



The *Proactive Technologies Report* newsletter is a free service of Proactive Technologies Inc.

## Eight Scenarios That Would Make You Wish You Had a Structured OJT System

by Dean Prigelmeier, President of Proactive Technologies, Inc.



I think one can confidently say that most employer's focus on training the workers they need - to perform the tasks they were meant to perform - has become detrimentally blurry, counterproductive and often non-existent. There are many reasons for that - some legitimate. But without a deliberate, measurable strategy for quickly driving each worker to mastery of the entire job classification, an employer's labor costs (not just wages, but opportunity costs and undermined return on worker investment as well) can be substantial and act as a drag on an organization's performance.

[Many employers are still waiting for the educational institutions to solve the problem.](#) After all, look at all of the money spent on education directed at "training the workers of tomorrow." Yet a lot of the institutional strategies appear to include repackaged tools from the past...and not the ones far enough past that seemed to work. For example, the [recent comments made by education insiders](#) saying we should have kept the [high school vocational programs that were relatively effective until the late 1970's](#) in place. These were phased out when the push to prepare students for college took priority. Now, there is a push for community colleges to "pump out" more apprentices which, if done only to meet numbers but not emphasizing quality of the general training, could be another waste of scarce resources of time, money and opportunity for the trainee, the employer and communities. Another decade lost.

**Still, no matter how well or how poorly institutions prepare the workforce for employers, the employer cannot deny their responsibility to continue the training process and train the worker for the organization's specific use.** The degree to which they take this responsibility seriously will determine the success of the institution's efforts to prepare workers, how much value the worker adds to the operation, and how well the operation performs in the market. Any apprenticeship that lacks an aggressive structured on-the-job training program cannot be the robust experience it is meant to be. By definition, an apprenticeship without structured on-the-job training really isn't an apprenticeship.

But the success/failure doesn't stop there. A successfully and fully trained (to the tasks required) staff prepares, and keeps, the organization prepared to seize opportunities, adjust to disrupters and weather unforeseen forces. Failure at preparing and maintaining each worker's job mastery, as part of system, can exacerbate an organization's challenges and, potentially, lead to failure or irrelevance of the organization.

Having a structured on-the-job training infrastructure in place not only allows the organization to adapt and evolve, if built correctly it can align the training of workers with the other systems of the organization and facilitate a higher level of compliance. Without it, there is nothing to ensure a

### 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' Publications Archive

Download a .pdf version of this issue at the bottom of this month's post on our website's [News & Publications](#) page. While there, check out past newsletters, articles and more.



## Sign-up for our free monthly newsletter

### In This Issue

[Proactive Technologies'  
Workforce Development News](#)

[Industry News](#)

[Financial News](#)

[International News](#)

[International Trade News](#)

[Education and Workforce  
Development News](#)

[Training and Organizational  
Development News](#)

[Quality News](#)

[Cyber Security and IT News](#)

[Human Resource  
Management News](#)

[Environmental, Health &  
Safety News](#)

### Free - Live Online Presentation Schedule

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](#)

worker's mastery performance of a process to engineering, quality and safety specifications.

Increased work quality and quantity, compliance, worker adaptability, worker capacity and return on worker investment...while decreasing the internal costs of training, scrap, rework and operator error. It sounds like a robust solution to me.

Eight, of the many, scenarios should make any employer wish they had structured on-the-job training for each of their critical job classifications. Several are intertwined, which explains why the lack of structured on-the-job training hobbles an organization more than realized if training is viewed as an isolated process:

**1. Opportunities to Expand Market** - opportunities rarely announce themselves way in advance, and if an organization is incapable of scaling fast enough the opportunity might pass, or pass to a competitor. A staff trained to full capacity usually can quickly adapt, increase capacity and utilize unused capacity by accommodating additional task training for new products and services.

[Read More](#)

### A "Pay-for-Value" Worker Development Program - Fair to Management and Workers, and Effective Too!

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



A mystery for many employers - those who are allowed to consider the wage-value relationship in their business strategy - is "what is the right pay rate for work performed." An often used strategy is to establish a competitive wage range for a job classification based on area surveys of similar job classification in the industry, adjusted for the uniqueness of work requirements for the employer's job classification. Once hired, an employee progresses through the wage range measured by time in the job classification, in some cases with wage adjustments based on merit. While consistent, this approach may limit the employer to paying, in many cases, more for labor than the value derived. And here is why.

If an employer purchases a new, technologically advanced, piece of machinery that is advertised to increase the output of a process from 100 units per hour to 300 units per hour, the employer would be disappointed if it only received 150 units per hour. That employer would, most likely, challenge the manufacturer and perhaps request a refund if not satisfied.

---

**"How would one determine the proper wage rate for the value derived if there is no effort to hire workers accurately to today's job needs, train workers to all of the required tasks and measure workers for the work they were hired and trained to perform?"**

---

Why doesn't that same sentiment apply to hiring workers? In a hypothetical, but typical, example an employer has an opening for a job classification that consists of 50 critical tasks that the employer expects the person filling that job classification to perform. Why shouldn't the employer expect that person to master all 50 tasks? What might happen instead, after what is considered to be the "training period" is completed, the employer notices through anecdotal evidence and whispers that the output from that hired individual is below expectation. As time goes by and dissatisfaction grows, the decision to terminate the employee is made, often not measured against the investment in the employee thus far. If retained, the employee progresses through the wage range with no guarantee that the employee's output increases. Where is the concern to correct this? [Read More](#)

### Who is Responsible for Decisions Regarding Training?

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

We sometimes run into a conundrum when promoting the concept of

[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, **and a representative will be in your area**, in the month of:

**February, 2018**  
**Colorado (Eastern Slope)**

**Indiana (I70 Corridor)**

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

**Kentucky (North and Eastern)**

structured on-the-job training: finding who is responsible and accountable for the decision to provide training within an organization. It doesn't seem like negligence, but it often feels like every decision-maker is saying it is someone else's responsibility, sincerely believing the other has this important area covered. But it is also surprising when no one inside the organization asks who is responsible when any of the many symptoms of lack of training show up.

In this environment that seems like "training anarchy," it is easy for loud voices and strong personalities to step outside their zone of expertise to tackle, what may appear to be, a simple challenge - only to come up short. Sadly, although the proposed solution wouldn't rise to that provided by an experienced professional or recognized as "training," others may not know this. They might vent their disappointment by denigrating the notion of training or seek blame of the trainee saying things like "these workers just don't want to be trained." The legitimate role and purpose of training is tarnished, but never the solution's architect.

Enormous amounts of money in direct expenditures, workers and management time, opportunity costs, etc. could be expended, only to wind up at a under-whelming end. At the same time a seasoned expert in worker development would have predicted the failure if someone could coherently explain to them what the plan was. Far too often the strategy boils down to putting two people together and hoping for the best, with a class here and a class there, a job/safety analysis that is never used, illustrated work processes that quickly grow obsolete and unusable, color-coded pie charts that really don't say much and/or a policy saying workers will be trained that is ignored. Granted, a few of these strategies combined might provide recognizable progress if aligned and implemented correctly. But often each of these has a different brain behind them, residing in a different department with a different directive and budget - each unaware of the other's activities.

