



**Proactive Technologies News**

**HAPPY HOLIDAYS!**



**Best wishes for a bright and prosperous new year!**

**Worker Capacity;  
Malperformance Cause-Effect**

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



How often do we stop and ask ourselves **why** a worker is malperforming, under-performing or over-achieving? My guess is far too infrequently. Perhaps it is because of the hectic world we live in, with little time to study things deeper or explore an event closer. Perhaps because some of us feel helpless to do anything to correct it or exploit it (in the case of the over-performer) so we leave it alone. Perhaps the internal experts we rely on for answers lack the proper training themselves (in training program development, implementation, performance measurement) to be helpful.

However, so much of what separates a high performing company from a mediocre or failing company depends on the collective effectiveness of the workforce. And the underlying desire to correct bad task performance, and proactively develop and maintain good task performance to replicate star performers, seems common, logical and ubiquitous.

Generally speaking, when we troubleshoot an error in performance, we would like to get to the cause, such as "operator error," "equipment malfunction," or "flawed material." But this is more like isolating the area in which the error happened. We can troubleshoot a machine or send material to the lab for testing, but often the analytical "tools" to dive deeper into the human factor are lacking or inadequate, and the will of management to devote the time soft. The notion of worker "capacity" is a very useful tool that can help a company be proactive in preventing most of the common employee-related errors.

According to the Business Dictionary, "capacity" (in a manufacturing sense) is defined as, "Highest sustainable output rate (maximum number of units per month, quarter, or year) that can be achieved with current resources, maintenance strategies, product specifications, etc." This is fairly easy to relate to a piece of machinery, a department, or a company. But when applied to a single worker, some loose variables that apply broadly need to be tightened to be useful.

There are several ways a worker can learn to perform. The operator can go through general motions that they saw someone else perform. They can take in the raw information they discover, or are presented, and formulate their own process. These are the most common. Deliberate task-based training is often spotty or non-existent, and is easy to explain away if the infrastructure and tools aren't in place. On the other

**Proactive Technologies,  
Inc.**

has been building and supporting  
job specific, task-based worker  
development programs and metric-  
based solutions for employers  
since 1986

**Proactive Technologies'  
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**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](#)

hand, structured on-the-job training deliberately trains each worker to perform each task as the resident experts conceived it, repeating the same level of quantity and quality once the task is mastered.

It is the basis of apprenticeships and has survived for centuries. Today, it is considered more of an inconvenience to be avoided and an investment whose value is grossly misunderstood. In today's world deliberate one-on-one training is marginalized to the status of a guilty pleasure rather than part of a business strategy as it should be. A simplistic, but good, analogy from the IT world is appropriate when "programming" masterful work performance in a worker; "junk in, junk out." [Read More](#)

### Challenges Presented by the Widening Skills Gap

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



There are at least five growing, major challenges to maintaining a skilled national labor force. These forces are causing those organizations who could help to, instead, spend tremendous sums of money on "whack-a-mole" type efforts. Sure, this approach sustains all of the profit and non-profit organizations that sprung up to take advantage of the chaos, but if we are serious about solving this issue that has undermined economic recoveries and stifled economic growth for over 30 years, we need to get serious.

It starts by critically evaluating the challenges that have plagued the U.S. labor force and have been barriers to an employer's commitment to American labor. Like nearly all challenges, one can choose to target the underlying cause, treat the symptoms, mask the symptoms, define an alternative - but not necessarily relevant - cause and focus on that, or ignore symptoms and cause and hope for divine intervention.

Choice of action matters. Take, for example, the choice to take a prescribed "cholesterol lowering" statin that inhibits the body's production of lipids - fats and fatty substances, producing a cholesterol number within an acceptable range but at a cost of blocking or impairing other vital body functions and often producing "side-effects." Your doctor may have good news about your cholesterol level during this visit but soon he might be discussing other, more serious issues with you such as, according to the Mayo Clinic, your muscle pain and damage, liver damage, increased blood sugar and type 2 diabetes, neurological side effects... Choosing to treat a symptom without determining why your body is producing excess lipids in the first place may leave the underlying cause unaffected.

Similarly, focusing resources on symptoms and ignoring the underlying cause of a non-systems approach to worker development may lead (and one could say may have already lead) to depleted resources and lost opportunity. Continuing to turn out graduates, some with outdated or non-essential skills which are bolstered by marginally relevant credentials, may lead to a feeling of action but yet the skill gap widens. Unless each of the following five major challenges are addressed, it is unlikely that the skill gap will move towards closing, and any effort to bring back the generations of lost workers into meaningful employment prohibitively difficult.

Jobs have become a moving target. Accuracy of on-the-job training has to be sharper. It should be supplied by the employer (on equipment and to employer processes), and is more urgent and accuracy-dependent than existing employers have prepared themselves. Educational institutions can have any meaningful impact if focused and relevant. Workforce development efforts and resources need to be applied in a way to facilitate these adjustments, not distract from them.

**Threat 1: Workforce development efforts stuck in the past -**  
[Read More](#)

[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 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**

are being scheduled for the following states in the month of:

**December, 2017**

**Colorado (Eastern Slope)**

**Indiana (I70 Corridor)**

**Kansas (Kansas City, Topeka and I70 Corridor)**

**Kentucky (North and Eastern)**

## Tips for Workforce Developers - Partnerships That Matter...and Last

*by Dr. Dave Just, formally Dean of Corporate & Continuing Education at Community Colleges in MA, OH, PA and SC. Currently President of K&D Consulting*



Having partnered with Proactive Technologies, Inc. on workforce development projects for the past 20 years, it gave me a chance to innovate and learn what works, what efforts are most appreciated by the employer, trainee and employee, and which projects utilized resources most efficiently and effectively. There are numerous resources available from many sources that can impact a trainee with varying effectiveness, but the secret is selecting those that are appropriate for the project outcome the employer expects.

As Dean of Corporate and Continuing Education at community and technical colleges in Massachusetts, Ohio, Pennsylvania and South Carolina, at the start of each assignment I had to first learn what resources our school had available for the sectors we were targeting, and how current and relevant the courses, materials and instructors were for the specific skills employers were seeking. To be honest, in some areas our products and services were weaker than expected, so the determination needed to be made whether we had the resources and will to upgrade what we had or develop what we needed. We also had to consider if it would be more economical to strategically partner with outside providers who always had the current technical expertise and already created solutions we could incorporate into our offerings.

