

## CHANGES IN RESPONSIBILITY AND PRODUCTIVITY OF SUPERVISORS THROUGH COMPANY RESTRUCTURING

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The past five years have seen major changes in the logging industry. Company restructuring has been part of these changes and has resulted in a substantial shift in the responsibilities (and the productivity) of the Logging Supervisor.

For NZFP Forests "Company Restructuring" took two main forms:

- (i) The move to total contract logging operations within the Wood Supply Group of NZFP Forests.
- (ii) The internal reorganisation within NZ Forest Products Limited.

### CHANGE TO CONTRACT LOGGING OPERATIONS

The move to contractor based logging operations was not something that just occurred in 1985/86. Contractor logging had been part of NZFP operations since the early 1960s and by the mid 1980s accounted for 50% of the clearfall production and 100% of the thinning volume. 1985/86 saw the conversion of the last of the company crews to contract and with it the change in the numbers and responsibilities of supervisors.

Based on the figures shown in Table 1, supervisor productivity, as measured by the number of crews per supervisor, has increased some 15% since 1985. This however is only part of the story as the move to total contractor logging has resulted in a substantial change in the supervisor's duties and extended their levels of performance.

### SUPERVISION OF COMPANY LOGGING OPERATIONS

The logging supervisor of company crews was involved in all four functions of general management:

- Planning
- Organising
- Leadership
- Control

In 1985 60% of the NZFP company crews were involved in cable operations, so planning effort took up a great deal of the supervisor's time. Areas had to be walked, dump and road conditions checked out and boundaries viewed. The degree to which this was necessary was as dependent on the skills and personality of the gang foreman as much as those of the supervisor.

Table 1

|                    | 1985      |             | 1990      |             |
|--------------------|-----------|-------------|-----------|-------------|
|                    | Crews     | Supervisors | Crews     | Supervisors |
| Company Crews      | 12        | 3           |           |             |
| Contract Clearfall | 16        | 3           | 28        | 4           |
| Thinnings          | 56        | 7           | 48        | 5           |
| Loading            |           |             |           | 1           |
| <b>Total</b>       | <b>84</b> | <b>13</b>   | <b>76</b> | <b>10</b>   |

(In 1985 Loading was part of the Logging supervisors responsibilities. By 1990 loading had been split out as a separate function).

The organisation of the day-to-day operation, with the supply of provisions, co-ordination of machines, seeking repairs or replacements when breakdowns occurred and generally keeping the crew working was the major supervisory function. Negotiations over the factors affecting the gang "bonus" often took up an inordinate amount of time.

With company crews, the supervisor represented the employer and was therefore responsible for directing and controlling the employees to meet the requirements of the job and for meeting all the obligations in relation to the terms of employment.

The amount of leadership and control that the supervisor was able to exhibit was often restricted by the union rules and dictates within which he had to work. The early 1980s were a time of considerable industrial unrest and management actions, especially when they involved "change", were sometimes intensely resisted. Certainly the capacity to discipline, or to reward, was restricted and in this environment the ability of the supervisor to control his operation was limited and usually depended on whether his Mana was stronger than the union directions.

### **SUPERVISION OF CONTRACT LOGGING OPERATIONS**

With the move to total contract operations there has been a reduction in the direct organising and leadership duties of the logging supervisor and his job has altered from control of operations to control of output. The prime contractor has taken on the responsibilities of the employer and the responsibility for maintaining his operation to produce the logs as required. The logging supervisor no longer has to negotiate with the union, only with the contractor. He is concerned primarily with directing and instructing the contractor to ensure that the terms and conditions of the contract and of the work specifications are being met.

Often these days some of the planning function is carried out by specialist forest engineers. However the planning process will remain an important part of the logging supervisor's functions and will increase in significance as the importance of environmental considerations grows. He will need to be aware of tools like those incorporated in the Forest Code of Practice and to use them, in conjunction with the contractor to ensure that the environmental guidelines of the operation are met. Day-to-day monitoring of the operation is necessary to make sure that the contractor is meeting the standards set down by the forest owner and the regulatory authorities.