In the past, worker development resided in a Training Department of the Human Resources Department (if the organization could afford a formal worker training department). But as technology advanced from the 1980's on (with the proliferation of microprocessors that changed the nature of work) and the need for more focused and effective training approaches became more vital for both retaining ("up-skilling") incumbent workers and training new-hires, mysteriously training departments were disbanded and the responsibility passed to anyone who had a plan, had a budget and were allowed time to experiment. While at the time this "laissez faire" approach to training might have been justified since no one at the time had an adequate solution, it was unfortunate that the training profession too often applied outdated solutions to evolving needs and a perpetual lag grew only greater as time and technology advanced. [Read More](#)

## **You Asked, We Listened: The "Proof is in the Pudding" Pilot Program/ Discount Offer is Back**

*Proactive Technologies, Inc.Staff*

We received many requests to bring back the **"Proof is in the Pudding" Pilot Program/Discount Offer**. So here it is:

- select a 1-job classification(minimum) pilot project;
- Proactive Technologies will job/task analyze the classification(s) (incorporating your process documents and specifications), set up a structured on-the-job training system, provide 12 months of implementation technical support to make sure it is running right;
- Retainers are scheduled over 12 months. **If not satisfied with the results, you can cancel the project at any time, for any reason;**
- Within the first 90 days of the project, if you are satisfied with the results and want to expand the project to include other job classifications, the discount offer would apply!

**Discounts of up to 30% apply**, and all expenses are included!



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!**



- Accelerated Transfer of Expertise™;
- Increased worker capacity, productivity, work

What other consulting professionals are confident in their approach and services to make such an offer? Low investment, no risk, everything to gain.

Find out more about Proactive Technologies' "Proof is in the Pudding" discount/pilot project offer

From February 1 – April 10, 2018



[Contact a Proactive Technologies Representative](#) today to learn more!

## Having trouble finding, selecting, training and keeping the skilled workers you need? Are your employee turnover costs a concern?

### 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 worker malperformance or one worker's under-capacity or under-performance - 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

### DOMESTIC ECONOMIC DATA

#### Gross Domestic Product

US Department of Commerce - Bureau of Economic Analysis



Real gross domestic product (GDP) increased at an annual rate of 2.6 percent in the fourth quarter of 2017, according to the "advance" estimate released by the Bureau of Economic Analysis. In the third quarter, real GDP increased 3.2 percent. [Read Report](#)

#### Personal Income

US Department of Commerce - Bureau of Economic Analysis



Personal income increased \$58.7 billion (0.4 percent) in December according to estimates released today by the Bureau of Economic Analysis. Disposable personal income (DPI) increased \$48.0 billion (0.3 percent) and personal consumption expenditures (PCE) increased \$54.2 billion (0.4 percent). [Read Article](#)

quantity, work quality and 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

[www.proactivetechnologiesinc.com](http://www.proactivetechnologiesinc.com)

Copyright © 2018  
Proactive Technologies, Inc.  
ALL RIGHTS RESERVED

OHIO STATE UNIVERSITY EXTENSION

ALBER ENTERPRISE CENTER



- Job-Relevant Technical Instruction Provider
- Proactive Technologies Credentialing Partner
- Online and Onsite Instruction

See more at [Our Website](#)



THE OHIO STATE UNIVERSITY

## Manufacturers' Shipments, Inventories, and Orders

*US Department of Commerce - Bureau of the Census*

New orders for manufactured goods in November increased \$6.5 billion or 1.3 percent to \$488.1 billion.

November 2017: +1.3° % change

October 2017 (r): +0.4° % change [Read Report](#)



## U.S. Machine Tool Orders Growth Continues

*IndustryWeek - Robert Brooks*

New U.S. orders for machine tools and related capital equipment continued strong during

November 2017, at \$425.97 million nationwide, yet that total slipped 3.5% below the October result. AMT - the Assn. for Manufacturing Technology, which reported the results in its monthly U.S. Manufacturing Technology Orders (USMTO) report, emphasized the ongoing manufacturing expansion evident in the improved year-over-year and year-to-date order volumes.

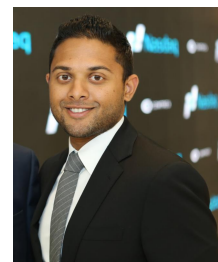


Compared to November 2016, the most recent new-orders volume represents an increase of 19.9%, and the January-November 2017 total represents an improvement of 9.4% over 2016. [Read Article](#)

## Feds Should Break Up Amazon

*CFO.com - Saagar Govil - CEO, Cemtrex*

Amazon may be good for consumers, but it isn't good for businesses. It's clear that Amazon is steadily marching toward becoming a monopoly, and monopolies are bad for competition, bad for business, and against American capitalism.



Amazon is a driving force in retail and manufacturing as well as an e-commerce powerhouse (books, electronics, consumer products) that has squashed mom-and-pop stores across the country. Its e-commerce sales are expected to grow 32% in 2017, to \$196.8 billion - or 43.5% of total U.S. e-commerce sales according to eMarketer.

That's a huge leap from Amazon's U.S. sales of \$149 billion and 38% market share in 2016. Still, it was by far the biggest e-commerce company and represented close to 4% of all retail sales, online and offline. Overall e-commerce sales are expected to increase 15.8%, to \$452.8 billion, by the end of 2017, while retail brick-and-mortar sales continue to flounder. Estimates predict that by 2020 more than half of all e-commerce will take place through Amazon.com. [Read Article](#)

## Federal Regulator Rejects Energy Department's Bid To Prop Up Coal, Nuclear

*NPR - Camila Domanoske*

Secretary of Energy Rick Perry testifies during a House Energy and Commerce Committee hearing on Capitol Hill in Washington, D.C., on Oct. 12. Perry's proposed rule to benefit nuclear and coal power plants has been rejected by a federal regulatory commission.



A federal energy regulator has rejected a proposed rule that would have subsidized nuclear and coal plants, helping those fuel sources compete with cheaper natural gas and renewables.

The rule was described by the Department of Energy as a way to promote the resilience of the electric grid - that is, its ability to provide reliable energy in the face of disruptive events like bad weather. But the Federal Energy Regulatory Commission said the rule falls short of "clear and fundamental" legal requirements, by giving preferential treatment to some resources with no evidence that the result will be "just and reasonable." The commissioners also were not persuaded that the rule would effectively address resilience issues - or, in fact, that the rule had anything to do with resilience at all. [Read Article](#)



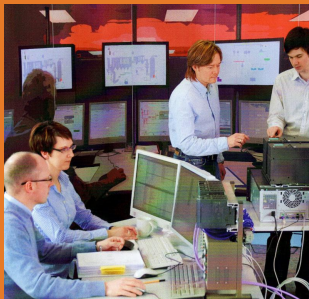
- Skill, Knowledge and Behavioral Assessments
- Intro and Advanced Blueprint Reading Courses
- Geometric Dimensioning and Tolerancing Courses
- Front Line Supervisor Training
- Training Materials and Online Courses



[Visit Our Website](#)

© 2018 Lifetime Learning LLC.