Too often there was internal resistance and a lack of understanding of how important being relevant was to workforce development. Many institutions grew complacent to change or were discouraged by shrinking budgets or misaligned priorities from innovation. Always feeling a sense of urgency to overcome the ubiquitous "skills gap" that cast a shadow on all education and workforce development efforts, there are some important steps that I developed for myself to help me better assess each employer's need and provide solutions client employers appreciated. This is the reason most employers we worked with kept us engaged year after year. We earned, and maintained, their respect and gave them confidence in our solutions, which ensured our continued role in their business model. This provided a continued revenue stream for the school to continue, improve and expand those efforts.

1) **Listen carefully to the employer's description of the need** - not every employer has a clear grasp of their need, but if you listen to their frustration in the context of your experience gained from concerns of other employers facing similar symptoms, you can help the employer discover the root cause. Then a solution that makes sense can be developed; [Read More](#)

## 10 Reasons Structured On-The-Job Training is a Vital and Necessary System for Any Organization

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

There are many reasons a deliberate, structured on-the-job training system should be a priority consideration for any employer. For decades employers have felt that having an employee take a few classes here and a few online modules there translates directly to improved worker output and performance. But for decades, as well, employers have continued to talk about a continually increasing "skills gap." Connection? Obviously yes.

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**"Employers expend enormous resources - time, effort, dollars - on efforts to improve efficiencies...in some cases without making an appreciable difference or reaching the intended goals."**

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A deliberate and documented system to develop workers and maximize the return on worker investment should be a "no-brainer." Employers expend enormous resources - time, effort, dollars - on efforts to improve

Missouri (Kansas City, St. Louis)

North Carolina (Asheville and Western Area, Charlotte, I77 Corridor)

Ohio (North-Central, Northeast and Southeast Area)

Pennsylvania (Pittsburgh and Western Area)

South Carolina (UpState, Columbia and Charleston Area)

Tennessee (Eastern)

West Virginia (North-Central, South Central)

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



**Classes alone will not close the "skills gap," but structured on-the-job training can...every time!**

Under-capacity of workers is an enormous source of untapped value and unrealized return on worker investment. In addition, standardizing expert task performance - between workers and shifts - can add to worker ROI through lower scrap and rework.

Experience the power of the **PROTECH© system of *managed* human resource development!**



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- Increased worker capacity, productivity, work quantity, work quality and

efficiencies in some cases without making an appreciable difference or reaching the intended goals. But rather than a philosophical discussion comparing approaches to training,

I thought it might be beneficial to just offer **symptoms of failed approaches and reasons why any employer should think more seriously about the state of their internal training infrastructure.**

According to a Training Magazine article entitled, "[Bridging the Skills Gap](#)" by Lorri Freifeld, these revealing points were extracted:

- **49 percent of U.S. employers are experiencing difficulty filling mission-critical positions within their organizations.** (ManpowerGroup's seventh annual Talent Shortage Survey; 1,300 U.S. employers surveyed; positions most difficult to fill: skilled trades, engineers, and IT staff).
- **Only 1 in 10 organizations has the skills needed to utilize advanced technologies such as cloud and mobile computing, social business, and business analytics.** (2012 IBM Tech Trends Report; 1,200 professionals who make technology decisions for their organizations, 250 academics, and 450 students). [Read More](#)

**How would you rate your firm's efforts to train the skilled workers you need?**

- Classes alone will not train workers to perform your tasks...
- Quality Control policies and Process Documents are not a substitute for task training...
- Wishing and hoping won't develop the skilled workers you need...

**The cost of one malperformance due to lack of proper training can more than justify the investment to train all your workers properly!**

Ask your [Proactive Technologies, Inc. representative](#) about the **PROTECH© system of *managed* human resource development**

## Industry News

### **Natural Disasters Take Their Toll on Neighbors, Small Businesses, Local Economies and Nations**

*Proactive Technologies Report Staff*

It seems that when natural disasters strike, those that can least afford to loose, loose the most. Hurricanes Harvey and Irma devastated the lives and livelihoods of so many of our neighbors across the southern United States and Caribbean. The Mexico City Earthquake destroyed many buildings and killed many people - the total number yet to be known. They will need everyone's help during the coming months and years.

If you want to help but don't know how to reach organizations who are there right know lending a hand, here are a few links to some who can help make sure your donation, whatever you are able to contribute, reach those who need it the most.



[Hand In Hand 2017](#)



[American Red Cross](#)



[The Salvation Army](#)

compliance (specifications, ISO/AS/TS programs and safety mandates);

- Decreased internal costs of training;
- **Higher return on worker investment!**

You would be surprised how small of an investment is needed to unlock enormous returns.

If budgets are tight, **Proactive Technologies can be your surrogate training department**, or an extension to the training department you have, with our technical implementation support - **included with every project!**

**There's nothing to lose by [contacting us](#) to learn more**

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[The International Salvation Army](#)



[Direct Relief](#)

Remember, the flood waters will recede and the aftershocks will subside, but it will take many months, perhaps years, for those affected to find some sense of normal life. If you are able, please help in any way you can.

### **DOMESTIC ECONOMIC DATA**

#### **Manufacturers' Shipments, Inventories, and Orders**

*US Census Bureau*

New orders for manufactured durable goods in October decreased \$2.8 billion or 1.2 percent to \$236.0 billion.

October 2017: -1.2° % change

September 2017 (r): +2.2° % change

[Read Article](#)



#### **UAW Alleges Nissan Surveils Workers at Plant Where Union Failed**

*IndustryWeek - Bloomberg*

The United Auto Workers accused Nissan Motor Co. of illegally tracking and rating

employees by their union sentiments for years at a Mississippi assembly plant where workers voted down representation last month.



In an amended complaint filed Sept. 19 with the National Labor Relations Board, the union alleges the automaker "continues to maintain an employee surveillance, data collection and rating system that records employee union activity and rates workers according to their perceived support for or opposition to the UAW." Nissan representatives didn't immediately comment on the claims. [Read Article](#)

#### **Lockheed Martin Unveils Reusable Water-Powered Mars Lander**

*IndustryWeek - Agence France-Presse*

A reusable, water-powered Mars lander that will allow humans to explore the Red Planet from an orbiting 'base camp' as early as the 2030s was unveiled on Sept. 29 Lockheed Martin.



Governments and private firms are collaborating on projects to send humans to new frontiers, with NASA planning missions next decade into the space between Earth and the Moon to prepare for trips to Mars. [Read Article](#)

#### **'A Major Distraction': Is A Megadeal Like Amazon's HQ2 Always Worth It?**

*NPR Morning Edition - Alina Selyukh*

On a wall in Greg LeRoy's office is a frame with a custom-engraved wrench and a photo of workers in front of the Diamond Tool and Horseshoe factory in Duluth, Minn. It's from his days helping unions fight plant closings - when he first started digging into the convoluted financial relationship of corporations and local governments.



These days, LeRoy is the guy to call if you want to know about corporate subsidies. Lately, his phone has been ringing about one company in particular: Amazon.

