

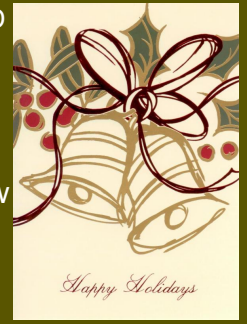


## Proactive Technologies News

HAPPY HOLIDAYS TO YOU, YOUR FAMILY AND  
STAFF FROM THE STAFF OF

**PROACTIVE TECHNOLOGIES, INC.!**

Best Wishes for a Bright and Prosperous New  
Year!



### **Proactive Technologies Significant Discount Offer Announced in November Still Open Until December 15, 2016!**

**Free "No-Risk" Consultation Session Added - Witness Approach  
for Your Specific Job Classification Before You Decide**  
*by Proactive Technologies, Inc. Staff*

Proactive Technologies Inc. is extending a generous discount offer to manufacturing employers through December 15, 2016! It is our way to reach out to employers - **both returning clients (mostly disrupted by the Crash of 2008)** and **newly introduced contacts** - with interest in exploring the power and benefits of a structured on-the-job training infrastructure, but may have been held back by budget realities.

Recently notices were emailed regarding this offer. Former clients received specific information describing, in brief, "where we left off" with their project, suggesting that they contact us to learn what little needs to be done to update and implement their program. This [accelerated transfer of expertise™](#) approach is a tremendous offer without the discount, but with it can help any employer train the skilled workers they need and realize an increase in worker capacity, work quantity and quality and compliance while reducing the internal costs of training. New-hires and incumbent workers are driven to full job mastery and higher levels of return on worker investment (ROWI).

In the event that anyone needed one more way (i.e. in addition to live online presentations, onsite presentations) to gather enough information to decide on whether to move forward with structured on-the-job training to boost their training strategy, we thought of an idea that might help them decide. **Read More - [The Free Briefing Session and Turnkey Package Offers for Prospective Manufacturing Organizations and Returning Clients](#)**

#### **Proactive Technologies' Publications Archive**

View pdf version, past newsletter articles and more in the [Proactive Technologies Inc. News & Publications](#).

#### **In This Issue**

[Proactive Technologies News](#)

#### **Understanding the Important Difference Between Classroom, Online and On-The-Job Training: Knowing the Difference Can Save Your Organization Time, Money and Disappointment**

*by Dean Prigelmeier, President of Proactive Technologies, Inc.*



In the November, 2016 issue of Proactive Technologies Report article entitled, "[10 Reasons Structured On-The-Job](#)

[Industry News](#)

[Financial News](#)

[International News](#)

[International Trade News](#)

[Education and Workforce](#)

[Development News](#)

[Training and Organizational](#)

[Development News](#)

[HR News](#)

[Environmental, Health &](#)

[Safety News](#)

## Live Online Presentation Schedule - Free

If interested in attending one of the presentations below, click on the title, then select a date/time and press "Send." An online presentation invitation and link will be sent to you. On the date and time of the event, just click on link in email invitation and it will connect you to the presentation. **No special equipment required.**

[Click here](#) for descriptions of all of the available presentations. Click on a specific title for that specific description and schedule or to schedule a date and time that works for you.

**APPLIES TO ANY ORGANIZATION (Recorded - Available Any Time):**

[PTIpromo - A Preview of an Upcoming Presentation](#)  
(13 minutes)

**FOR FORMER EMPLOYER CLIENTS:**

[PTI1001 - MA, OH, PA and SC Former Client Employers - Restart Your Organization's PROTECH® Training Infrastructure](#)  
(45 minutes)

**FOR ANY EMPLOYER:**

[PTI1002 - Building an Effective Worker Training/Apprenticeship System - Registered or Not](#)  
(45 minutes)

[PTI1004 - If You Can't Find Skilled Workers, Develop Your Own](#)  
(45 minutes)

[PTI1007 - Structured On-the-Job Training Supports ISO/AS/TS Process Training Requirement Compliance](#)  
(45 minutes)

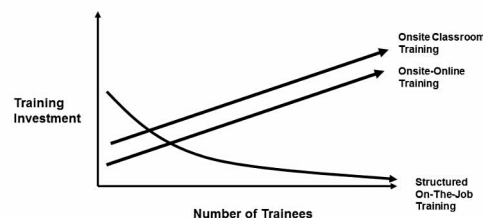
[PTI1008 - Preparing your Workers](#)

[Training is a Vital and Necessary System for Any Organization](#)" I laid out 10 very important reasons employers should seriously consider adding structured on-the-job training to their worker development strategy. This is based on the supposition that everyone's definition of "on-the-job training" is similar if not the same, the difference between "structured" and "unstructured" on-the-job training is clear and recognized, and the vast difference between true structured on-the-job training and "classroom" or "online" learning is unquestioned. It also needs to be understood that structured on-the-job training is not interchangeable with classroom and online learning, but rather the "capstone" of applying core skills developed from the latter into mastering units of work for which an employer is willing to pay wages.