## SAR Automation and Training



- We Design, Build, Install and Support Advanced Automation Technology for Manufacturing
- We Offer Training Courses Based on Practical Experience such as S7 Basic Training, Profinet, Profisafe
- SAR Offers Other Specialty Courses for Manufacturing

## Shell Buys Stake in US Solar Company

*IndustryWeek - Bloomberg*

Royal Dutch Shell Plc is investing in a U.S. solar energy developer, continuing its recent expansion into the electricity business.



The Anglo-Dutch oil and gas producer will acquire a 44% stake in Nashville's Silicon Ranch Corp., which owns and operates about 100 solar facilities across the U.S. The investment could be as high as \$217 million in cash, depending on the company's performance, making Shell the largest shareholder, according to a statement.

Shell has been growing its foothold in the power business as it prepares for a carbon-constrained world, including an agreement to purchase the U.K.'s seventh-largest utility in December. Rivals BP Plc and Total SA have also expanding into offshore wind and solar in the past few years, reflecting changing government incentives and customer demands. [Read Article](#)

## Millions of People Post Comments on Federal Regulations. Many Are Fake.

*Wall Street Journal - James V. Grimaldi and Paul Overberg*

A Wall Street Journal investigation uncovered thousands of fraudulent posts on agencies' dockets, in hot-button areas such as net neutrality and payday lending.

A comment posted on the Federal Communications Commission's public docket endorses a Trump-administration plan to repeal a "net neutrality" policy requiring internet providers to treat all web traffic the same.

Calling the old Obama-era policy an "exploitation of the open Internet," the comment was posted on June 2 by Donna Duthie of Lake Bluff, Ill. who died 7 years before. [See Video](#)

## Tesla Powers Up New York Gigafactory Solar Roof Assembly Line

*IndustryWeek - Bloomberg*

New York committed \$750 million to help build the 1.2 million-square-foot factory, which currently employs about 500, but will create 3,000 jobs in Western New York and 5,000 statewide.



Tesla Inc. has kicked off production of its long-awaited electricity-producing shingles that Elon Musk says will transform the rooftop solar industry.

Manufacturing of the textured-glass tiles began last month at Tesla's Gigafactory 2 in Buffalo, N.Y., according to a statement from the Palo Alto, the Calif.-based company on Jan. 9.

It comes about four months after the plant, built with backing from New York State, started making solar panels and cells and more than a year after Tesla unveiled the photovoltaic shingles to a mix of fanfare and skepticism. [Read Article](#)

## Kimberly-Clark Corp Slashes Up to 13% of Jobs as It Shuttters Factories

*IndustryWeek - Bloomberg*

As companies move to boost jobs and pay in the wake of the U.S. tax overhaul, Kimberly-Clark Corp. is going in the opposite direction.



The producer of Kleenex tissues and Huggies diapers is cutting 5,000 to 5,500 workers – or 12% to 13% of its headcount – as part of a drive to reduce costs and boost margins amid uneven revenue growth and higher material costs.

Kimberly-Clark will also close or sell about 10 factories while expanding production at other sites, according to a statement. The cutbacks threaten American factory jobs at a time when the Trump administration is trying to reinvigorate the manufacturing





SAR Group

Visit [Our Website](#)

© 2018 SAR Automation

## MEMORABLE QUOTES

"Knowing is not enough; we must apply. Willing is not enough we must do."

Goethe

"The road to wisdom? - Well, it's plain and simple to express:

Err and err and err again, but less and less and less."

Piet Hein, Danish inventor and poet

## Recent Proactive Technologies News Article Quicklinks

### January

[Maximizing Worker Capacity Maximizes Shareholder Value...If Done Right](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

[Training Issue or Attitude Issue? Understanding the Difference](#)

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

[Grow Your Own Multi-Craft Maintenance Technicians - Using a Systems Approach to Training](#)

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

[Finding the Balance Between Wages, Entry-Level Skills and Opportunities for Advancement](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

### December:

the economy. The company didn't lay out where the jobs would be eliminated, other than saying they would hit every major region where it does business. [Read Article](#)

## Whirlpool Says It's Adding Jobs in Wake of Trump Tariff Decision

*IndustryWeek - Bloomberg*

Whirlpool Corp. said it's adding 200 jobs after the Trump Administration imposed a tariff of up to 50% on large residential washing machines, a penalty aimed at imports from rivals Samsung Electronics Co. and LG Electronics Inc.



The new full-time employees will work at a factory in Clyde, Ohio, Whirlpool said on Monday. The American appliance maker also vowed to make broader investments in manufacturing and innovation.

Whirlpool, based in Benton Harbor, Mich., renewed allegations last year that its South Korean rivals illegally undercut prices on washing machines. In May, it filed a so-called safeguard petition, which is meant to provide help to domestic manufacturers hurt by importers selling products at excessively low levels. [Read Article](#)

## US Manufacturing Primed for Another Growth Year

*IndustryWeek - Bloomberg View*

U.S. manufacturing production just had its best year since 2011, yet some argue that 2017 was as good as it will get and that a slowdown is ahead.



We think the opposite is more likely: Factory output is poised to speed up. Investors worried that the equity market is stretched should take heart. Stronger growth in factory output is a good reason to remain cyclically oriented, especially in U.S. industrial stocks.

Trade, one of the biggest engines of the sector in 2017, is likely to continue to gather momentum. Stronger global growth expectations and a weaker dollar should help as manufacturing goods represent about half of all exports. [Read Article](#)

## Robots Rejected: Humans Still Build the Best New Car You Can Buy

*IndustryWeek - Bloomberg*

More than three decades after Honda Motor Co. first built an Accord sedan at its Marysville, Ohio, factory in 1982, humans are still an integral part of the assembly process – and that's unlikely to change anytime soon.



Even as doom-and-gloom reports suggest robots are poised to replace human labor and automotive upstarts like Tesla Inc. aim to largely remove people from the production line, workers keep toiling side-by-side with machines in Marysville. And Honda's approach is working: The Accord won the prestigious North American Car of Year award at last week's Detroit auto show.

"We can't find anything to take the place of the human touch and of human senses like sight, hearing and smell," Tom Shoupe, the chief operating officer of Honda's Ohio manufacturing unit, said in an interview. [Read Article](#)

## A Shortage of Trucks Is Forcing Companies to Cut Shipments or Pay Up

*Wall Street Journal - Jennifer Smith*

A nationwide truck shortage is forcing thousands of shippers into a tough choice: postpone all but the most important deliveries, or pay dearly to jump to the front of the line.



Michelin North America Inc. cut its daily shipments of synthetic rubber from one plant by a fifth earlier this month and is at times paying double its usual price for temperature-controlled trucks, said Eric Stuch, a logistics manager at the tire manufacturer. Meal-kit service HelloFresh SE recently enlisted one of its produce suppliers to help move shipments to the airport

**Worker Capacity; Malperformance Cause-Effect**

by Dean Prigelmeier, President of Proactive Technologies, Inc.

