> <li>• All levels of management must send a clear uncompromising message that "Safety First" applies all the time and discipline procedures must support this. Terminating workers for production problems compromises this message.</li> </ul>
Solvent splash	2	<ul style="list-style-type: none"> <li>• Improper engineered equipment</li> <li>• Inadequate PPE</li> </ul>	<ul style="list-style-type: none"> <li>• Develop guards and containment for haz mat liquids</li> <li>• Provide proper PPE</li> </ul>
Struck by fork lift	2	<ul style="list-style-type: none"> <li>• Lack of dedicated walk ways</li> </ul>	<ul style="list-style-type: none"> <li>• Provide for dedicated walk ways</li> </ul>

Swedwood Injuries by type and Incidence Rate for Industry NAICS 337122

	<i>Swedwood</i>		<i>Incidence Rate</i>		<i>Industry Average</i>		<i>Incident</i>
	<i>Time</i>	<i>Job</i>	<i>Time</i>	<i>Job</i>	<i>Time</i>	<i>Job</i>	<i>Rate</i>
	<i>Lost</i>	<i>Transfer</i>	<i>Lost</i>	<i>Transfer</i>	<i>Lost</i>	<i>Transfer</i>	
2008	15	17	5.5	6.7	1.4		2.1
2009	6	20	2.1	7.9			
2010	3	11	2.7	10			

Data from OSHA Form 300 Log of Work related Injuries and Illnesses and 2008 OSHA annual Reports

Hours and Employee numbers for Swedwood estimated from worker interviews

2010 through first 19 weeks