*Still, if the collective content of all of the classes offered were effective alone in developing the workforce, why after 30 years do we still have a "growing skill gap?" Ask any graduate what percentage of their 2 or 4-year education they use in the job and you will hear 10%, 20%...maybe more in highly structured disciplines such as law, medicine and engineering. Obviously something more is needed. For most, education is a foundation upon which to build (through training received on the job) higher order skills and master tasks that need to be done...if that training is available and deliberate.*

There aren't many jobs available recruiting people who have taken classes, or a lot of classes, as if that is where value lies. If one finds a job like this it is because the employer believes, legitimately or mistakenly, it has a strategy to cultivate those core skills into the performance of work tasks. A task is recognizable by a beginning point, and ending point and a series of steps that, when performed in the right order to the right specification, result in a recognizable and desired outcome. No employer hires people and pays them wages for "being good at math," "reading exceptionally well," being aware of safety rules." Rather they are hoping those skills are current enough, and apply directly enough, to tasks that need to be mastered and work the needs to be done.

To understand the importance of structured on-the-job training, it is important to differentiate between the three main types of learning in the workplace: classroom, online and on-the-job training. Classroom and online learning are pretty well understood as useful delivery methods in developing core skills that will be utilized later in mastering tasks they will be taught on-the-job and required to perform as the main reason for employment. However that is in no way a guarantee that either online learning and classroom learning - alone or combined - leads to mastery performance of a task without proper task training on how to



**Structured On-The-Job Training's Decreasing Cost Per Trainee**

- Advantage for Employers Experiencing High Turnover, Rapid Hiring, Cross-Training
- Structures the Informal, Unstructured On-The-Job Training Going On Anyway
- Keeps Worker Development Costs Low, Return on Worker Investment High

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apply those core skills in the performance of a unit of work; the task. If fact, if not correctly selected for [job relevance](#) (as opposed to industry acceptance), online and classroom cores skills may have little impact on task performance and these core skills usually dissipate quickly without immediate and repetitive usage. [Read More](#)

[for Growth: Using Lulls Before Growth to Increase Your Worker's Capacity](#)  
(45 minutes)

**FOR EDUCATION, WORKFORCE AND ECONOMIC DEVELOPMENT ORGANIZATIONS**

[PTI1003 - Adding Employer-Specific Structured OJT to Your Training Support Strategy\(45 minutes\)](#)

[PTI1005 - Adding Structured On-the-Job Training to Your Apprenticeships](#)  
(45 minutes)

[PTI1006 - Building a Regional Workforce Development Infrastructure: Employer-Specific for Maximum Effectiveness and Lowest Investment](#)  
(45 minutes)

If you would like more information or would like to discuss these presentations or anything else, click [here](#) and fill in the "Contact Us" with your request including information specifying an alternative date/time you prefer and how many will be attending. An invitation and link will be sent to you.



**UPCOMING EVENTS**

**Onsite and Group Presentations**

Onsite and group presentations are being scheduled for the following states in the month of:

**December**

**Kansas (Kansas City, Lawrence and Topeka)**

**Missouri (Kansas City and Columbia)**

**North Carolina (Ashland and Western Area)**

**Ohio (North-Central, Northeast and Eastern Area)**

**Pennsylvania (Pittsburgh and Western Area)**

**South Carolina (UpState and Charleston Area)**

**Watch your email inbox for dates if you live in these areas.**

**[Contact Us](#) to express your interest in an onsite or group**

**Retiring Workers and the Tragic Loss of Intellectual Property and Value**

by Stacey Lett, Regional Manager - Eastern U.S. - Proactive Technologies, Inc.



The warnings went out over two decades ago. Baby Boomers were soon to retire, taking their accumulated expertise - locked in their brains - with them. But very little was done to address this problem. Call it complacency, lack of awareness of the emerging problem, preoccupation with quarterly performance, disinterest or disbelief, very few companies took action and the Crash of 2008 disrupted any meager efforts that were underway.

According to Steve Minter in an IndustryWeek Magazine article on April 10, 2012, "Only 17% of organizations said they had developed processes to capture institutional memory/organizational knowledge from employees close to retirement." Who is going to train their replacements once they are gone? Would the learning curve of replacement workers be as long and costly, repeating the same learning mistakes, as the retiree's learning curve? Would operations be disrupted and, if so, to what level?

*"In our new "outsourcing nation," a widely held belief is that employees are simply costs to be cut and not assets to be valued." .... "Manufacturing faces a two-sided problem: it not only has thousands of people retiring, but it does not have the training programs to train skilled workers to replace them."*

A Strategy to Capture Tribal Knowledge  
IndustryWeek- Michael Collins 5-23-16

In the last few years, it seems an alternative to the concentration of expertise in a few subject matter experts has become to use lower-wage temporary or contract workers who specialize in smaller quantities of processes, and who can be "traded-out" with a minimum amount of disruption. History will tell us just how costly that approach was and if anything was learned. [Read More](#)

**Can't Find They Right Workers? Why Not Train Workers To Your Own To Specification?**

Dean Prigelmeier, President of Proactive Technologies, Inc.