**Challenges Presented by the Widening Skills Gap**

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

**Tips for Workforce Developers - Partnerships That Matter...and Last!**

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

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

by Dean Prigelmeier, President of Proactive Technologies, Inc.

**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.

**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**

in a snowstorm.

Several factors have converged to overwhelm the trucking market. Freight volumes in December hit near-record levels for that time of year, on the back of a strengthening economy. Retailers are replenishing stocks after one of the strongest holiday sales seasons in recent years. Manufacturers are also shipping more cargo; in December, industrial production had the largest year-over-year gain since 2010, according to the Federal Reserve.

[Read Article](#)

## Financial News

### **To Make More Money, CEOs Harm Company Value**

CFO.com - David McCann

Quarters when CEO equity awards vest coincide with corporate actions that pump up stock prices briefly while damaging the company's long-term value.

CEOs are motivated by opportunities to pad their personal bottom lines, even when taking advantage of them can be expected to harm the companies they lead, two new research papers suggest.

The studies establish a link between the amount of a CEO's awarded equity - stock and stock options - that vests in a particular quarter, and corporate actions in that quarter that boost short-term stock prices but destroy long-term value.

Such actions include revising guidance upward, reducing R&D and capital expenditures, buying back shares, and making acquisitions.

"The research paints a clear and bold portrait of short-termism, with concern for long-term value creation faded into the background," says Jon Lukomnik, executive director of the Investor Responsibility Research Center Institute, which named the two papers as co-winners of its annual investor research competition. [Read Article](#)

### **Share Buybacks: Who Really Benefits?**

CFO.com - Kurt Schacht and Sviatoslav Rosov, Contributors

Corporations should exist for a greater purpose than maximizing value to shareholders - and executives.

This is the second of two articles examining the value of share buybacks amid their diminishing volume over the past two years. Read the first here.



The issue of share buybacks by public companies is a complex one. It encompasses questions of company growth and investment opportunities, interest-rate policy, macroeconomic dynamism and employment, management compensation - and even philosophical questions about a firm's purpose.

Share buybacks stem from the assumption that the job of management is to maximize shareholder value, a concept promoted by Milton Friedman in the early 1970s. Therefore, the thinking goes, whenever management cannot find investment opportunities whose return exceeds the cost of capital, that management should instead return the capital to its shareholders.

The real questions, though, are whether share buybacks are the best tool for returning capital, and whether they're sometimes used for the less-wholesome reasons of management entrenchment or enrichment.

In some cases, management may feel that the company's share price is undervalued and fairly decide that the best return on investment would come from buying its own shares. This idea has lately been extended even further, with some companies now borrowing money to repurchase shares. [Read Article](#)



### 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 K&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 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,

## **GE's Surprise \$15 Billion Shortfall Was 14 Years in the Making**

IndustryWeek - Bloomberg

Was former CEO Jeff Immelt wearing rose-colored glasses? Analysts are expressing disbelief that he and other members of the old management team didn't know problems existed.



The trouble at General Electric Co. started decades ago when a hole formed inside its sprawling financial unit.

The hole grew into a \$15 billion shortfall in insurance reserves, disclosed last week. It's prompted a Securities and Exchange Commission investigation, called into question the oversight of GE leadership, pushed down the share price, and shocked investors who were asking Wednesday how this icon of American capitalism could allow the situation to deteriorate to this point.

"It sure seems that previous management had a rosy view," said Scott Davis, an analyst with Melius Research in New York. "There seemed to be no effort on their part to get ahead of the liability. I find it very hard to believe that mysteriously overnight GE found problems they didn't know existed." [Read Article](#)

## **Deferred Taxes Could Drive Big Earnings Swing**

CFO.com - David M. Katz

Companies with large deferred tax liabilities or assets will record big fourth-quarter earnings swings as they adjust to the expected lower future corporate tax rate under the Tax Cuts and Jobs Act, a leading corporate financial reporting expert predicts.



Corporations with sizable deferred tax liabilities will record big resulting profits for this quarter, and those with large deferred tax assets will report big earnings hits, forecasts Charles Mulford, an accounting professor at Georgia Tech and director of the college's Financial Reporting and Analysis Lab.

The winners will enjoy a big, one-time earnings gain as they write down their deferred tax liabilities in line with the expected drop in corporate tax rates, according to Mulford.

"The losers would see a big earnings hit as deferred tax assets [are] written down for the same reason," he said in an email to CFO. Corporate taxes would be slashed from 35% to 21% under the act, which president Trump signed into law today. [Read Article](#)

## **Cryptocurrency Investors Worry, Wait After Bitcoin Price Drop**

NPR - Asia Simone Burns

Over the last month, in a series of volatile swings, the price of the cryptocurrency bitcoin rose to a record high - then plunged to less than half that value.



The abrupt changes have inspired comparisons to the dot-com bubble, and underscored the extremely speculative nature of investing in cryptocurrency.

By Wednesday, the price of bitcoin fell below \$10,000 for the first time since Dec. 1, at one point dropping to less than \$9,300 on one exchange (still significantly higher than the price just a few months ago). The price has risen back to around \$12,000, but economists and investors are unsure how long it will stay there.

Some speculate the recent slide was due to fear over regulatory crackdowns on the cryptocurrency market. [Read Article](#)

## **International News**

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, Inc.

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

by Proactive Technologies, Inc. Staff

**Click here for the Proactive Technologies Website "[News and Publications](#)" for Past Newsletters and Archived Articles**



PROACTIVE TECHNOLOGIES, INC.  
*Human Resource Management for Tomorrow...Today!*

## **We Partner With Workforce/Economic Development Groups**

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

**Proactive Technologies has continued to partner with community colleges, universities, workforce development agencies and training providers with its "[hybrid approach](#)" to worker training.**

## **How Germany Wins At Manufacturing - For Now**

NPR Morning Edition - John Ydstie

This is the first of three reports from NPR's John Ydstie on Germany's manufacturing strength.



The United States needs to create more manufacturing jobs: That has been a constant refrain of President Trump and was one of the goals of the corporate tax cut recently passed by Congress and signed into law. The loss of manufacturing jobs has been a problem for many countries, especially the U.S. It played a big role in Trump's election.

Germany, however, continues to maintain manufacturing as a large share of its economy. It makes up nearly a quarter of the German economy, about twice the share that manufacturing has in the U.S. economy.

How do the Germans do it? Are there any lessons for the U.S.? [Read Article and Hear Podcast](#)

## **Vast Majority of New Wealth Last Year Went to Top 1%**

USA Today - Kim Hjelmgaard

A new billionaire is created every other day. The three richest Americans have the same amount of wealth as the poorest half of the U.S. population. And 82% of the global wealth generated last year went to just 1% of the world's population.