The degree of control of the contract operation which is exercised by the logging supervisor is an extremely complex question and one that the forest owners, the Inland Revenue Department and the Department of Labour all have differing views. The logging supervisor has a responsibility to ensure that the contractor performs within the laws and rules applying to the operation (both legislated and internal). He must also ensure that the products of that operation meet the specifications and quantities required. There is usually no "open market" for logs in New Zealand. Most logging contractors provide a service to produce logs. The logging supervisor must be able to exercise control to the extent that it affects the log types and quantities produced by that service.

### **CHANGES TO THE MARKET PLACE**

The internal restructuring of NZ Forest Products into separate operating units (of which NZFP Forests is one) reflected a change throughout the whole industry, ie the revolution within the market place. No longer did the Wood Supply Group within NZFP Forests have only two or three very captive markets for its products. The number of customers, the range of log cuts and the demands to meet the log specifications all increased logarithmically, which meant increases also in the responsibilities of the logging supervisor.

Coupled with this was the change in the forest resource itself. In the early 1980s clearfall logging in Kinleith Forest was predominantly carried out in "untreated" first crop, supplying random length products to the company sawmills and pulpmills, with the only fixed length cutting being required for the plywood and export markets. Today the logging supervisor is faced with supplying a wide range of consistent, uniform products from an increasingly variable second crop resource.

NZFP Forests now supplies over 50 different log cuts to more than 30 customers. The present day logging supervisor must be knowledgeable about the specifications and tolerances for all those log grades. He must be particularly aware of the demands of the customer and the cost of not meeting their specifications.

Not only has the number of grades and customers altered but so to has the frequency with which these change. The term "market driven logging" has been used to describe the frequent changes in cutting instruction to the contract crews, with the associated shifting within or between stands to meet specific log requirements. This has put more pressure on the supervisor to provide timely and accurate information to the woodflow planners. It is essential that he knows the potential of the stands being worked and ensures that the maximum value is being cut. Knowledge of the resource has become a far more critical aspect of the supervisors armoury.

The changes in the market place have had a more direct effect on the logging supervisor's responsibilities than the change to contractor logging, although that shift has facilitated greatly the ability to respond to customer demands.

### **THE FUTURE LOGGING SUPERVISOR**

In the past, logging supervisors have often come from the promotion of company loggers, more than from the employment of staff with specific educational logging qualifications. Selection was usually based on job experience, leadership ability, attitude and sometimes length of

service. There was a lack of appropriate educational courses for logging supervisors (the need for which has now been met, in part, by the courses of the Polytechnics and Canterbury University). It was also believed that the logging supervisor had to be as expert at the practical aspects of logging as the crew. Now, with contract logging operations the contractor has taken the responsibility for how the job is carried out.

The skills required by the future logging supervisor will include:

(i) **People Skills**

Despite the separation of the logging supervisor from the requirements of operational control, people skills will remain the most important attribute of a logging supervisor (and the most difficult to obtain without "experience"). Communication, negotiation and motivation skills will all be an essential part of his repertoire as the supervisor attempts to achieve his objectives not by direct control of the operation but indirectly through the use of other people's skills and efforts.

(ii) **Skills in Planning**

As the logging effort moves from the comparatively "safe" Pumice Plateau, to the more environmentally sensitive forests of the North, East and South, the need for improved planning skills will become paramount. The "try and see" techniques for planning will no longer be appropriate. Associated will be a need for greater mathematical expertise.

(iii) **Technical Expertise**

While the practical expertise of the logging supervisor may be of less importance with contractor logging, a solid technical base will still be necessary to enable evaluation of the options available during the planning process and to assess current operations. The logging supervisor will require a broad overview of the entire wood supply system, from stump to mill.

(iv) **Skills in Information Management**

The logging supervisor will not need to be a computer programmer but he must know how to use the appropriate information systems available to him. This may only involve providing information for other data entry systems, or may include use of any of the many application programmes available to aid planning and analysis of the mass of information on which he must base his decisions. Keyboard skills will be a distinct advantage.

**CONCLUSIONS**

The move to contract logging has led to suggestions that the logging supervisor of the future may no longer be required; that the interests of the company can be met by employment of a "contract administrator" and penalty systems designed to ensure that the contract specifications are being satisfied. Under a totally "free market" log sale system this may be possible. However in the New Zealand situation, where the forest owner controls the sale and distribution of the logs, logging operations must be able to respond rapidly to market requirements while remaining environmentally sensitive. This reinforces the need for logging supervisors who are well educated, technically qualified and have the necessary people management skills.