According to a recent report by Career Builder.com, more than half of the employers surveyed could not find qualified candidates: 71% - Information-Technology specialists, 70% - Engineers, 66% - Managers, 56% - Healthcare and other specialists, 52% - Financial Operations personnel. According to the National Federation of Independent Businesses, nearly half of small and mid-size employers said they can find few or no "qualified applicants" for recent openings. And anecdotal evidence from manufacturing firms echoes the same challenge with specialty manufacturing jobs such as maintenance, NC machining and technical support positions. This, in large part, can be attributed to the upheaval caused by the Great Crash of 2008 and the following disruption of several million careers. Sidelined workers saw the erosion of their skill bases while waiting years for an economic recovery that, for many, has not reached them yet.

However, many or most of these workers can be "reskilled" or "upskilled" for the current workforce. The solution lies not in waiting for the labor market to magically produce the needed qualified candidates, but rather in each company investing a little to build their own internal system of structured on-the job training. With such an infrastructure, any candidate with strong core skills can be trained quickly and accurately to any employer's specifications. Furthermore, a strong training infrastructure has factored into it methods of acceptable basic core skill remediation when the benefit outweighs the cost.

No matter how you examine it, an employer is responsible for training



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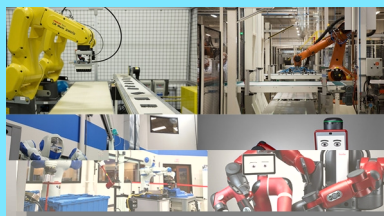


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workers to perform the essential and unique tasks of the job for which they were hired. It is not economically feasible or practical for education systems to focus this sharply. Waiting for them to do so or allowing it to happen by osmosis is risky and costly for the employer, since every hour that passes is one more hour of wage for unproductive output. Add to that the hourly wage rate of the informal on-the-job training mentor/trainer efforts multiplied by the number of trainees and this becomes a substantial cost that should attract any manager's attention.

Investment in a formal, deliberate structured on-the-job training system will cut internal costs of training substantially, raise each person's worker capacity to where it is expected to be, improve output quality and quantity, and raise worker compliance - to processes, to quality standards and safety mandates. It simply makes business sense.

For more information, [click here](#) or attend one of the scheduled presentations.

## Industry News

### **Koch Brothers Build Biofuel Giant Aided by Mandates They Abhor**

*Bloomberg*

The Koch brothers entered a business built around a law requiring refiners to use a specific amount of renewable fuel in every gallon of gasoline for one simple reason: They could make money.



Jeremy Bezdek admits that the proposal he made to his bosses at Koch Industries Inc. sounded like a career killer.

Back in 2010, the oil-refining executive urged Charles and David Koch to expand into renewable fuels, an ailing industry created by the kind of government mandates the billionaire brothers have spent part of their fortunes trying unsuccessfully to overturn. Today, Koch is the fifth-largest U.S. ethanol producer and in August opened a \$100 million plant that makes biodiesel. [Read Article](#)

### **Trump Painted Bleak Jobs Picture; Now Can He Deliver on Promises?**

*Bloomberg*

Donald Trump's dark views of a crumbling U.S. economy resonated with an overlooked part of the electorate. Making it great again may prove easier to promise than deliver.



Tapping into pent-up frustration over low wage growth and trade-related job losses, Trump emerged victorious in a tight presidential race with appeals to voters who felt left out of an expansion currently in its eighth year. The Republican's task now is to steer an economy with clear shortcomings, but one that's hardly the disaster he characterized during the campaign. [Read Article](#)

### **Where American Manufacturing Still Makes Sense**

*Bloomberg View*

For almost a century, life in Alexander City, Alabama, revolved around Russell Corp. The athletic-wear maker was headquartered in the town of 15,000, and employed 7,200 people there.



"I became mayor in 1996, and all the mayor of Alex City had to do was please Russell, to be honest," recalled Don McClellan when I visited last Tuesday. [Read Article](#)

company's performance.

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## Boeing's Retiring Boomers Underscore US Manufacturing Plight

*Bloomberg*

John Rothery said his goodbyes, handed in his badge and walked away from Boeing Co. (IW 500/9). He had worked on almost every commercial jet model over four decades, from a 707 bristling with military radar in the late 1970s to today's sleek 787 Dreamliner.



The date, Oct. 3, had been circled on Rothery's calendar for more than a year. It was the last time that Boeing would bump up pension pay for Seattle-area factory workers before it froze the plan at month's end, provisions dictated by a deeply unpopular 2014 contract extension. For Rothery, it was the final straw. [Read Article](#)

## Arconic's First Big Deal is a \$1B Airbus Contract

*American Machinist - Robert Brooks*

Recently launched manufacturing giant Arconic reports a new, multi-year contract with Airbus that it values at approximately \$1 billion, to supply aluminum sheet and plate products for multiple commercial aircraft programs. The deal, the full terms of which were not released, goes into effect in January 2017, and establishes Arconic as the sole supplier to Airbus for specific applications, including some wing, fuselage, and structural components. [Read Article](#)



## Pratt & Whitney Engines in Demand for Chinese Carriers

*American Machinist - Robert Brooks*

The IAE V2500 is a two-shaft high-bypass turbofan engine built by the International Aero Engines consortium, which includes Pratt & Whitney, Pratt & Whitney Aero Engines International GmbH, Japanese Aero Engines Corporation, and MTU Aero Engines GmbH.