These are among the findings of a study released Sunday by Oxfam, a British campaigning group, as political and business leaders, including President Trump, prepared to gather in Davos, Switzerland, for the World Economic Forum's annual meeting. Income inequality will be a major topic at the conference, which runs from Tuesday through Friday.

"There's a billionaire boom," said Paul O'Brien, Oxfam America's vice president for policy and campaigns. "A perfect storm is driving up the bargaining power of those at the top while driving down the bargaining power of those at the bottom. If such inequality remains unaddressed, it will trap people in poverty and further fracture our society." [Read Article](#)

## **China Wind Turbine Maker Guilty of Stealing US Trade Secrets**

IndustryWeek - Agence France-Presse

Sinovel, one of China's leading wind turbine-makers, was found guilty Wednesday of stealing proprietary technology from US firm AMSC, causing it \$800 million in losses, the Justice Department said.



A Wisconsin jury convicted Beijing-based Sinovel Wind Group Co. Ltd., of conspiracy to commit trade secret theft, theft of trade secrets and wire fraud after an 11-day trial.

It said that in 2011, Sinovel recruited an Austria-based AMSC employee who stole source code from its computers that formed the basis of its technology for regulating the flow of electricity from wind turbines to electrical grids. [Read Article](#)

## **Cape Town Water Crisis Prompts Rationing to Prevent Day Zero Shutoff**

CBC - The Associated Press

Average reservoir level in Cape Town, population 4 million, is at 27%, but not all of that is usable



Long lines of South Africans collect water daily from a natural spring pipeline in an upscale suburb of Cape Town, illustrating the harsh impact of a drought that authorities say could force the closure of most taps in the country's second largest city in just over two months, an occasion ominously known as Day Zero.

The prospect that large sections of South Africa's showcase city, famously perched near two oceans, might go without running water has induced

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



Client employers experience:

- [Accelerated Transfer of Expertise™](#)
- Increased worker capacity, productivity, work quantity, work quality and compliance;
- Decreased internal costs of training;
- **Higher return on worker investment!**

Properly aligning workforce development resources maximizes the impact and results. This approach provides the best infrastructure for apprenticeships that last!

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

[www.proactivetechnologiesinc.com](http://www.proactivetechnologiesinc.com)

Copyright © 2018  
Proactive Technologies, Inc.  
ALL RIGHTS RESERVED



## CLIENT SERVICES

**To supplement onsite PROTECH© system of *managed* human resource development classes, these regularly scheduled webinars are available to the registered staff of clients:**

"Structured On-The-Job Training Instructor Certification"

"Structured On-The Job Training Checklist Administrator Certification"

anxiety as well as resolve among its nearly four million residents. It has attracted scrutiny from scientists and city managers worldwide who also face the dual challenge of ballooning populations and shrinking resources. If it goes dry, Cape Town would become the world's first major city to do so.

"There are a lot of people who have been in denial and now they suddenly realize this is for real," said Shirley Curry, who waited to fill a plastic container with spring water from one of several taps outside a South African Breweries facility in the Newlands suburb.

[Read Article](#)

## Applications for EU Asylum Drop by Nearly Half in 2017

*Deutsche Welle*

More than 700,000 applications for asylum were lodged in Europe in 2017. One million asylum applications decisions were also made, with 40 percent resulting in refugee status or subsidiary protection.

Asylum applications across Europe dropped by 43 percent in 2017 compared to 2016, the EU Asylum Support Office (EASO) said on Thursday.

EU member states plus Norway and Switzerland recorded asylum applications from 706,913 people in 2017, marking the second consecutive year that numbers have decreased since an influx of migrants in 2015, EASO said.

Still, asylum applications numbers in 2017 were slightly higher than the number lodged in 2014, "indicating that the asylum-related inflow in the EU+ remained considerable," the Malta-based agency said. [Read Article](#)

## Building a Business Without Good Internet Access

*BBC News - Will Grant*

If you had to choose a spot from which to set up an international brand, the chances are you wouldn't pick Old Havana.



The crumbling colonial heart of the Cuban capital is undoubtedly beautiful and its bustling streets might inspire creativity among your team.

But it is also loud, hectic and, most importantly, almost completely offline.

Still, a small shop on one of the old city's narrow streets is trying to do exactly that. Under a sign in the shape of a T-shirt, Clandestina design store began in early 2015 with a simple idea. [Read Article](#)

## International Trade News

### INTERNATIONAL TRADE DATA

#### U.S. International Trade in Goods and Services

*US Department of Commerce - Bureau of Economic Analysis*



The goods and services deficit was \$50.5 billion in November, up \$1.6 billion from \$48.9 billion in October, revised. November exports were \$200.2 billion, \$4.4 billion more than October exports. November imports were \$250.7 billion, \$6.0 billion more than October imports. [Read Report](#)

#### Monthly Wholesale Trade

*US Department of Commerce - Bureau of the Census*

November 2017 sales of merchant wholesalers were \$492.4 billion, up 1.5 percent (+/- 0.5 percent) from last month. End-of-month inventories were \$611.0 billion, up 0.8 percent (+/- 0.4 percent) from last month. November 2017: +0.8 % change in Inventories; October 2017 (r): -0.4 % change in Inventories. [Read Report](#)





"Management Structured On-The-Job Training Project Support Briefing"

"Integrating Support for Plant-Wide ISO/AS/TS Quality and Safety Systems with PROTECH® Workforce Development System"

"Supporting "Pay-For-Value" Systems"

"Promoting Continuous Process Improvement While Implementing the PROTECH® System for the Accelerated Transfer of Expertise™"

"PROTECH® Onsite System Administrator Certification"

**Contact US to attend one of these seminars and we will send you an e-reservation. Include your client ID, name and user ID number and which webinar you would like to attend.**

[www.proactivetechnologiesinc.com](http://www.proactivetechnologiesinc.com)

Copyright © 2018  
Proactive Technologies, Inc.  
ALL RIGHTS RESERVED



**If your organization sees training as a cost, not as an investment, maybe you should consider another approach!**

**The PROTECH® system of managed human resource development:**

- \* Captures worker expertise and legacy knowledge for the [accelerated transfer of expertise™](#);

- \* Cuts the employer's internal costs of training;

- \* Lowers the costs associated

**Manufacturing and Trade Inventories and Sales**  
*US Department of Commerce - Bureau of the Census*  
U.S. total business end-of-month inventories for November 2017 were \$1,895.4 billion, up 0.4 percent (+/- 0.1 percent) from last month. U.S. total business sales were \$1,420.1 billion, up 1.2 percent (+/- 0.2 percent) from last month. November 2017: +0.4 % change in Inventories, October 2017 (r): 0.0\* % change in Inventories. [Read Report](#)



### **Trump Might Be Right About the Trade Deficit With Canada**

*IndustryWeek - Bloomberg*

President Donald Trump asserted again that the U.S. runs "a pretty good trade deficit" with Canada. The claim was quickly rebuffed by Canada's ambassador to the U.S., David MacNaughton. So, what is it? A surplus? Or a deficit?