Thursday marks the deadline for bids in Amazon's highly publicized search for a location for its second headquarters, dubbed HQ2. Cities are clamoring to land the conglomerate's project and its unparalleled

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promise of up to 50,000 jobs paying an average of \$100,000, at one of the world's fastest-growing companies. [Read Article and Hear Podcast](#)

## Purdue Pharma Targeted by US Criminal Probe Over Opioid Marketing

*IndustryWeek*

An investigation had shown that Purdue ignored evidence showing the drug's effects failed to last that long in some patients, increasing the risk of withdrawal, abuse and addiction.



Federal prosecutors in Connecticut began a criminal investigation into Purdue Pharma Inc.'s marketing of the controversial opioid painkiller OxyContin.

U.S. Attorney Deirdre Daly is gathering documents about Purdue's claim that OxyContin provides 12 hours of pain relief. A Los Angeles Times investigation, published last year, found that Purdue ignored evidence showing the drug's effects failed to last that long in some patients, increasing the risk of withdrawal, abuse and addiction. [Read Article](#)

## Why Skilled Labor is the No. 1 Location Driver for Manufacturers Today

*Area Development-Quality Magazine - Michelle Comerford*



The state of U.S. manufacturing is a hot topic in national economic and political conversations today. Issues like tax reform, trade partnerships and regulations are fueling a national debate over how to create and retain U.S. manufacturing investment and jobs. Though a favorable business and tax climate is important to manufacturers, the most critical factor leading to location decisions for new investment and jobs is actually the labor market.

Thanks to technology advancements, manufacturing operations are much more automated today than they were decades ago. As a result, high-tech production processes that rely less on manual labor have made it possible to consider new investment in the U.S. over low-cost labor markets in countries like China. Automated production does not equate to zero jobs; instead it means that operations need more skilled labor in order to operate, maintain and retool technologically advanced equipment.

Location selection factors that can be quantified by market include labor costs (hourly, weekly and/or annual wages), total labor force (between ages 19 and 65), unemployment rates, and number of people employed by various industry sectors and job types. That said, the types of skills available in each labor market are even more important than costs and sheer numbers of workers. Therefore, skilled labor can be harder to identify and more challenging to quantify. [Read Article](#)

## Why U.S. Manufacturers Are Turning Their Attention to 'Reshoring'

*Area Development - Leigh Buchanan, Editor-at-large, Inc. Magazine*



Just two years after Tim Zimmerman learned American manufacturing was fleeing overseas, he tried to bring it back.

In 1990, Zimmerman, then the new salesperson at contract manufacturer Mitchell Metal Products, persuaded a maker of kids' furniture to repatriate its production of hinges from China to his employer's Merrill, Wisconsin, plant. "What boosted our effort was Tiananmen Square," says Zimmerman, now co-owner and president of the \$12 million company. Mitchell couldn't match Asian prices, but the uncertainty the political protests caused made his prospective client nervous.

Zimmerman encouraged the furniture maker to conduct a risk analysis and calculate the financial exposure of missing a quarterly shipment. The numbers won the day. Working with Mitchell, the company began receiving parts shipments every three or four weeks, compared with quarterly shipments from the Chinese supplier. That stoked the customer's growth, and it shifted more production to Mitchell. [Read](#)



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### MEMORABLE QUOTES

"Learning without thought is labor lost. Thought without learning is intellectual death."  
Confucius

"The only real mistake is the one from which we learn nothing."  
John Powell

### Recent Proactive Technologies News Article Quicklinks

#### November:

[Understanding the Resistance to Training: Part 2, Meeting the Challenge](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

[The High Cost of Employee Turnover](#)

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

[The Employers Have the Most Advanced Equipment Available for Training](#)

by Frank Gibson, Special Projects Coordinator - The Ohio State University - Alber Enterprise Center

[Quality Policies and Process Sheets](#)

[Do Not Equal Training](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

#### October:

[Understanding the Resistance to Training: Part 1, The Challenge](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

[Put Yourself in a Trainee's Shoes](#)

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

[Article](#)

### FCC Relaxes Media Ownership Rules in Contentious Vote

Variety - Ted Johnson

WASHINGTON - Broadcasters will be allowed to combine with a newspaper in the same market, and could be allowed to own two of the top four stations in a city, as the FCC on Thursday relaxed a series of long-standing media ownership regulations.



The new rules, passed in a 3-2 vote, may be challenged in court, but if they survive, they will mark the most significant changes to media ownership regulations in a generation. They could lead to further consolidation and mergers among broadcasters, who have long argued that they need greater scale to compete with cable and internet companies for local ad dollars.

"The media ownership regulations of 2017 should match the media marketplace of 2017," FCC Chairman Ajit Pai said. He said the agency was "dragging the broadcast rules into the digital age." Pai added that the changes are needed, given current consumer habits, as people get their news not just from local stations, but from websites, podcasts, and social media. [Read Article](#)

### Net Neutrality Rules Targeted for Repeal by FCC Chairman

Los Angeles Times - Jim Puzzanghera

The days are officially numbered for tough federal net neutrality regulations.



The chairman of the Federal Communications Commission on Tuesday proposed repealing the rules for online traffic, setting the stage for a vote next month to roll back the controversial Obama-era initiative.

The move by Ajit Pai, a Republican appointed by President Trump, triggered another round in a fight dating to 2003 over whether the government should be actively involved in assuring the unfettered flow of information on the internet or leave it to market forces. Eliminating the regulations would allow Internet service providers to block access to some websites and charge others for faster delivery of their content to consumers.

FCC officials said repealing net neutrality restrictions could be crucial to advancing new technologies, such as autonomous vehicles and remote health monitoring, that would need guaranteed internet connections.

Public interest advocates said the elimination of the rules could simply lead internet service providers to charge consumers and websites higher prices. [Read Article](#)

### Regulating Wages Key to Maintaining IndustryWeek and Strengthening US Manufacturing

IndustryWeek - Joe Morgan, President of Square Deal Machining

The American manufacturing industry has experienced resurgence in recent years - but it's too soon to breathe a sigh of relief.

Numbers from the Institute for Supply Management show the manufacturing index hit a six-year high in August. This is a sure indication that business conditions in the United States are steadily improving, securing our status as a powerful global competitor in the manufacturing industry. [Read Article](#)

### GE's \$100 Billion Wipeout Heralds Reckoning for an American Icon

IndustryWeek - Bloomberg

Few under the age of 30 might remember, but General Electric Co. was once a model of corporate greatness.