Pratt & Whitney will come away from this week's Air Show China in Zhuhai, Guangdong, with about \$800 million worth of orders for its V2500 turbofan jet engines, to be installed in Airbus A320neo aircraft for two airlines. Air China selected the V2500 to power 18 A320neo family aircraft, and Shenzhen Airlines chose the V2500 engine to power 13 A320neo jets. [Read Article](#)

## UAW President on Trump: 'We're Going to Find Some Common Ground'

*Agence France-Presse*

"I think his position on trade is right on. I'm prepared to talk about that," said Dennis Williams.



The United Auto Workers, which campaigned to defeat Donald Trump throughout 2016, said Thursday that it is looking forward to working with the US President-elect to reshape trade policy and other issues.

"We're going to find some common ground," UAW President Dennis Williams told reporters during a post-election roundtable at the headquarters of the country's main union for the auto industry. [Read Article](#)

## Lockheed CEO Stresses Strong Defense-Industrial Base

*American Machinist - Robert Brooks*

The F-35 is a stealth-enabled, single-engine aircraft in development for more than a decade, and now in use by the U.S. Marine Corps and U.S. Air Force. The U.S. Navy, and the U.K. Royal Air Force, as well as defense ministries in several NATO and other Allied nations also will deploy the fighters in the future, but it remains under close scrutiny for its development costs - reportedly up to



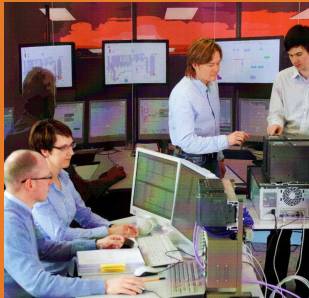
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\$100 million per aircraft.

Against a backdrop of anxiety stemming from a revival of some Cold War-era military tensions, plus uncertainty following the U.S. presidential election, and recent controversies concerning the overruns of critical U.S. defense programs, Lockheed Martin chairman Marilyn Hewson spoke to a NATO industry forum to stress the importance of a strong "defense-industrial base." [Read Article](#)

## Cincinnati Focuses on Reindustrialization to Create Prosperity

*IndustryWeek - Michele Nash-Hoff President, ElectroFab*

Last week, I spent two and a half days in Cincinnati, Ohio as the guest of Source Cincinnati, an independent, multi-year national social and media relations initiative that works to enhance perceptions of Cincinnati as a world-class Midwestern region. I met with Julie Calvert, executive director, during my visit, but my personal guide and host was Paul Fox, vice president of Strategic Initiatives at Procter & Gamble and "Executive on Loan" to Source Cincinnati for a year. [Read Article](#)



## Ford, Nissan, Others with Mexico Ties Gird for Trump Aftershocks

*Bloomberg*

Companies with deep ties to Mexico—from Corona beer importer Constellation Brands Inc. to Ford Motor Co.—are reeling after Donald Trump's unexpected election as the 45th U.S. president.



Trump campaigned on vows to build a wall along the southern border, deport millions of Hispanic immigrants, dismantle the North American Free Trade Agreement and ignite a trade war with Mexico. [Read Article](#)

## Swan Machine Inc. Expands Grand Rapids, Minn. Manufacturing Complex

*Area Development News Desk*

A company that specializes in building customized precision-machined components, Swan Machine Inc. plans a \$1.9 million expansion at its manufacturing plant in Grand Rapids, Minnesota.

According to state officials, the firm will add 13,000 square feet of manufacturing space at its Grand Rapids operation to help support and grow the business. The new jobs will be created over the next three years. [Read Article](#)

## Continental Tire the Americas Begins Construction Of Tire Manufacturing Plant Near Clinton, Mississippi

*Area Development News Desk*

Continental Tire the Americas started construction on the company's future commercial vehicle tire manufacturing plant near Clinton, Mississippi. The project represents a \$1.45 billion corporate investment and will create 2,500 jobs. [Read Article](#)

## BMW Drives Third-Quarter Profit into Record Territory

*Agence France-Presse*

FRANKFURT, Germany - German luxury carmaker BMW beat expectations Friday with a new record net profit for the July to September period after selling record numbers of vehicles.



The Munich-based firm said it had made 1.8 billion euros (\$2.0 billion) in net profit, up 15% compared with the 1.6 billion euros it made in the same period in 2015. Analysts surveyed by Factset had predicted net profits would remain stable in the third quarter. [Read Article](#)



## Metric of the Month: Personnel Cost Errors

CFO

*CFO Monthly - David M. Katz*

If CFOs get the personnel cost forecast wrong, the ripple effect is felt throughout the organization.

