



**Proactive Technologies News**

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**Explaining Your Process Training to Auditors, Prospects and Clients**

by Dean Prigelmeier, President of Proactive Technologies, Inc.



For most organizations, the general notion of training is going on in every corner of the organization, for every worker at any time of the day or night. One person is showing another person how to perform a process, operate a piece of equipment or software, fill out a form or, yes, make a copy using the new copy machine just installed. Have you ever walked by a copy machine and seen someone standing in front of it, staring at the control panel...then the sky as if seeking divine intervention.

Someone who is familiar with the new copy machine might wander by, and then an informal training process starts. There is probably no training record generated for this transaction, but neither are so many of the things workers learn on-the-job. Somehow, the organization gets by. In this case, like so many, it may sound like an insignificant example of training, but not to the person who needs the copy and for whom it is an important task of the job.

Same too are the more critical and complex tasks of the job, requiring compliance with so many factors such as engineering specifications, quality control requirements, safety requirements and company policies. Without a deliberate task-based training infrastructure in place, training might be ad hoc, informal, unstructured and rarely documented. Add to this the periodic worker cross-training that allows workers to train in, and master, tasks in multiple job areas and the amount of critical, but undocumented, training can be tremendous.

In the event of an audit by an internal department, a certifying agency, a client or a prospective client, explaining how a worker is trained to master a task critical to a repeated high level of quality might be difficult to impossible. And answering how a worker, who is thought to have mastered a task, is updated when the process is improved, redesigned, affected by changes in technology, changeover of product line or part of an orchestrated improvement program might be even more difficult.

Management may try to explain who is trained, who trained them and what exactly the training consisted of by pulling out time cards with training entries, loose training or attendance rosters, an Excel spreadsheet or a pie chart. A smart auditor or concerned client might not be so impressed.

This might have been the impetus of the enhanced requirements announced for [ISO 9001:2015](#) (promulgated to [AS 9000](#) and [TS 16949](#) quality models) concerning the "capture and management of legacy knowledge." An organization now must comply with the requirements to capture and manage the process knowledge, identify gaps between the job knowledge needed to perform in the job and the employee's consistent performance of the tasks of the job, and to provide documented evidence that the gap was found and closed.

**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.



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### 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.**

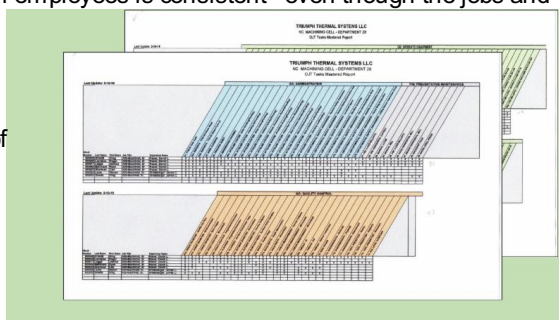
[Click here](#) for descriptions of all of the available presentations. Click on a specific title for that specific description and schedule or to schedule a date and time that works for you.

**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](#)

This has been a routine component of the [PROTECHÂ© system of managed human resource development](#) since its creation over 35 years ago. The many tools, reports and benefits ensure that the approach to all job classifications, all employees is consistent - even though the jobs and people are not.

The OJT Tasks Mastered Report can be proudly posted on the Gemba boards of each department to show ISO/AS/TS auditors, and clients and future clients, the level to which each worker is



trained to perform the detailed work. By itself, this would be impressive. But additionally, the average worker's capacity (i.e. percentage of the tasks required of the job that have been mastered and documented) is maintained for each worker, in each department, at much higher levels than normally found in organizations. Task mastery gaps are clearly displayed for the employee and supervisor to see, ensuring that opportunities to drive each incumbent, new-hire and cross-training worker to full job mastery are not missed.