Back in 1999, when Steve Jobs was still fiddling with iMacs, Fortune magazine proclaimed Jack Welch, then GE's chief executive officer, the

[Some Community Colleges Moving Back Toward 70's Approach to Vocational Programs: Why Did it Take So Long?](#)

*Dr. Dave Just, formally Dean of Corporate and Continuing Education at Community Colleges in MA, OH, PA, SC. Currently President of K&D Consulting*

[Appreciating the Value of Labor](#)

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

**September:**

[Confusion Over What Constitutes "Training" Stumbling Block to Effective Strategies](#)

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

[Cross-Training Workers After Lean Efforts Builds Capacity Using Existing Staff](#)

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

[The Right Assessment is a Good Predictor if Candidate is Able to Learn and Master The Job Classification - Job Relevance is Critical to Legal Compliance and Success - Part 2](#)

*by Jim Poole, President of Lifetime Learning, LLC*

[Replicating Your Best Performers](#)

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

[Worker "Prior Learning Assessment" - Documenting Cumulative Work Skills and Knowledge Acquisition](#)

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

**August:**

[Supervisors and First Line Management Need Structured On-The-Job Training, Too](#)

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

[Realistic Job Previews Can be a Useful Tool for Measuring a Prospective Employee's Transferable Task-based Skills](#)

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

[Developing the Maintenance and Other Technically Skilled Workers That You Need: To Specification, With Minimal Investment](#)

*by Dr. Dave Just, former Dean of Corporate and Continuing Education at Community Colleges in MA, OH, PA, SC. Currently President of L&D Consulting*

[Can't Find The Right Workers? Why Not Train Workers To Your Own To Specification?](#)

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

[Some Common, But Unfortunate, Reasons Used to Avoid Structured](#)

best manager of the 20th Century.

Few people - of any age - would lavish such praise on the manufacturer these days.

GE, that paragon of modern management, has fallen so far that it's scarcely recognizable. [Read Article](#)

**Rising Machine Tool Orders Indicate Continuing Expansion**

*New Equipment Digest - Robert Brooks*  
USMTO Sept 2017 chart U.S. manufacturers ordered \$403.05 million worth of new machine tools during September, the second consecutive monthly increase in the U.S. Manufacturing



Technology Orders index, and more evidence of the expansion trend in the domestic industrial sector. Even more significant: the latest figures indicate a 6.1% rise over the September 2016 new-order total - the period that includes orders concurrent with IMTS 2016.

With year-to-date orders totaling \$3,184.65 million, the January-September total is now 5.4% higher than the comparable nine-month period of 2016. [Read Article](#)

**Financial News**

**PBGC Fiscal Year 2017 Annual Report: Multiemployer Program**



**Deficit Widens to \$65.1B; Single-Employer Program Continues to Improve, Deficit Narrows to \$10.9B**

*Pension Benefit Guaranty Corporation (PBGC)*

WASHINGTON - The Pension Benefit Guaranty Corporation's Fiscal Year 2017 Annual Report, released today, shows that the deficit in its insurance program for multiemployer plans rose to \$65.1 billion at the end of FY 2017, up from \$58.8 billion a year earlier. The increase was driven primarily by the ongoing financial decline of several large multiemployer plans that are expected to run out of money in the next decade.

PBGC's Single-Employer Insurance Program continued to improve as the deficit dropped to \$10.9 billion at the end of FY 2017, compared to \$20.6 billion at the end of FY 2016. The primary drivers of the continued improvement include premium and investment income and increases in the interest factors used to measure the value of future liabilities. [Read Release](#)

**Human Capital: Risk vs. Uncertainty**

*CFO.com - Haig Nalbantian*

In a world characterized by rapid technological change, perpetual product innovation, economic globalization, and generational and cultural shifts, the life cycle of products and business designs is shortening. Companies are constantly obliged to adapt.



It is often human capital, more than financial or physical capital, that enables effective adaptation to these new realities. And it is often human capital that is at greatest risk of sudden depreciation or outright obsolescence within a business.

In face of this business reality, the absence of disciplined management and quantification of the risks to business performance and value emanating from the people side of operations - i.e., human capital risks - is particularly glaring. Unfortunately, those in the finance and risk management functions who are traditionally in charge of risk management often lack the perspectives and tools required to do this job. [Read Article](#)

**Better Markets' Steve Hall Delivers Warning That Wave of Deregulation Will Lead to Another Financial Crisis, Worse Than 2008**

**BETTER MARKETS**



**On-The-Job Training**  
by Dean Prigelmeier, President of  
Proactive Technologies, Inc.

## July:

### [Economic Development Opportunities - An Important Incentive in Attracting Companies to Your Region](#)

by Dean Prigelmeier, President of  
Proactive Technologies, Inc.

### [Increasing Worker Capacity - An Alternative to Cutting Workers for Short-term Cost Savings](#)

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

### [Is an Apprenticeship Without Structured On-The-Job Training an Apprenticeship?](#)

by Dean Prigelmeier, President of  
Proactive Technologies, Inc.

### [Changes in ISO 9001: 2015 and Any Effects on Worker Training](#)

by Dean Prigelmeier, President of  
Proactive Technologies, Inc.

### [What Makes Proactive Technologies's Accelerated Transfer of Expertise™ So Effective](#)

by Proactive Technologies, Inc. Staff

## June:

### ["Full Job Mastery" means "Maximum Worker Capacity" - A Verifiable Model for Measuring and Improving Worker Value While Transferring Valuable Expertise](#)

by Dean Prigelmeier, President of  
Proactive Technologies, Inc.

### [Retiring Workers and the Tragic Loss of Intellectual Property and Value](#)

by Stacey Lett, Regional Manager  
- Eastern U.S. - Proactive Technologies,  
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### [The Right Assessment is a Good Predictor if Candidate is Able to Learn and Master The Job Classification - Job Relevance is Critical to Legal Compliance and Success](#)

by Jim Poole, President of Lifetime  
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### [Classes Alone Will Not Close the "Skills Gap," But Structured On-the-Job Training Can...Every Time!](#)

by Proactive Technologies, Inc. Staff

## May:

### [A Simple, Low-Investment Solution to Closing Skill Gaps; New-hires and Incumbents](#)

by Dean Prigelmeier, President of  
Proactive Technologies, Inc.

### [Reacting to the Proposed Reversal of Regulations Affecting Human Resources and Safety Can Be Tricky](#)

by Stacey Lett, Regional Manager -  
Eastern United States, Proactive  
Technologies, Inc.

### [The Employers Have the Most](#)

## Better Markets

Offering a warning that the country is facing a major wave of financial deregulation that will increase the likelihood and severity of another financial crisis and inflict devastating damage on the country, last week Better Markets Legal Director and Securities Specialist Steve Hall testified before the Maryland Consumer Financial Protection Commission.