When forecasting how much a company will need to spend on labor, precision is vital. If CFOs get the personnel cost forecast wrong, the ripple effect is felt throughout the organization. Nobody feels it more than business-unit managers, who must find a way to get the work done when recruitment and staffing allocations don't match up with demand.

Knowing the damage that weak personnel forecasting can do, more CFOs today are saying they hope to use predictive analysis to anticipate fluctuations in customer demand, revenue flows, and related costs over time. But how many CFOs can claim a measure of precision at the moment? [Read Article](#)

## Uncertainty Flares Again for Health Benefits

CFO

*CFO Monthly - David McCann*

Following this week's elections, CFOs are again in the dark about the outlook for the cost, delivery, and quality of company-sponsored health care.

For years after the 2010 enactment of the Affordable Care Act, CFOs were frustrated by uncertainty over how the law would impact costs as its various provisions were rolled out. Repeated and prolonged litigious and legislative battles over the ACA exacerbated the murky outlook.

The anxiety has decreased in recent times as employers' costs associated with the ACA proved lower than many expected, except for those with large numbers of part-time workers. At the same time, growth in the cost of group health care has moderated significantly, although it's highly debatable how much of that can be traced to the ACA's influence. [Read Article](#)

## PBGC Fiscal Year 2016 Annual Report Shows Increasing Deficit in Multiemployer Program



*Pension Benefit Guaranty Corporation*

WASHINGTON - The Pension Benefit Guaranty Corporation today released its Fiscal Year 2016 Annual Report showing the deficit in its multiemployer insurance program rose to \$58.8 billion. The increase was driven by additional multiemployer plans that are expected to run out of money within the next 10 years, and by decreases in interest factors used to value PBGC's liabilities.

PBGC's single-employer insurance program showed improvement; its deficit narrowed from \$24.1 billion, at the end of FY 2015, to \$20.6 billion at the end of FY 2016. This was primarily due to investment and premium income and a low level of plan terminations during the year. [Read Article](#)

## What Explains the Election Results? It's (Still) the Economy

*Huffington Post - Dennis Kelleher, President and CEO of Better Markets*

The number one issue for voters in the 2014 mid-term elections was the economy, by far. Seven in 10 voters said the nation's economy is in bad shape and 78 percent are worried about the economy. Voters who said the economy was important to them voted 2 to 1 for Republicans.

Tellingly, five out of five state ballot measures to increase the minimum wage were all passed, including in the red/semi-red states of Arkansas, Nebraska, South Dakota and Alaska. And, 63 percent of voters said the

## Multinationals Dodged Bullet on 'Earnings Stripping' Rules

CFO Magazine - David M. Katz

Pressed by corporations, Treasury exempted S-corps., banks, and insurers from anti-inversion rules.



Many kinds of U.S. multinational companies, including S-corporations, REITS, and financial services companies apparently dodged a bullet last month when the U.S. Treasury Dept. issued its final, substantially revised rules aimed at curtailing "earnings stripping."

The revised regulation represents an attempt by Treasury to help "narrow the rule and avoid any unintended consequences" of previously proposed regulations, U.S. Treasury Secretary Jacob Lew said in a press release, noting that the department "heard from many U.S. companies that the proposed rules could unduly constrain ordinary business practices." [Read Article](#)

## International News

### German Spy Agency BND to Get its Own Satellite

*DeutscheWelle*

The German Intelligence Services are set to receive their own satellite for monitoring purposes.

Until now, the agency sourced visual data from the German army and US satellites.



German news outlets, including the "Süddeutsche Zeitung," and public broadcasters WDR and NDR on Thursday published reports saying Germany's budget commission had approved a sum for financing a satellite for the express use of the German Intelligence Services (BND). According to estimates, the satellite would cost around 400 million euros (\$435.32 million) and would be ready by 2022. In addition, 400 new employees would be appointed to the agency. [Read Article](#)

### Empowering the 40% of Young Latin Americans Not in Formal Jobs, Education or Training Could Spark New Growth Engines, Says Latest Latin American Economic Outlook



*OECD*

Cartagena, Colombia - Latin America and the Caribbean's (LAC) GDP will shrink by between 0.9% and 1% in 2016, according to the latest estimates, the second consecutive year of negative growth and a rate of contraction the region has not seen since the early 1980s. According to the Latin American Economic Outlook 2017, the region should recover in 2017, but with modest GDP growth of between 1.5% and 2%, below expected growth in advanced economies.

According to the report, jointly produced by the Development Centre of the Organisation for Economic Co-operation and Development (OECD), the United Nations Commission for Latin American and the Caribbean (UN-ECLAC) and the Development Bank for Latin America (CAF), this prolonged economic deceleration could jeopardise the continent's socio-economic progress. Seven million Latin Americans became poor in 2015, and 25 to 30 million vulnerable Latin Americans risk falling back into poverty in the next two years. Although these outcomes are not de-linked from the global economic environment, they also have their own country and regional dynamics. [Read Article](#)



## Scuffles Break Out as Protesters Storm Brazil Congress



BBC

Scuffles broke out in the lower chamber of Brazil's congress as security guards wrestled protesters who broke in calling for a military takeover.

