



# Selling Industrial Hygiene/ Occupational Health to Business Executives

By Dr. Richard D. Fulwiler, CIH, FAIHA

In my position as global director of health and safety at Procter and Gamble (P&G), I occasionally had to address senior company leadership. Once, I chose to talk about competitive advantage and the cost of average performance. Neither of those sound like Industrial Hygiene or Occupational and Environmental Health and Safety (IH/OEHS) topics, but I had to create a link between business practices and IH/OEHS that would resonate with business executives.

## The Business Case for IH

When doing presentations to the C-suite during my tenure, P&G was about a \$30 billion company, while workers' compensation costs for that year were \$11 million, and the profit margin was 5.6 percent. Meanwhile, based on hard data, P&G workers compensation costs were between four and eight times better than its competition. These executives would not be content with hypotheticals. Every number had to be verifiable.

In presentations with the C-suite while at P&G, I would ask my audience to assume that P&G was average therefore our costs would be 6X greater. \$11 million multiplied by six is \$66 million, the amount of workers' compensation that the average in our industry would have to pay. Then I converted the \$66 million workers' compensation costs—an IH/OEHS metric—to Sales Equivalent Dollars—a business metric—using the equation below:

$$\text{SE\$} = \frac{\$ \text{ saved or lost due to injury or illness} \times 100 \text{ percent}}{\text{Profit margin as a percent}}$$

$$\text{SE\$} = \frac{\$66\text{million} \times 100 \text{ percent}}{5.6 \text{ percent}}$$

Therefore, SE\$ = \$1,178,571,400, rounded up to \$1.18 billion. If P&G were average, they would have to sell an additional **\$1.18 billion** to make up for the \$66 million costs.

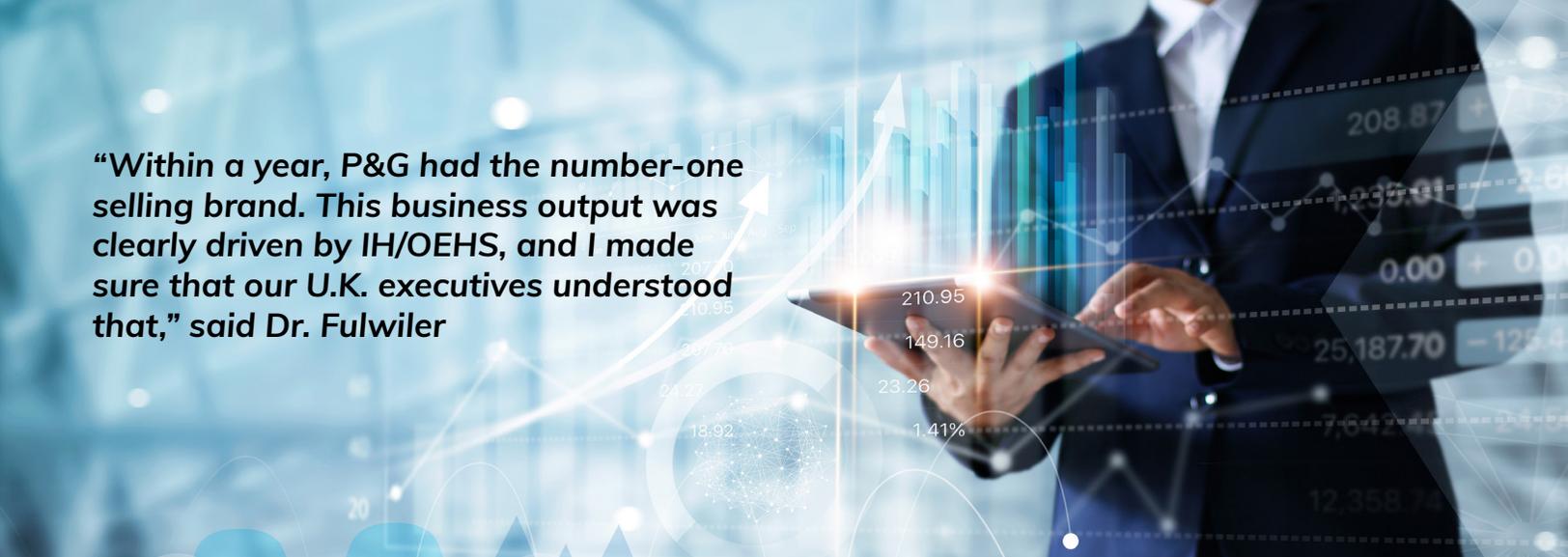
The executives of a \$30 billion business did not really get excited about \$11 million, but they were more interested in the fact that their health and safety program controlled workers' compensation costs at \$11 million, instead of the average of \$66 million their competitors would pay. They got even more interested when they learned they would have had to sell an additional \$1.18 billion to make up for the cost of being average. Speaking these executives' language led them to understand the benefits of a strong health and safety program.