Between the GOP Congress and the Trump Administration, the landscape at the federal level has increasingly embraced deregulation and has focused on undoing many of the common sense financial protection rules put in place following the 2008 financial crisis. Therefore, the opportunity to speak to and work on these issues at the state level is a welcome opportunity that offers the potential for new ideas and new strategies to stop some of this mindless deregulation. [Read Testimony](#)

## JOBS Act Causes Post-IPO Volatility: Study

*CFO.com - David McCann*

New research lends credence to concerns that there are inadequate protections for investors in companies that go public under the JOBS Act, resulting in higher risk premiums for issuers.

The Jumpstart our Business Startups Act was signed into law in 2012 in the hope of spurring job creation by easing the process by which relatively small companies make initial public offerings. The law created a category of so-called "emerging growth companies" (EGCs), defined as IPO-issuing firms with less than \$1 billion in revenues in the year prior to the offering. [Read Article](#)

## Some of America's Wealthiest Tell Congress to Raise Their Taxes, Not Cut Them

*HuffPost US - Rebecca Shapiro*

American millionaires and billionaires are banding together to urge Republicans in Congress to raise their taxes instead of cutting them.

In a letter first reported by The Washington Post on Sunday, more than 400 of America's wealthiest citizens are asking congressional Republicans to reconsider tax reform legislation that would dramatically lower taxes for corporations and the rich. The House is expected to vote on its version of the bill this week, and Republican leaders anticipate the proposal will pass. [Read Article](#)

## Companies Piling Losses onto Balance Sheets

*CFO.com - David M. Katz*

Companies may be managing earnings by shifting potential income-statement losses to the other comprehensive income (OCI) part of their balance sheets, the authors of a new study of OCI find.

The report's authors, Georgia Tech accounting professor Charles Mulford and graduate student Anna Babinets, infer from their findings "that companies are engaging in selective earnings management by reporting losses in OCI and excluding them from net income."

One finding on which they base their assumption is that "losses are more likely to be reported on the statement of other comprehensive income than gains." [Read Article](#)

## International News

### German Arms Exports - What You Need to Know

*DeutscheWelle*

German weaponmakers have complained that tensions with Turkey are hurting business, but what's the truth? DW takes a look at deals for arms that German manufacturers have made with countries around the world.

# CFO



# CFO



[Advanced Equipment Available for Training](#)

by Frank Gibson, Special Projects Coordinator -The Ohio State University - Alber Enterprise Center

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## We Partner With Workforce/Economic Development Groups

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head of Germany's largest weapons manufacturer believes that tension between Berlin and Ankara is making it virtually impossible for his company to conduct business with Turkey.

German arms producers are required to gain authorization from the Economy Ministry to sell their products and services abroad. "If relations with Turkey don't improve, it will be difficult to get any permissions from Germany," Rheinmetall CEO Armin Papperger told the news agency dpa in an interview published on Sunday, complaining that a number of bilateral military hardware projects are on ice.

Weapons are a major, if very controversial, German industry. [Read Article](#)

## Saudi Billionaire Prince Alwaleed Detained in Corruption Inquiry

*Thomson Reuters - Stephen Kalin*

Saudi authorities detained a billionaire global investor and the head of the National Guard as part of an anti-corruption purge that consolidates Crown Prince Mohammed bin Salman's hold on power.

Prince Alwaleed bin Talal, who owns investment firm Kingdom Holding 4280.SE, was among 11 princes, four ministers and tens of former ministers detained, two senior Saudi officials told Reuters on Sunday.

A top security official, Prince Miteb bin Abdullah, was detained and replaced as minister of the powerful National Guard by Prince Khaled bin Ayyaf. [Read Article](#)

## Canada Factory Sales Post Surprise 0.5% Gain

*IndustryWeek - Bloomberg*

Sales were lifted by a 10.3% jump in petroleum and coal.

Canadian factory sales climbed for a second month in September, a surprise lift to an economy that was supposed to be losing steam in the second half of the year.

Statistics Canada said on Nov. 16 that manufacturing sales climbed 0.5%, lifted by a 10.3% jump in petroleum and coal.

Manufacturing is one of the industries to watch as the Bank of Canada decides how cautious to be about raising interest rates again after hikes in July and September. The latest report suggests factories are regaining momentum after declines in June and July that were more in line with the Bank's view the economy would slow in the second half of the year. [Read Article](#)

## Zimbabwe's Ruling Party Sacks Robert Mugabe as Leader

*BBC*

Zimbabwe's ruling party has sacked Robert Mugabe as its leader, as pressure intensifies for him to step down as president.

Zanu-PF appointed ex-Vice-President Emmerson Mnangagwa, who was fired by Mr Mugabe two weeks ago, in his place.

The party has given Mr Mugabe, 93, until 10:00 GMT on Monday to resign as president, or face impeachment.

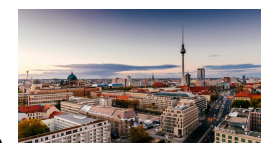
The military intervened last week, in an apparent attempt to block him from installing his wife as his successor.

[Read Article and See Video](#)

## Germany Replaces US as Country with Best International Image

*DeutscheWelle*

Germany moved top of the rankings after coming in second last year. It ranked in the top five in all but one of the six categories. The study noted that their increase in scores came in part because of improved perceptions among Egyptians, Russians, Chinese and Italians.



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Germany has replaced the US as the country with the best "brand image," according to a new study of 50 countries released Thursday.

The Nation Brands Index (NBI) survey, carried out by German-based market research firm GfK and the British political consultant Simon Anholt, measured public opinion around the world on "the power and quality of each country's 'brand image.'"

Germany moved up to first place after coming in second in 2016. The US dropped from top to sixth, with France, Britain, Canada and Japan taking spots two to five. [Read Article](#)

## UK Gives Assurances to CARIFORUM Countries

*NationNews*

GEORGETOWN - The United Kingdom is assuring Caribbean Forum (CARIFORUM) countries that while it remains a member of the European Union (EU), trade will continue under the terms of the Economic Partnership Agreement (EPA). EPACARIFORUM countries, comprising the 15-member Caribbean Community (CARICOM) and the Dominican Republic signed the EPA accord with Europe in 2008.



On Thursday, representatives of CARIFORUM states met with the United Kingdom's Minister of Trade Policy, Greg Hands, to discuss UK-CARIFORUM trade relations and according to the joint statement issued afterwards, the Caribbean welcomed the UK's commitment to the EPA as well as the UK's intention to avoid disruption for its trading partners as it withdraws from the EU. [Read Article](#)

## New Numbers On Child Labor Are Not Encouraging

*NRP World - Nurith Aizenman*

A Bangladeshi child works in a brick-breaking yard in Dhaka, Bangladesh. The broken bricks are mixed in with concrete. Typically working barefoot and with rough utensils, a child worker earns less than \$2 a day.