Denouncing government corruption, dozens of demonstrators took over the stage to call for a return to military rule - which Brazil saw from 1964 to 1985.

The smashed a door and surged past guards to enter, as a session was starting in the Chamber of Deputies. [Read Article and Watch Video](#)

## Brazil Corruption Probe: Rio State Ex-governor Cabral Held

BBC

Rio de Janeiro's Governor Sergio Cabral smiles as he visits the site of the construction of a new tunnel to the Transdimpica expressway in Rio de Janeiro, Brazil, on November 08, 2013. Image copyright Getty Images



Sergio Cabral oversaw major construction projects during his time as governor of Rio state

Police in Brazil have arrested a former governor of Rio de Janeiro state, Sergio Cabral.

Police said his arrest was connected to an investigation into allegations that the Rio state government embezzled more than \$64m (£51m) of federal funds aimed for construction projects.

Federal officers searched his home on Thursday. The probe is part of Brazil's wider "Car Wash" corruption inquiry. [Read Article](#)

## Haiti's Delayed Presidential Election Takes Place

BBC

People in Haiti are going to the polls, in an election delayed for more than a year amid allegations of fraud.



The Caribbean nation is voting for a new president and lawmakers in the hope of restoring constitutional order.

The results of the October 2015 vote were thrown out, creating a power vacuum when then-president Michel Martelly's mandate expired in February. [Read Article](#)

## India and Japan Sign Nuclear Deal - A Risky Business?

DeutscheWelle

The leaders of the two countries have signed a civilian nuclear cooperation, allowing exports of crucial Japanese technology to fuel India's growing economy. But concerns remain about India's non-proliferation status.

The Indo-Japanese nuclear deal has been six years in the making, and was officially signed by Japanese Prime Minister Shinzo Abe and his Indian counterpart Narendra Modi in Tokyo on Friday.



India has been admitted to the MTCR in a move seen as further legitimizing its nuclear energy and missile programs. But it is still pushing to join other such regimes regulating nuclear and arms exports and technologies. (27.06.2016)

The deal marks Japan's first nuclear cooperation agreement with a country that is not a signatory to the nuclear non-proliferation treaty (NPT). The NPT is an international treaty meant to prevent the spread of nuclear weapons and arms technologies, while promoting the peaceful use of

nuclear energy. India refuses to sign it, saying it is discriminatory because it defines nuclear-weapons states as those that tested nuclear devices before 1967. [Read Article](#)

## International Trade News

### How to Improve Your Export Strategy

*IndustryWeek - Adrienne Selko*

Each year, U.S. companies export well over \$2 trillion dollars of goods and services to reach the more than 95% of world consumers who live outside the United States.



To help companies either start or expand their exporting business, the U.S. Commercial Service of the U.S. Department of Commerce, produced a video series, Get Ready to Export. [Read Article](#)

### Higher U.S. Rates Will Weaken Emerging-Market Currencies

*CFO - Natasha Lala*

A December rate hike by the FOMC is almost a certainty. Here's how it will affect U.S. profits.



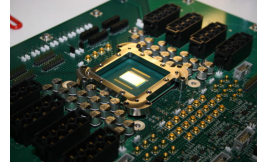
Few things are predictable in finance. Yet almost no one would be surprised by a U.S. interest rate hike in December, especially after the Federal Reserve Open Market Committee noted that inflation expectations and economic growth were finally in the right place.

Such a move would cap a year's worth of indecision, which has greatly influenced the appetite for global currencies. Indeed, as the year progressed and the odds of multiple increases from the FOMC fell, emerging-market currencies like the Brazilian real and South African rand benefited from a higher risk appetite among investors. [Read Article](#)

### Worried About China, the US Pushes for Homegrown Chip Development

*CIO*

The world's fastest computer runs a Chinese chip, and that fact hasn't escaped notice by the U.S. government.



So how does the U.S. government bludgeon the Chinese chip threat? A new U.S. government working group aims to encourage domestic companies to use homegrown chip technology and resist the urge to buy inexpensive Chinese semiconductors. [Read Article](#)

### The Great Manufacturing Employment Challenge

*IndustryWeek - Steve Minter*

The 21st Century has been unkind to U.S. manufacturing workers. In January 2000, there were 17.2 million Americans employed in manufacturing. In January 2016, there were 12.3 million, a workforce about 1.5 million smaller than when the U.S. entered the Great Recession in December 2007. And the questions that have been gnawing at Americans are: Can we do anything about this? And if so, what?



There is a large and well-respected camp that says, in essence, accept the tide of history. Representing this camp, former Secretary of Labor Robert Reich wrote in *Forbes* in May 2009: "We should stop pining after the days when millions of Americans stood along assembly lines and continuously bolted, fit, soldered or clamped what went by. Those days are over." [Read Article](#)

## Trade Deficit in U.S. Narrows to Smallest in More Than a Year

*Bloomberg*

The gap narrowed by 9.9% to \$36.4 billion. The pickup was led by exports of commercial aircraft and artwork that are volatile categories. [Read Article](#)



## Trump is Right on Trade, But He Doesn't Know Why

*IndustryWeek - Andrew R. Thomas*

While offshoring by US manufacturers is often attributed to corporate greed, much of it really is caused by a potent combination of business consolidation and failure to enforce antitrust laws.