President Donald Trump asserted - again - that the U.S. runs "a pretty good trade deficit" with Canada. The claim was quickly rebuffed by Canada's ambassador to the U.S., David MacNaughton, who cited American data saying the opposite was true.

Canadian officials tend to use U.S. data to make their case and the Bureau of Economic Analysis has calculated the U.S. had a \$7.7 billion surplus in 2016. But Statistics Canada data show it's Canada with the surplus in goods and services, totaling C\$18.8 billion (\$14.61 billion) last year. That's a \$22.3 billion difference between the two measures. [Read Article](#)

### **India Raises Tariffs on Electronics to Curb Surging Imports**

*IndustryWeek - Bloomberg*

India increased the customs duty on some electronics including mobile phones, television sets, and microwave ovens in a bid to curb imports and boost local manufacturing.



The levy on mobiles was raised to 15% from zero and that on TVs to 15% from 10%, according to the Finance Ministry.

Duty on digital cameras, video cameras and projectors was doubled to 20%. [Read Article](#)

### **Retail Imports Up 7% in 2017**

*Material Handling & Logistics - Staff*

Retailers imported more merchandise than ever to meet demand for quality products at affordable prices, and growth is expected to continue in the year ahead, said NRF.



Imports at the nation's major retail container ports grew 7% during 2017 over 2016 as retail sales continued to increase and the industry wrapped up the year with a strong holiday season, according to the monthly Global Port Tracker report released today by the National Retail Federation and Hackett Associates.

"Retail had a strong year fueled by growing wages, higher employment and a boost in consumer confidence," NRF vice president for Supply Chain and Customs Policy Jonathan Gold said.

"Retailers imported more merchandise than ever to meet demand for quality products at affordable prices, and growth is expected to continue in the year ahead," added Gold. [Read Article](#)

### **CFO Data Alert: New EU Law Has Teeth for U.S. Cos.**

*CFO.com - Brian Cohen*

After May 25, 2018, companies found violating the General Data Protection Regulation are subject to fines of up to 4% of their annual worldwide revenues.



For CFOs, the European Union's sweeping new data protection law, the General Data Protection Regulation (GDPR), represents both a huge threat and an enormous opportunity.

with turnover;

\* Drives new-hires and incumbent workers to "full job mastery;"

\* Increases worker capacity, work quality, productivity and compliance (ISO/AS/TS training and records requirement, engineering specifications and safety mandates);

\* Creates framework for cross-training, retraining and worker certification;

\* Establishes the framework for employer specific/job-specific apprenticeships and internships - registered or not;

\* Builds career development tracks and succession plans for hourly (and salary) workers;

\* Ensures the increased and maintained "Return on Worker investment" through any type of change...

**ALL OF THIS FROM ONE APPROACH!** If employer is partnered with local career and technical educational institutions, use of shared employer's equipment, facilities and paid wages of trainer(s) and trainee(s) are attractive match for potential grant assistance.

**Contact a Proactive Technologies representative for more information.**

[www.proactivetechnologiesinc.com](http://www.proactivetechnologiesinc.com)

Copyright © 2018  
Proactive Technologies, Inc.  
ALL RIGHTS RESERVED

Brian-Cohen2The threat, of course, is the measure's punitive teeth. After May 25, 2018, companies found in violation of GDPR are subject to fines of up to 4% of a company's annual worldwide revenue or €20 million, whichever is greater. That's a stiff blow to a company's bottom line, and it's a safe bet the EU won't wait long to make an example of a scofflaw.

GDPR will also potentially have an impact on U.S. companies, as any company that stores or processes information about EU citizens with EU states must comply with the regulations, even if they do not have business operations within the EU. [Read Article](#)

### **African Countries Make Headway Towards the Creation of the CFTA**



*International Centre for Trade and Sustainable Development*  
African countries concluded an intense month of talks as part of the negotiating process towards the establishment of the Continental free trade area (CFTA), with the fourth Meeting of African Ministers of Trade (AMOT) taking place on 1-2 December in Niamey, Niger. The meeting was preceded by technical work and discussions under the other CFTA bodies, including technical working groups, the CFTA Negotiating Forum, as well as the Meeting of Senior Trade Officials.

If concluded and put in place successfully, the CFTA will bring together all members of the African Union into a single market spanning the continent, with a total population of over 1 billion people and a cumulated GDP of more than 3.4 billion US\$. As such, it will constitute the largest free trade area in the world in terms of number of participating countries.

[Read Release](#)

### **President Trump Approves Relief for U.S. Washing Machine and Solar Cell Manufacturers**

*Office of US Trade Representative*

Washington, DC - U.S. Trade Representative Robert Lighthizer announced today that President Trump has approved recommendations to impose safeguard tariffs on imported large residential washing machines and imported solar cells and modules.



USTR made the recommendations to the President based on consultations with the interagency Trade Policy Committee (TPC) in response to findings by the independent, bipartisan U.S. International Trade Commission (ITC) that increased foreign imports of washers and solar cells and modules are a substantial cause of serious injury to domestic manufacturers.

"These cases were filed by American businesses and thoroughly litigated at the International Trade Commission over a period of several months," said Ambassador Lighthizer. "The ITC found that U.S. producers had been seriously injured by imports and made several recommendations to the President. Upon receiving these recommendations, my staff and I conducted an exhaustive process which included opportunities to brief in person and through public comments, public hearings, and meetings with senior representatives. Based on this information, the Trade Policy Committee developed recommendations, which the President has accepted. The President's action makes clear again that the Trump Administration will always defend American workers, farmers, ranchers, and businesses in this regard." [Read Release](#)

## **Education and Workforce Development News**

### **Earning for Prior Learning**

*Community College Daily - Ed Finkel*

The concept that "time is money" applies to the life outlook of community college students as much as anyone. Their success in completing a degree or certificate is often an equation that weighs their financial resources against how long they will need to finish.



Prior learning assessments (PLA), which award academic credit for students' skills and knowledge acquired through work, the military and other experiences prior to enrolling, can help reduce

that time frame and the resulting costs - which means the equation can add up where it might not have otherwise. [Read Article](#)

### House HEA Bill Calls for Major Changes

*Community College Daily News - Staff*

The House Committee on Education and the Workforce on Friday released a 542-page bill to reauthorize the Higher Education Act that would significantly change federal student aid, such as allowing students to tap Pell grants to pay for short-term education programs and permitting colleges to limit students borrowing. It also would require higher education institutions to cover certain portions of student aid if students drop out.



The committee is expected to move quickly on the Promoting Real Opportunity, Success and Prosperity through Education Reform (PROSPER) Act, with a markup and vote likely this week. The bill would help contain college costs while helping students attain an education to meet requirements of available jobs - that, in turn, would help to grow the economy, according to House Republicans.

"Unfortunately, today's chaotic maze of federal aid programs, requirements and red tape has driven up college costs and made pursuing and finishing a postsecondary education unworkable for far too many individuals," stated a fact sheet on the bill. "We are failing the next generation at a time when more businesses are demanding their employees attain postsecondary credentials to fill technical, high-skill, good-paying jobs." [Read Article](#)

### Cummins Brings Its Global Technical Education Program to the US

*IndustryWeek - IW Staff*

Cummins Inc. announced on January 4 that it will join forces with more than 10 Memphis-area education and industry partners to launch TEC: Technical Education for Communities.