For each "X" representing mastery of that task, a training record is filed to record the event and [Read More](#)

### STEM Programs are Good, But No Substitute for Employer-Delivered Structured On-The-Job Training

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



[STEM learning](#) is all the buzz these days. From coast-to-coast, high schools, career centers and community colleges are trumpeting the promise of Science, Technology, Engineering and Math to employers and future workers. Some see this as the cure-all to the pervasive and persistent "skills gap" dilemma. Some emphasize that STEM merely represents a reversal of the policies in the 1990's that emphasized preparation for college over preparation for work and society (some even say History and Civics should have been left in the curricula as well). This realignment with industry will take years to bear fruit and to bring workforce preparation back to where it was before the decision was made to change focus...that is if politics doesn't take it off course again before it can produce.

While STEM represents a good start at building a better foundation upon which career paths can be developed, it is important to keep it in perspective and not oversell the promise as often happens. It is understandable that educational institutions who are delivering the STEM classes are enthusiastically marketing it as the cure, but care should be taken not to over-market the product and crowd out other necessary components of proper and effective worker training that make it possible to obtain and retain a job with an employer in need. [Too much focus on building the foundation](#) can lead to lost years for a potential worker, lost opportunity for an employer, and lost support for workforce development as interest and belief wanes.

This movement is reminiscent of the 1990's and early 2000's single-mindedness of educational institutions and states that assessments were the cure for deficient workforce skills. As with core skills represented by STEM, assessments are only on part of a workforce development process. In this case, it was to identify skill deficiencies. Solutions like this are not meant to be delivered randomly out of sequence, nor are they meant to be the focal point of all available resources and efforts.

Certainly, a logical process starts with developing the core skills. This is the foundation upon which the higher order core skills can be developed and eventually task-based skills (that only the employer can deliver) are developed. Assessments can be used either prior to developing core skills to understand which STEM areas need emphasis, or after core skill

[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:

### **March, 2018**

**Colorado (Eastern Slope)**

**Indiana (I70 Corridor)**

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

**Kentucky (North and Eastern)**

development and prior to employment to see if any STEM areas were missed or need additional remediation. But keep in mind these STEM areas selected are industry-general, not employer-specific. If an assessment was designed based on a thorough job/task analysis for a specific employer, it can further screen and qualify candidates for training and mastery of tasks a company needs performed

However, the process doesn't, and shouldn't, end there. Each step of a workforce development process should never be considered the end of the journey; only one rung of a ladder. Just because one stage has a higher platform, bigger megaphone and, therefore, access to state and federal funds to sweeten their offer (while overstating their significance) shouldn't cloud any employer's vision of what they need this process to produce. And workforce development efforts compensating for falling short of an effective outcome by leading STEM graduates to an "apprenticeship" that looks very much like a 2-year associates degree program - with just an employer's name attached to lend plausibility - doesn't seem like a departure from the past at all; just different curtains on the same window.

Employer's who think that putting all hopes on the STEM graduates to find the skilled workers they need will be grossly disappointed. [Read More](#)

## **Five Most Important Ways Structured On-the-Job Training Can Reclaim Wealth For an Employer**

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

In a *Proactive Technologies Report* article entitled "[10 Reasons Structured On-The-Job Training is a Vital and Necessary System for Any Organization.](#)" a few of the many important reasons that structured on-the-job training - at least Proactive Technologies' version - were explained that should be part of any organization's operational strategy. Here are 5 ways this approach to worker development that integrates an organization's existing systems unlocks tremendous wealth and yields substantial returns - just for doing what every employer says they want anyway but most find a reason to avoid it.

Too many employers still, wrongly, believe that they have little in the way of tools and metrics to develop and measure the value of each worker that comes to the organization. No structured training program in place means no one has analyzed the job for the tasks required to be performed, the compliance criteria, the core skills and knowledge necessary to master the tasks, or why a task resides in a job classification. If there is no structure, there is no way to measure what percent of the job a worker has mastered or, if still in development, how well they are progressing to the expected level of job mastery and performance. If no structure or metrics exist, there is nothing to improve or, at least, notice an improvement. And if something goes wrong and worker malperformance is suspected, there is little from which to draw evidence to support a conclusion and proper course of corrective action.