Much of what Donald Trump and his many supporters believe about why offshoring has occurred is rooted in the notion of corporate greed. Trump asserts that business leaders chase the cheapest labor wherever it is located to maximize their profits at the expense of higher-paid U.S. workers. He argues that trade agreements like NAFTA and China's entry into the WTO emboldened American firms to abandon costly operations here at home and look for greener pastures abroad. [Read Article](#)

## Ford CEO Warns of Big Impact From Trump's Proposed 35% Tariff

*Bloomberg*

"A tariff like that would be imposed on the entire auto sector and that could have a huge impact on the U.S. economy," said Mark Fields, Ford's CEO. Ford favors "free and fair trade."



President-elect Donald J. Trump's proposal to levy a 35% tariff on cars made in Mexico would hurt the U.S. economy, according to the head of Ford Motor Co. (IW 500/4) -- the target of the future president's tariff talk.

"A tariff like that would be imposed on the entire auto sector and that could have a huge impact on the U.S. economy," Mark Fields, Ford's CEO, told reporters following a speech at the AutoMobility conference in Los Angeles. Ford favors "free and fair trade." [Read Article](#)

## Education and Workforce Development News

### Completing Remedial Courses

*Community College Daily*

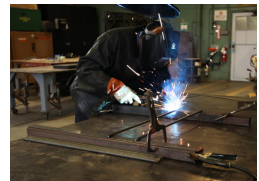
Nearly half of students enrolled in remedial courses at public two-year institutions complete all the remedial courses they attempt. [Read Report](#)



### Accepting Alternatives: Career and Technical Education Should Be Embraced

*Harvard Political Review*

In 2012, San Diego Unified School District officials made a minor addition to the high school graduation requirements: two to four courses in CTE-Career and Technical Education, the 21st century rebranding of "Vocational Education." In response, 100 parents marched in protest and an online petition against the move totaled over 1,300 hundred angry signatures. Within a month, the school officials had removed the requirements. [Read Article](#)





## Trump Victory Jolts Higher Ed

*InsideHigherEd -Scott Jaschik*

Many academic leaders fear the president-elect could scare off foreign students, encourage discord on campuses and promote the anti-intellectualism that won him broad support from non-college-educated males. UPDATE: American Council on Education congratulates president-elect. [Read Article](#)



## A Broad Look at Education, Training

*Community College Daily Staff*

Minorities continue to comprise higher percentages of students earning credentials at private for-profit and nonprofit two-year colleges than at public two-year colleges, a new U.S. Education Department (ED) report shows.



Whites comprised 58 percent of students earning credentials at public two-year colleges in 2014-15, followed by Hispanics/Latinos at 16 percent and blacks/African-Americans at 13 percent. At private, for-profit two-year institutions, the breakdown of students awarded credentials was 45 percent white, 22 percent black/African-American and 11 percent Hispanic/Latino. At for-profit two-year institutions, it is 37 percent white, 25 percent Hispanic/Latino and 24 percent black/African-American.

[Read Study](#)

## Training and Organizational Development News

### Operator Balance: Why Waiting Is the Worst of the Wastes

*IndustryWeek*

Better balanced lines in your manufacturing operations help reduce bottlenecks and reduce wait times.



It has been established from shop floors, to the warehouses, to the lean forums that overproduction or inventory is the worst of the eight lean wastes. While I certainly can't argue these are wastes of a devastating consequence if not kept in check, I would like to challenge the experts.

[Read Article](#)

### How Does the Leader's Lean View (Cost Cutting vs. Strategic Capability Building) Impact a Lean Implementation?

*IndustryWeek - Larry Fast*

QUESTION: Does the view that leaders have of lean, (e.g., tactical cost cutting vs. strategic capability building) impact a lean implementation? If so, how?



ANSWER: After devoting the first three responses to the topic of lean leadership at three levels of the corporate structure, we'll field a new question, this time from another IW reader: "Does the view that leaders have of lean, (e.g., tactical cost cutting vs. strategic capability building) impact a lean implementation? If so, how?"

Great question.....and the answer is an unequivocal YES! [Read Article](#)

### Remedy the Skills Gap with Apprenticeship Programs

*IndustryWeek - Jeremy Diebel, MTU America*

Colleges may be churning out students who know things, but today's job market requires candidates who can do things. Apprenticeship are needed to train them.



While the public is focused on growing jobs in the United States, what's

in dire need of a spotlight is the importance of cultivating a skilled workforce. A 2015 report by the Manufacturing Institute states nearly 3.5 million manufacturing jobs will need to be filled over the next decade and two million are expected to go unfilled due to a major lack of skilled candidates. [Read Article](#)

## Don't Waste Your Metrics - Four Keys to Making Metrics a Better Part of Your Evaluation Process.

*IndustryWeek - Jamie Flinchbaugh, Lean Advisor, Speaker and Author*

Most every company has metrics permeating every meeting, discussion and decision. Metrics are as ubiquitous as email and problem solving and taken for granted to an equal level. Here are some keys to making them work for you.