## The Role of IH/OEHS in Enabling Technology

In this case, "technology" does not refer to computer and web-related technology, but to chemicals and industrial processes. When I tell IHS that they are "technology enablers," I often witness "deer in the headlights" looks. I am not sure that it has been properly conveyed to either IHS or senior executives that without IH/OEHS, their enterprise would not be able to handle hazardous chemicals or processes. **For industries such as pharmaceuticals, foundries, construction, automobiles, heavy equipment manufacturing, nanotechnology, and fracking, it is impossible not to rely on the input of an IH/OEHS when doing business.** Therefore IH/OEHS is a technology-enabling profession.

## IH/OEHS Professionals Create Innovative Solutions for Healthy Workplaces

For example, the detergent industry in the late 1960s had to remove phosphate, a builder that enhanced performance, from its products, due to it causing eutrophication of streams and ponds. The industry decided to replace phosphates with enzymes but discovered that exposures to enzyme dust caused occupational asthma and a respiratory allergy.



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I had just joined P&G as an industrial hygienist when this problem was becoming a significant issue for the industry. P&G, the industry leader, had a history of providing a healthy and safe workplace, and took the problem seriously—and they couldn’t afford the negative press that would result from a newspaper running an article about their workers getting sick. The company put together a taskforce comprised of engineering, human resources, occupational medicine, research & development, manufacturing, line workers and industrial hygiene (me) to solve this problem.

The team developed an enzyme hygiene capability system that included interim personal protective equipment, enhanced materials handling and dust control, vacuuming instead of air blowing, chemical dust suppression, medical and environmental monitoring, and employee training. P&G was able to bring this potential problem under control in a short time frame, while some of our competitors could not.

This was especially apparent in England, where at the time P&G owned the second-best selling brand and a competitor occupied the bestseller spot. All the manufacturing unions in England banned together and refused to handle enzymes until controls were in place. A team from P&G made a quick trip to England to lead the installation of the enzyme hygiene capability system, within the interim installation of a strict PPE regimen. With this system in place, the unions agreed to continue to handle enzymes. Meanwhile, our major competitor had to take enzymes out of their product.

## **A Success Story: IH Professionals behind Increased Profits**

Within a year, P&G had the number-one selling brand. This business output was clearly driven by IH/OEHS, and I made sure that our UK executives understood that. The value and importance of industrial hygiene improved because it was a critical factor in enabling P&G to use the enzyme technology, which our competitors could not use, giving P&G an edge in performance and marketing. This was the birth of IH/OEHS as a technology-enabling profession. Similar scenarios played out several more times as key chemical technologies were implemented that required special industrial hygiene treatment to be handled safely, preserving the health of our employees and the reputation of our brands.

Most industries have hazardous chemical technologies or processes that could not be handled safely without IH/OEHS. IH/OES professionals offer a critical contribution and value to businesses, which makes the case for entrenching IH/OEHS as a core value in the business world.



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