TEC Memphis will be the first of its kind for the company in the United States.

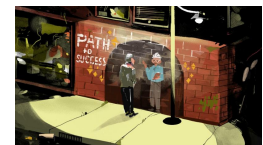
"We look forward to bringing to Memphis this global community education program that has trained over 1,000 students to date," said Mary Titsworth Chandler, CEO of the Cummins Foundation.

Currently, Cummins, which employs 55,400, has 22 TEC sites across the globe. [Read Article](#)

### The False Promises of Worker Retraining

*The Atlantic - Jeffrey Selingo*

Despite assurances from policymakers that retraining is the key to success, such programs have consistently failed to equip workers with the preparation they need to secure jobs.



When Travis Busch graduated from high school in Jefferson, Iowa, in 1999, he followed many of his classmates on the well-plotted and well-trod path to college. Busch took classes at Iowa Central Community College during the day and worked part-time at night on the floor of a local factory that made stock tanks for horse and cattle farms. But after a year and a half in college, he dropped out to work full time.

"I didn't want to go to college in the first place," he said. "I was already making money. I didn't see why I needed it."

Fast-forward to January 2017. The factory where Busch worked was sold to a company that moved its operations to Kentucky and laid off the workers in Iowa. Before he lost his job, Busch met with local workforce officials who presented him three options: apply for an apprenticeship, go back to college, or try his luck on the job market with only a high-school diploma. [Read Article](#)



## 'Career Ready' out of High School? Why the Nation Needs to Let Go of that Myth

WorkforceGPS Blog - Guy Suetopka

This article was submitted by research professors at the Georgetown University Center on Education and the Workforce.



Unlike old-fashioned vocational education, high school-level career and technical education doesn't really prepare people for jobs directly after high school. While the stated end goal of K-12 education in America is for students to be "college and career ready," the reality is the existence of career-ready high school graduates is a myth. The expectation that high school produces career-ready adults in a 21st century economy is unrealistic and counterproductive.

While there have been efforts to revive vocational training in high school, it has become clear that, for today's students to be prepared for tomorrow's jobs, all pathways must lead to a credential with labor market value, such as a certificate, associate's degree or bachelor's degree. Good jobs that only required a high school education, in blue-collar fields and the military, have declined, while the jobs that took their place in fields like health care, information technology and business services require more than a high school education. [Read Article](#)

## Training and Organizational Development News

### Robust Apprenticeship Program Key To Germany's Manufacturing Might

NPR Morning Edition - John Ydstie

This is the second of three reports from NPR's John Ydstie on Germany's manufacturing strength.



Manufacturing accounts for nearly a quarter of Germany's economy. In the U.S., it's about half that. A key element of that success is Germany's apprenticeship training program.

***"...the U.S. approach to vocational education has been ineffective partly because it's often not directly connected to specific jobs at real companies."***

Every year, about half a million young Germans enter the workforce through these programs. They provide a steady stream of highly qualified industrial workers that helps Germany maintain a reputation for producing top-quality products. [Read Article and Hear Podcast](#)

### Global Connections: The Australian Apprenticeship Model

Community College Daily - Wayne Wheeler

In the U.S., apprenticeships are widely seen as a viable solution to such highly publicized challenges as the country's skills shortage and the student debt crisis. They have the potential to provide a broad selection of earn-while-you-learn opportunities, and, upon program completion, apprentices are debt-free and work-ready.



So it is no surprise that President Trump's executive order to expand U.S. apprenticeships has received a tremendous amount of support and a great deal of excitement. This fall, the new President's Task Force on Apprenticeship Expansion - which includes Walter Bumphus, president and CEO of the American Association of Community Colleges (AACC), and other experts from the public and private sectors - started to convene "to identify strategies and proposals to promote apprenticeships, especially in sectors where apprenticeship programs are insufficient."

### Why it's important

The global competitiveness of U.S. apprentices and their acquisition of global competence is necessary if the U.S. is to successfully compete in an increasingly global marketplace. Accordingly, the U.S. government has also looked abroad for expertise, at innovative and promising apprenticeship models in other countries. Some of America's strongest allies and trade partners, such as Germany and Switzerland, have used the opportunity to highlight their own models as well as to spotlight

companies from their countries that participate in successful apprenticeship programs in the U.S. [Read Article](#)

## The Problem with Pie Charts

*CFO Tablet Edition - Vincent Ryan*

Despite sophisticated tools that let executives create eye-popping visual displays, clear, instantly meaningful charts and graphs are rare.

# CFO

Eighteenth century Scottish engineer and economist William Playfair was one of the founding fathers of presenting data visually. He is credited with inventing the ubiquitous line and bar charts. That's more important than it sounds, given that research since shows humans process visual information faster than verbal information. And we do it with a part of the brain that requires less energy.

But Playfair also, a few years later, gave us the pie chart, a highly popular form of graphical display that, as a form of meaningful communication of financial data, fails miserably.

Playfair, operating a couple of years before the term "biology" had even been coined, didn't have the advantage of years of scientific research on the workings of the brain and how it processes visual information. "He understood the intuitive ability of a sub-divided circle to represent part-to-whole relationships, but not the perceptual problems that we encounter when trying to compare its parts," wrote Stephen Few, a consultant with 25 years in business intelligence and information design, in his Visual Business Intelligence Newsletter. [Read Article](#)

## Quality News

### How to Avoid One of the Biggest Mistakes Plant Leadership Makes

*IndustryWeek - Larry Fast*

Are you in danger of signing up for more than you can resource? Here's expert advice on how to prevent "death by a thousand initiatives."



Question for Ask the Expert: Lean Leadership: In one of your early columns, you wrote: "This is one of the biggest mistakes that plant leadership makes-they sign up for more than they can resource and end up over-promising and under-delivering-ultimately dying from "a thousand initiatives." Do you have any thoughts on how to avoid this scenario?"

Answer: The first plant manager I reported to back in the mid-1970s, a mentor named Roland Mirade, liked to remind his staff about focusing on the significant few by saying, "If you don't know where you're going, any road will get you there." That quote has stuck with me throughout my career and I have used it many times over.

Everyone who works requires direction from the top. Everyone wants to "be in the know" about how the company is doing and what the expectations are for the future. Are we winning or losing? [Read Article](#)

### Beyond Lean Thinking to Define Value (Part 1)

*IndustryWeek - Jamie Flinchbaugh*

Without a clear understanding of what specific work is of value, you cannot make informed decisions about what work to pursue.