1. Be consistent and balanced. Bob Smillie, vice president of Nemak who led the organization through its lean transformation after its Ford spin-off, believes in the value of consistency. He states: "We know the culture is catching on and is stable and sustainable because we do not change our objectives year after year. We are currently working on next year's objectives. We only have five, and four of those are a carryover from prior years. No one is confused about what is expected or what he or she should be working on to satisfy what is expected." [Read Article](#)

## HR News

### Michelin's David Stafford: Every Conversation Begins with People

*IndustryWeek - Jill Jusko*

Michelin North America's David Stafford discusses his cross-discipline career path from engineer to human resources leadership, and his "people first" approach. [Read Article](#)



### New OSHA Injury Reporting Rule Delayed, Won't Ban Certain Drug Tests

*MHLnews - David Sparkman*

The Occupational Safety and Health Administration (OSHA) has delayed enforcement of its new injury and illness record-keeping rule to Dec. 1 to try to clear up confusion it created over post-accident drug testing of employees. It also remains possible that court challenges mounted by employer groups could block the rules' implementation before that day rolls around.



Under the rules adopted earlier this year companies in covered industries with more than 250 employees are required to submit their annual injury and illness Forms 300, 300A and 301 electronically. Those electronically-filed reports also will be made public on the Internet for anyone to see-including tort lawyers and labor organizers. [Read Article](#)

### 10 Tips for Employment Law Compliance for Manufacturers

*IndustryWeek - Helene Horn Figman*

Ensuring that your company is legally compliant in its employee relations function is a challenging task, and a critical one.

In the manufacturing world, lawsuits are on the rise for violations of workers' rights. Employers and their HR staff may feel that they have a good handle on what they can and cannot legally do. Yet the world is changing, and changing quickly. Ensuring that your company is legally compliant in its employee relations function is a challenging task, and a critical one. Use these 10 tips to better navigate employment law compliance, ensuring a better work environment for everyone.



1. Avoid discriminatory language in job postings. "Looking for energetic individual...." or "seeking new graduates...." are two examples of discriminatory red flags. Even if "energetic" doesn't directly refer to age, and you may not intend it to imply a desire for younger workers, legally it may not stand up to the Equal Employment Opportunity's 'disparate impact' rule that governs policies that appear to be neutral but exclude protected groups. Keep to the skills you are seeking to attract the type of employee you need. [Read Article](#)

## How to Get Good Quality Workers When You're Hiring in Large Numbers

*IndustryWeek - Sue Bingham, HPWP Consulting*  
Putting together a peer hiring team and asking the right questions during interviews are among the keys to success.



When you're increasing production or expanding your facilities and have to staff a lot of people at once, why not take the opportunity to hire the absolute best?

The U.S. economy has been growing slowly but steadily since the recession of 2008, fueling investments in new construction. If you're one of those moving to expand or build a new plant in order to maximize the productivity and performance of your operation, you must view getting the right people in place as part of a successful expansion strategy. [Read Article](#)

## Environmental, Health & Safety News

### Safety and Quality: 'Must Have' Metrics for Continuous Improvement

*IndustryWeek*

Safety is the one topic everyone can agree on, so it can be a positive driver of behavior and culture change. [Read Article](#)



### SLC 2016: More than 60,000 Workers Per Day Are Harassed or Are the Victims of Workplace Violence

*EHS Today - Adrienne Selko*

With the proliferation of violence everywhere, including the workplace, safety experts need to understand the scope of the issue explained Tracy L. Moon, Jr. and Steven Loewengart of Fisher & Phillips LLP at the Safety Leadership Conference 2016 held recently.



"You didn't think you would have to be dealing with these types of issues, including people threatening to commit suicide," Loewengart told the audience of safety experts. [Read Article](#)

### A Poor Process Safety Culture at Williams Olefins Plant Contributed to the 2013 Explosion that Killed Two Employees

*EHSToday - Sandy Smith*

The Chemical Safety Board (CSB) released its final report into the June 13, 2013, explosion and fire at the Williams Olefins Plant in Geismar, La., which killed two employees.



The report concludes that process safety management program deficiencies at the Williams Geismar facility during the 12 years leading to the incident allowed a type of heat exchanger called a "reboiler" to be unprotected from overpressure, and ultimately rupture, causing the explosion. [Read Article](#)

### OSHA Focuses Enforcement on Amputation Hazards

*EHSToday - Stefanie Valentic*

Fifty-seven percent of the reported workplace





amputations in 2015 occurred in the manufacturing industry, leading OSHA to launch an enforcement initiative in four U.S. states.

The agency announced a "heightened focus" on amputation hazards in Arkansas, Louisiana, Oklahoma and Texas, with a goal to hold more employers responsible and enforce safety regulations. [Read Article](#)

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