The latest statistics on child labor are in - and they're not encouraging. An estimated 152 million children around the globe are doing work that prevents them from getting an education or that's harmful to their health. That's almost 1 in 10 children worldwide.

The figures, which cover 2016, were released this week in a report by the United Nations' International Labour Organization. Here are 8 takeaways from the report: [Read Article](#)

## International Trade News

### INTERNATIONAL TRADE DATA

#### U.S. International Trade in Goods and Services, August 2017

*US Department of Commerce - Bureau of Economic Analysis*

The U.S. Census Bureau and the U.S. Bureau of Economic Analysis, through the Department of Commerce, announced today that the goods and services deficit was \$43.5 billion in September, up \$0.7 billion from \$42.8 billion in August, revised. September exports were \$196.8 billion, \$2.1 billion more than August exports. September imports were \$240.3 billion, \$2.8 billion more than August imports. [Read Report](#)



#### Monthly Wholesale Trade

*US Department of Commerce - Bureau of Economic Analysis*

September 2017 sales of merchant wholesalers were \$480.5 billion, up 1.3 percent (+/- 0.4 percent) from last month. End-of-month inventories were \$609.5 billion, up 0.3 percent (+/- 0.4 percent)\* from last month.



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September 2017: +0.3\* % change in Inventories  
August 2017 (r): +0.8 % change in Inventories  
[Read Report](#)

## **Manufacturing and Trade Inventories and Sales**

*US Census Bureau*

U.S. total business end-of-month inventories for September 2017 were \$1,888.7 billion, virtually unchanged (+/- 0.1 percent)\* from last month. U.S. total business sales were \$1,389.7 billion, up 1.4 percent (+/- 0.2 percent) from last month.



September 2017: 0.0\* % change in Inventories  
August 2017 (r): +0.6 % change in Inventories  
[Read Report](#)

## **Buffalo Area Warily Eyes The Renegotiation Of NAFTA**

*NPR Weekend Edition - Jim Zaroli*

Carl Savarino is president of Buffalo's Speed Global Services, which operates eight trucks a day across the border into Canada.



Shortly after World War II, a young Buffalo company - Speed Motor Express - began transporting commercial freight around western New York.

As it weathered the ups and downs of the local economy over the decades, the company slowly expanded its fleet of trucks. Then in 1994, the North American Free Trade Agreement, or NAFTA, expanded trade among the United States, Canada and Mexico. Buffalo faces Canada along the Niagara River.

Today, the freight company is called Speed Global Services, and it transports a wide array of goods, from bras to lighting fixtures, many of which were made in China. [Read and Hear Story](#)

## **Breaking Down the \$250 Billion China Deals Trump Got for America**

*IndustryWeek - Bloomberg*

The White House has unveiled a slew of agreements with China as President Donald Trump seeks to address an imbalance in trade. While Commerce Secretary Wilbur Ross boasted a total of \$250 billion in business deals, it's unclear how one gets to that figure. Many of them weren't broken out into separate valuations, while a large number were in the form of nonbinding memoranda of understanding or involved agreements with existing Chinese partners.



For those keeping score, the energy and transportation sectors appear to be winners. One of the biggest announcements is an agreement by companies including China Petrochemical Corp. to help develop a \$43 billion liquefied natural gas project in Alaska. Boeing Co. snagged an aircraft order valued at some \$37 billion – although it isn't immediately clear how much of that is new. Still, the wave of deals signaled an increase in trade for products from helicopters to beef. [Read Article](#)

## **Tougher Security Reviews for Foreign Investors Buying US Companies**

*IndustryWeek - Bloomberg*

Foreign investors seeking to buy U.S. companies would face higher hurdles for winning regulatory approval under new legislation that seeks to toughen national security reviews of their investments.



House Republican lawmakers on Nov. 8 introduced legislation that would broaden the government's authority to scrutinize overseas investment in the U.S. and establish additional criteria to weigh the security threats of deals.

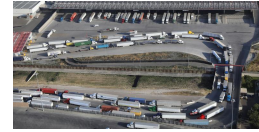
Treasury Secretary Steven Mnuchin has urged for closer vetting of

foreign acquisitions by the security-review panel he chairs, the Committee on Foreign Investment in the U.S. Known as CFIUS, the panel meets in secret. [Read Article](#)

## NAFTA Negotiators Set to Look for Small Wins After US Threats

*IndustryWeek - Bloomberg*

As Donald Trump pushes to overhaul U.S. trade ties abroad, negotiations with his two biggest export markets are resuming in hopes of finding new common ground on easier subjects – leaving the most contentious U.S. demands for later.



The fifth round of North American Free Trade Agreement talks starts Wednesday in Mexico City, two days earlier than initially scheduled. It's the first meeting since U.S., Mexican and Canadian negotiators extended talks to March and added more time between sessions, abandoning Trump's previous deadline.

U.S. Trade Representative Robert Lighthizer capped the last session by chastising Mexico and Canada for balking at certain demands – it was the U.S. that sought the extension, according to two government officials familiar with the proceedings who spoke on condition of anonymity. The most contentious U.S. demands are on dairy, automotive content, dispute panels, government procurement and a sunset clause. [Read Article](#)

## US Is Said to Propose Freezing Mexican Trucks Out of New NAFTA

*Material Handling & Logistics - Bloomberg*

The U.S. has proposed another difficult change to the North American Free Trade Agreement that could eventually prevent long-haul Mexican truckers from operating in the country, according to people familiar with the discussions.



American negotiators asked to remove Mexico's long-haul industry from a NAFTA chapter on cross-border services, according to an industry official familiar with the proposal who isn't authorized to speak publicly. That could open the door to restrictions on truckers, as losing NAFTA trade protections and advantages would make it harder for Mexico to challenge any future U.S. requirements on trucks such as new safety checks.

A government official familiar with the text who also can't speak publicly described it as a broad industry exclusion that came during the last round of talks in October. The U.S. Trade Representative's office didn't respond to a request for comment, and hasn't made its proposals public. Reuters also reported last month that the U.S. was seeking...

[Read Article](#)

## Harnessing Africa's External Trade Partnerships

*Tralec*



In the context of the African Union's 50-year vision, Agenda 2063, this paper provides an analytical account and critical assessment of Africa's strategic trade relations with two of its most important traditional partners, the EU and the US; and with two of its most important emerging partners, China and India. Based on the insights these provide, the paper identifies some emerging global issues which could have an impact on Africa's trading position and its prospects for industrial development. This is followed by indicative policy considerations that could provide strategic guidance to African leaders as well as highlight opportunities and challenges for realising the goals of Agenda 2063. The paper concludes by examining the implications of the changing dynamics of Africa's key trade relations. [Read Report](#)

## Trump Touts Big Energy Deals in Asia

*BBC*

US President Donald Trump wraps up a 12-day tour of Asia on Tuesday which he said created \$300bn (£228bn) in sales to companies in the region and several



major energy deals.  
Energy agreements made up roughly half the total value of deals in China.