And then there is the endless number of issues related to how well a worker was developed, on what were they developed, and how well that expertise has been maintained through all of the changes faced in competitive world. Any worker that has been deliberately, or coincidentally, developed to a recognizable high level of job mastery is considered being of "high value," although the value is not quantifiable. Every employer wants to retain that worker, replicate that worker and relies on that worker to informally share expertise with others. If that worker leaves the organization for any reason, disruption, confusion, chaos and costs can occur.

So, why do so many employers take their role in developing and maintaining each worker's capacity so lightly? Why do they often embark on proposed solutions that, at face value, seem a stretch? Are they unaware of all the tools out there, or are they relying on voices that may lack the experience and expertise themselves, or have another motive, to propose a credible solution?

When it comes to training workers, there are a lot of ideas floating around - many recycled for decades and no more relevant today than they were back when. Some of the ideas that are backed by a lot of federal and state funding draw a bigger audience and followers who want part of that money. But is the underlying solution credible with all we now know and does it

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)

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**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.

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- Increased worker capacity, productivity, work

address the true problem? Or is it just a change in packaging, leaving the root problem unchanged? Many of these solutions circulate for 5 - 10 years, then everyone moves on. How much opportunity is lost, costs incurred, companies harmed, lives unimproved and wealth lost or not extracted by this unintentional neglect?

Here are five areas that the [PROTECH© system of managed human resource development](#) can help any employer extract untapped and under-developed wealth from any worker, any job classification, in any industry. Each has been previously written about and links are provided. They are: 1) [The Capture Worker Wisdom and Expertise](#); 2) [The Accelerated the Transfer of Expertise™](#) and [Increased Worker Capacity](#); 3) [Driving Every Worker to Full Job Mastery](#) 4) [The Increase Work Consistency, Quality and Compliance](#); and 5) [The Decreased Internal Costs of Training](#) and [Worker Turnover](#). To summarize each point's significance: [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%**, and all expenses are included!

**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!](#)

## 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



quantity, worker 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**

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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 \$64.7 billion (0.4 percent) in January according to estimates released today by the Bureau of Economic Analysis. Disposable personal income (DPI) increased \$134.8 billion (0.9 percent) and personal consumption expenditures (PCE) increased \$31.2 billion (0.2 percent). [Read Report](#)

## Manufacturers' Shipments, Inventories, and Orders

*US Department of Commerce - Bureau of the Census*



New orders for manufactured goods in December increased \$8.5 billion or 1.7 percent to \$498.2 billion. December 2017: +1.7% change; November 2017 (r): +1.7% change [Read Report](#)

## What in the World is a Blockchain?

*Material Handling & Logistics - Staff*

A new survey shows that 60% of businesses haven't adopted blockchain and that could be because 40% said they don't understand the technology, or don't see how it could be useful for their company.



A survey of C-level corporate executives conducted by RANE found that many lack a clear understanding of the technology or benefits of blockchain, a distributed ledger that can permanently record transactions between two parties.

This lack of understanding, combined with concerns over a lack of clear regulatory guidelines, could potentially hinder more widespread adoption of blockchain technology. [Read Article](#)

## Has US Manufacturing Been Unleashed?

*IndustryWeek - Steve Minter*

American manufacturers know what the worst of times looked like. Are the best of times ahead?



"This legislation represents historic progress for manufacturers and for all Americans," Jay Timmons, president and CEO of the National Association of Manufacturers, said in response to passage of the tax reform bill, which lowered the U.S. corporate tax rate from 35% to 21%. With the new bill, Timmons promised, manufacturers will "increase capital spending, expand their businesses and hire more workers..." – and "nearly half will increase employee wages and benefits."