A central tenet of lean thinking is delivering value to our customer. However, there are two problems in how this long-standing belief has been practiced. First, it is stated as a principle yet it is not backed up by deliberate actions and systems. We eliminate waste we perceive doesn't deliver value, but that's not the same as increasing the value delivered. Second, many people do not directly touch the work that delivers value to the customer. We may say we work on behalf of the customer's interests, but that isn't the same as directly delivering value to the customer. Our customer is often an internal customer, someone who depends on our output for them to do their work. But whether your direct customer is external or internal, most of the same fundamentals of delivering value

apply. [Read Article](#)

## Cyber Security and IT News

### Patches for Chip Flaws May Slow Down PCs

*CFO.com - Matthew Heller*

Microsoft says the fixes for the Spectre and Meltdown bugs are having an impact on the performance of systems running on older Intel processors.



Microsoft has reported performance issues with computers and servers resulting from security patches for vulnerabilities in hardware chips from Intel and AMD.

Patches for the memory corruption flaws known as Spectre and Meltdown were first released on Jan. 3. The bugs could allow hackers to bypass operating systems and other security software to steal passwords or encryption keys on most types of computers, phones and cloud-based servers.

But in a blog post Tuesday, a Microsoft executive said the fixes were having an impact on performance, notably that of systems running on older Intel processors.

With Windows 10 on 2015-era PCs, "some benchmarks show more significant slowdowns, and we expect that some users will notice a decrease in system performance," while with Windows 8 and Windows 7 on 2015-era PCs, "we expect most users to notice a decrease in system performance," Terry Myerson, executive vice president of Microsoft's Windows and Devices Group, wrote in a blog post. [Read Article](#)

### Moving Toward Increased Cyber Safety

*IndustryWeek - Ken Modeste*

There are nine precautions manufacturers can take right now to help secure their industrial controls systems in a connected world.



Industrial control systems (ICS) are everywhere. These systems play a critical role in nearly every industry around the world, including electric, water and wastewater, oil and natural gas, and transportation, as the smart technology of today and tomorrow is driven by these systems. This same widespread use and importance of ICS, especially those found in critical infrastructure, also makes them a primary target for bad actors, and the increasing use of the internet is only serving to magnify the potential for issues.

According to Industrial Control Systems Vulnerabilities Statistics from Kaspersky, there were only two ICS vulnerabilities detailed in 1997 (the first year this information was recorded); however, these vulnerabilities are now much more commonplace, with 189 reported in 2015. Primarily, these issues are the result of ICS availability over the internet and vulnerabilities in vendor products. There are nine proactive precautions manufacturers can take right now to help secure their systems and, by working with an independent third party like UL, these steps are easy to manage.

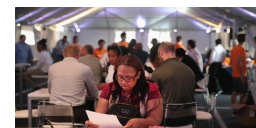
Steps Toward a More Secure System [Read Article](#)

## Human Resource Management News

### 5 Employment Trends for 2018

*IndustryWeek - Jeff Shane*

One important trend is that training and development will be utilized to fill the gaps in employee skill sets which is essential for Generation Z employees, who are demonstrating a soft skills gap.



Workforce issues, including hiring, training and retaining talent will continue to be a focus of manufacturing companies in 2018.

Here are some trends that our company predicts will have significant implications for both employees and job seekers.

**1. Working at home is on the decline as workplace well-being is**



prioritized. [Read Article](#)

## New Trump NLRB Delivers on Employer Promises

*IndustryWeek - David Sparkman*

For most of the Obama era, the National Labor Relations Board (NLRB) pushed the legal envelope on every front in order to promote the interests of labor unions. Under President Trump, once the board finally attained a Republican majority—even if only for a few days—that battered envelope began to be repaired.



It took until this fall for President Trump to finally nominate and obtain Senate confirmation of two new Republicans to the board, employer attorneys Marvin Kaplan and William Emanuel. Trump also finally nominated and got Peter B. Robb confirmed as the new NLRB General Counsel. Similar to the board members, the general counsel must be confirmed by the Senate. Like the board members, he will serve for a set term of four years and has substantial influence on the board's policy direction. [Read Article](#)

## Talent Key Driver for Manufacturing Site Selection

*IndustryWeek - Adrienne Selko*

"The number one concern across every industry is the ability to find qualified labor," explains Dennis Donovan, principal, WDG Consulting. "The shortage is pervasive and extends to all positions."



Growth has always been the foundation of the U.S. economy. Though sometimes slower than preferred, the GDP still grows every year. Businesses always project growth; staying the same in revenue or profits is not an ideal state. And employment is always expected to grow along with the general economy.

But a study last year found that for the first time since 2007, a labor shortage appears to be slowing job growth. According to a survey by PeopleReady, a staffing firm that specializes in placing manufacturing workers, year-over-year job growth is now at 1.6%, down from 2.3% in February 2015. During that same time, however, job openings remained at close to record levels. The result is that the demand for labor is greater than the supply.

While there are a variety of reasons why this trend will continue—Baby Boomer retirement, wage issues, etc.—the result is the manufacturing industry is projected to fall a startling 2 million workers short of its needs, according to a study by The Manufacturing Institute and consulting firm Deloitte. [Read Article](#)

## Environmental, Health & Safety News

### Inadequate Lockout/Tagout Leads to Amputations at Nox US LLC

*EHSToday - Stefanie Valentic*

OSHA investigates Ohio manufacturer after two serious injuries in June.



Nox US LLC now is in OSHA's Severe Violator Enforcement Program and must pay a proposed \$514,236 in fines after two workers were severely injured.

The incidents, which occurred in June, led to surgery and partial amputations because of unsafe machine procedures. "When dangerous machines are not properly guarded or de-energized, employees face an increased risk of serious injuries," said Kim Nelson, OSHA area director, in Toledo. "Employers must monitor their facilities continuously to ensure workplace safety and health procedures are adequate and effective." [Read Article](#)

### U.S. Court of Appeals Rejects 'All of Industry's Challenges' to Silica Rule

*EHSToday - Sandy Smith*

OSHA's silica rule has weathered its court challenge and remains in effect, with a three-judge



panel for the U.S. Court of Appeals for the District of Columbia on Dec. 22 rejecting all five objections raised by industry groups.

A spokesperson for the U.S. Chamber said the chamber still is reviewing the decision, "but we continue to believe that OSHA lacks substantial evidence to support its rule."

In the United States, more than 2 million workers currently are exposed to some level of silica. In 2016, OSHA published a final rule regulating workplace exposure to silica, Occupational Exposure to Respirable Crystalline Silica (29 CFR 1910, 1915 and 1926). [Read Article](#)

### **A Healthier Benefits Strategy**

*HRO Today - John Hull*

By leveraging technology and research, HR can demystify the open enrollment process.



Benefits enrollment happens around the same time every year. But even with the same tune being sung, the same instructions being given, and the same procedures being followed, many employees never feel comfortable or familiar with the process. According to the 2017 Aflac WorkForces Report, when respondents were asked about their understanding of overall policies, deductibles, copayments, and providers in their network, only 24 percent of employees surveyed could say that they understood everything. [Read Article](#)

[www.proactivetechnologiesinc.com](http://www.proactivetechnologiesinc.com)

Copyright © 2018 Proactive Technologies, Inc. ALL RIGHTS RESERVED.