If it proceeds, a project in Alaska would mark the first major investment by a Chinese energy firm in the US.

But analysts have doubts over whether this, and other, multi-billion dollar projects will be realised. [Read Article](#)

## Education and Workforce Development News

### Where We Are Now

*Community College Daily News - Douglas J. Guth*

In 2012, the American Association of Community Colleges (AACC) released a report stating, in no uncertain terms, that "the American dream is imperiled." Data supporting this declaration highlighted a sagging economy and a record number of Americans who had fallen into poverty.



A product of the 21st-Century Commission on the Future of Community Colleges, the report "Reclaiming the American Dream: Community Colleges and the Nation's Future," outlined the challenges facing the country, citing two-year colleges as potential beacons guiding the U.S. back to global competitiveness and prosperity.

Five years later, many of the nation's community colleges have taken the report's lofty ambitions to heart, says AACC President and CEO Walter Bumphus. Policy ideas laid out by the document have broken down barriers inhibiting students, propped up degree and certification completion rates, and narrowed attainment gaps across groups of learners.

"We have a framework of accountability with strategies that came out of it," Bumphus says. [Read Article](#)

### Washington Watch: House GOP Tax Bill Detrimental to College Students

*Community College Daily News - James Hermes*

Washington Watch updates congressional and federal agency activities and AACC advocacy efforts.



The House Republican tax reform legislation released Thursday would make attending college more expensive for thousands of students.

The thrust of the legislation is to reduce corporate and personal taxes while simplifying the tax code. In order to achieve these tax cuts while limiting the bill's deficit impact to \$1.5 trillion over 10 years, as required by the fiscal year 2018 budget resolution, the legislation includes dozens of provisions that increase tax revenues in other areas. Several of these revenue raisers would directly affect college students and institutions. [Read Article](#)

## Training and Organizational Development News

### Eight Mistakes Leaders Make That Kill Employee Trust



*Material Handling & Logistics*

As companies must be fast, adaptable, agile, and courageous to compete, one of the most important elements is the ability to trust. And when employees don't trust their leaders, companies just can't compete effectively. [See Slideshow](#)

### Three Reasons Why Visual Management Boards Fail

*IndustryWeek - Dan Markovitz, President, Markovitz Consulting*

Organizations pursuing lean often rush to deploy visual management boards. They fill the walls with metrics and charts, performance data and improvement project plans.



Sadly, as often as not, these visual boards turn into unattractive

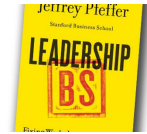
wallpaper, unused, unloved, and out of date. The reason that they fail to fulfill expectations is that the necessary groundwork hasn't yet been laid.

I see organizations make three common mistakes: [Read Article](#)

## Why Leadership Training is Mostly B.S.

*IndustryWeek - Steve Minter*

U.S. industry spends billions each year on leadership training. So it should follow that the current corps of leaders is better than ever and employees who work for them happier and more productive.



Unfortunately, says Jeffrey Pfeffer, a professor at Stanford Graduate School of Business, after 60 years of effort from an "enormous" leadership industry, workplaces in the United States are "horrible." "Employee engagement is low by every measure. Job satisfaction is low. Trust in leaders is low. Leaders are turning over at an amazing rate," says Pfeffer. In developing his new book, *Leadership B.S.: Fixing Workplaces and Careers One Truth at a Time* (Harper Business, September 2015), he sought to find out why.

Pfeffer marshals a large body of social and psychological evidence to support his claim that much of leadership training is an exercise in telling inspiring stories about leaders and their organizations that does little to actually produce better leaders. [Read Article](#)

## Quality News

### Honda by the Numbers

*IndustryWeek - Ned Hill*

In part 3 of his series, "What Is Your Value Proposition?" Ned Hill examines how Honda's obsession with metrics is reflected in an effective mission statement - and how superior performance results.



Honda has always been known for its precise management style; in fact, you could say they literally do everything by the numbers: The 3 Joys, the 3 Fundamental Beliefs, the 5 Management Policies, and the 5 Components of Racing Spirit, to mention just a few. Let's see how Honda's obsession with metrics is reflected in an effective mission statement - and how superior performance results.

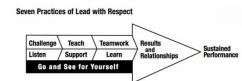
Honda's official name is Honda Motor Car Company, honoring its roots and largest product group. But that moniker doesn't really describe the company; Honda is a global manufacturing organization that produces and sells far more than automobiles:

[Read Article](#)

### 7 Steps for Leading Lean with Respect for People

*IndustryWeek- Michael Ballé*

With Lean Thinking, Jim Womack and Dan Jones ushered a true (and rare) revolution in management thinking: To deliver a superior order of performance, leaders should lead from the workplace, the "gemba" to use the lean term (it means real place, real products, real people) and not from the boardroom.



Like the air we breathe, the established paradigm of 20th century leadership is so ubiquitous that it is hard for anyone to question it. A leader's job is to come up with strategies for what to do and how to do it, and managers execute organizational processes so that employees do what they're told. "Gemba" leadership turns this idea on its head, asserting that superior results will be achieved if leaders spend all their time encouraging small-step continuous improvement at the workplace ("kaizen") and then they'll learn about their strategies and processes from working with their people rather than thinking in their stead. [Read Article](#)

## Pentagon Discloses New Quality Glitch on Lockheed's F-35 Jets

*IndustryWeek - Bloomberg*

The Pentagon's F-35 program office is weighing how to fix a newly discovered glitch in the fighter – the military's most expensive program – that halted deliveries of the Lockheed Martin Corp. plane for 30 days.



The problem was linked to a primer that's supposed to be applied as a protective layer on aluminum fasteners to prevent corrosion. The Defense Department temporarily stopped deliveries of the next-generation jet for the month ending Oct. 20 to assess the issue.

"After a thorough government and industry investigation, it was discovered that Lockheed Martin had not applied the required primer in fastener holes on F-35 substructures during the aircraft production process," Pentagon spokesman Joe DellaVedova said in an email. "This is a production quality escape issue and, though it needs be corrected to prevent potential future corrosion, it does not pose a safety of flight risk to the F-35 fleet or affect current operations." [Read Article](#)

## Cyber Security and IT News

### Manufacturers Optimistic About Economy But Worried About Cybersecurity

*Material Handling & Logistics - Staff*

Revenue and employment growth are predicted for the next 12 months, but manufacturers are concerned about cybersecurity risks, according to a new study, the 16th annual Purchasing and Manufacturing (PM) Survey, from Primate Advantage.



Eighty-eight percent of companies expect revenue to either rise (20%) or remain consistent (68%) in the next year. Twelve percent predicted a decrease in revenue for the coming year. These numbers represent an overall uptick in confidence from 2016's survey, when only 15% were expecting an increase in revenues for 2017 and 69% expected revenues to remain steady, with 16% predicting a revenue decline.

These numbers are comparable to the business confidence viewpoint presented in the third quarter 2017 NAM Manufacturers' Outlook Survey, where 85% of small manufacturers and nearly 90% of mid-sized manufacturers reported a positive outlook for their own companies. [Read Article](#)

### Wetware: The Often-Overlooked Crucial Factor in Cybersecurity

*Forbes - Phil Keys, Contributor*

Cybersecurity. With all of the continuing successful cyber-attacks on critical infrastructure such as finance and energy, this word is probably more top of mind than at any other time in history. Yet, bring up the topic of cybersecurity, and its sister, data privacy, and the most likely reactions that will bubble up are things like encryption, vulnerabilities, malware, software updates, access control, etc. etc.



What all of these have in common is that they are technology concepts. While very important, these concepts tend to invoke a reaction that cybersecurity is best left to "people in white coats," the technologists who deal with the infrastructure protecting our sensitive information. That would be wrong. [Read Article](#)

## Human Resource Management News

### The Top Skilled Trades Opportunities in Manufacturing

*IndustryWeek - Dave Blanchard*

It's no secret that finding and retaining talent is one of those constant concerns that keep manufacturing executives up at night. Hiring skilled tradespeople is particularly difficult since these occupations are much in demand but not that plentiful in number, especially in certain geographies.





Aerotek, a provider of recruiting and staffing services, has identified how many of these skilled tradespeople are working in the United States and exactly where they're working. All told, Aerotek says that nearly 1.45 million skilled tradespeople are employed within the manufacturing industry (which makes up roughly one-third of all skilled trades professions). And according to Sara Staggs, director of divisional operations for Aerotek's Commercial Division, the demand for skilled professionals is at a 10-year high across all industries.

The following slideshow looks at the top opportunities in skilled trades, where the most demand for these people is, and where the most opportunities are. [See Slide Show and Data](#)

### **Male Recruiters Rely More on Appearance than Females, Survey Finds**

*IndustryWeek - David Sparkman*

A new survey of employment recruiters in the United States finds that 57% believe that implicit bias continues to be a real problem in their field, and 27% cited widespread "sexual harassment/sexist attitudes" expressed towards candidates by colleagues.



Perhaps just as shocking, 32% reported seeing "sexual harassment/sexist attitudes" from candidates as well. Racist attitudes expressed by candidates were observed by 25% and by colleagues toward candidates by 22% of recruiters.

When it comes to evaluating talent, men and women differ in significant ways. Men are more visual while women more often judge on credentials, according to the nationwide survey conducted by Zogby Analytics for the recruiting services firm Jobvite. Males tend to pay more attention to appearance, personal style and enthusiasm. [Read Article](#)

### **Florida Insurance Scam Leads to \$1.6 Million Restitution and Incarceration**

*U.S. Department of Labor*

The U.S. District Court for the Southern District of Florida has sentenced a Port St. Lucie resident to serve 161 months of imprisonment, followed by an additional three years of supervised release, and to make \$1,665,348 in restitution for violating federal criminal statutes pertaining to plans covered by the Employee Retirement Income Security Act.



Miguel de Paula Arias previously pleaded guilty to three counts of a 28-count superseding indictment. The counts charged Arias with healthcare fraud, making false statements relating to healthcare matters, and aggravated identity theft.

An investigator with the U.S. Department of Labor's Employee Benefits Security Administration (EBSA), working with the FBI and the U.S. Department of Health and Human Services, found Arias registered a fictitious company, HPA Trust, with the State of Florida Division of Corporations in 2013. This allowed HPA Trust to become the registered agent for Life Extensions Medical Group LLC, another company created by Arias. The case was prosecuted by the West Palm Beach Office of the U.S. Department of Justice, Southern District of Florida.

Between 2011 and 2016, Arias submitted and caused submissions of fraudulent Medicare and healthcare claims for services and procedures purportedly provided by four physicians, totaling \$4,270,332, of which approximately \$1,686,176 was paid.

[Read Release](#)

## How Are EHS Managers Spending Their Budgets?

*EHSToday - Sandy Smith*

A global survey of 382 environment, health and safety directors has uncovered that EHS budgets will increase by an average of 5.4 percent in 2018. The survey was conducted by independent research firm Verdantix in 31 countries and 25 industries worldwide.



"Our global survey finds that in 2018, 21 percent of EHS leaders will increase spend in double digits, 26 percent in single digits and 48 percent will spend the same budget as in 2017," commented Verdantix analyst Isabel Velasco. "Overall, this is good news for EHS technology, consulting and training vendors. Against a positive economic backdrop, almost half of the corporate world is planning to increase investment in their safety, health and environment initiatives." [Read Article](#)

## OSHA's New Recordkeeping Rule: Top 3 Challenges Coming Down the Line

*EHSToday - Hannah Stewart*

In May 2016, OSHA published its new recordkeeping rule, officially named "Improve Tracking of Workplace Injuries and Illnesses." Among many revisions, the rule dictates that employers must submit their work-related injury and illness records to a new OSHA website. This data is then published into the public domain.



Why the OSHA Recordkeeping Changes?

At the time, then-Assistant Secretary of Labor David Michaels explained that the new rule would capitalize on the fact that employers do not want to be perceived negatively or as poorly managed: "Our new rule will nudge employers to prevent work injuries to show investors, job seekers, customers, competitors, organized labor and the public that they operate safe and well-managed facilities," he said. [Read Article](#)

## Worker Severely Burned When Trapped in a Fiery Underground Duct

*EHSToday - Sandy Smith*

OSHA has cited a Billings, Mont., general contractor and a Rock Springs, Wyo., subcontractor for exposing workers to numerous safety hazards, which led to an incident that caused an employee to suffer severe burns. The companies face a total of \$249,516 in proposed penalties.



On May 5, a Coleman Construction Inc. employee suffered third-degree burns when compressed oxygen inside an underground duct caused a fire. The subcontractor was cited for failing to provide mechanical ventilation or an underground air monitoring system, and failing to report the hospitalization of the burned employee in a timely manner. The company, headquartered in Billings, faces \$189,762 in proposed penalties.

OSHA also cited the general contractor, JTL Group, doing business as Knife River, for not ensuring that safety precautions were taken at the work site. Proposed penalties total \$59,754. [Read Article](#)

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