Tax reform is just one of a series of policy changes the Trump administration and the Republican-led Congress are seeking that business groups have lobbied for in recent years. The president has already started to push back against regulations. He is advocating a \$1.5 trillion infrastructure investment which will begin to address America's aging roads, bridges and other transportation avenues. And he is calling for more "reciprocal" trade agreements that seek not simply to expand trade but to make trade more equitable. [Read Article](#)

## Raising the Alarm for US Manufacturing

*Rebuild Manufacturing: The Key to American Prosperity*

*IndustryWeek - Steve Minter*

In her latest book chronicling the state of U.S. manufacturing and the policy changes needed to shore up the sector, Michele Nash-Hoff, a contributor to IndustryWeek, notes that one of her ancestors was Paul Revere. While Nash-Hoff has not been galloping through the Massachusetts countryside warning of British troops, she has been crisscrossing the United States in recent years visiting American factories, warning of threats to domestic manufacturing and offering advice on how to rebuild the manufacturing ecosystem. Paul Revere, a celebrated silversmith who also ran a foundry after the Revolutionary War, would be proud.





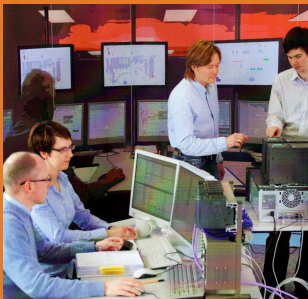
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Rebuild Manufacturing (Coalition for a Prosperous America, 2017) starts off with a recounting of statistics that are familiar to many manufacturers but still shocking. The U.S. lost 5.86 million manufacturing jobs between 2000 and early 2010, or roughly the populations of Chicago, Houston and Indianapolis combined. During that decade, the U.S. lost 57,000 manufacturing firms. [Read Article](#)

### Overall Labor Productivity Down, but Manufacturing Productivity Up

*IndustryWeek - Staff*

Manufacturing sector labor productivity increased 5.7% in the fourth quarter of 2017, as output increased 7.3% and hours worked rose 1.5%.

A new report issued by the U.S. Bureau of Labor Statistics on February 1 shows that nonfarm business sector labor productivity decreased 0.1% during the fourth quarter of 2017, as output increased 3.2% and hours worked increased 3.3%.



Unit labor costs in the nonfarm business sector increased 2% in the fourth quarter of 2017, due primarily to a 1.8% increase in hourly compensation. Unit labor costs increased 1.3% over the last four quarters. [Read Article](#)

### Daimler's Forecast Shows Strain of Epic Auto Shift

*IndustryWeek - Bloomberg*

New regulations and competition from tech companies have spurred big bets on cars that consumers haven't fully embraced, and the industry is grappling with decisions on how quickly to introduce new models, how to forecast demand, and how to organize their huge global factories and supply chains.



Daimler AG expects profit growth to come to a sudden halt this year, highlighting how the car industry has shifted into an intense investment mode to rebuild around a future of electric and autonomous driving.

The German automaker issued a muted 2018 forecast with quarterly results on Thursday, showing the strains of the spending demands at its Mercedes luxury-car unit. While new technologies are inflating research and development budgets, materials costs are also mounting. [Read Article](#)

### Toyota Forecasts Record Profit on Trump Tax Cut

*IndustryWeek - Bloomberg*

A reduction in expenses through cost cuts and a favorable foreign exchange environment is also helping the company lift its annual net income forecast to a record \$22 billion



Toyota Motor Corp. predicted a record profit this fiscal year helped in part by President Donald Trump's tax cuts and surging sales of the updated Camry sedan and RAV4 sport-utility vehicle in the U.S.

A reduction in expenses through cost cuts and a favorable foreign exchange environment is also helping the carmaker lift its annual net income forecast to a record 2.4 trillion yen (US\$22 billion), beating analyst estimates. Asia's biggest automaker also boosted its projection for vehicle sales. [Read Article](#)

### Trump's Budget Cuts Funding For Manufacturing Program - Update

*Dow Jones News Wires - Andrew Tangel*

President Donald Trump's proposed budget calls for eliminating federal funding of a program to support small manufacturers that officials say created or protected more than 100,000 jobs in the last fiscal year alone.



The proposed \$125 million cut would slash budgets for 51 local offices affiliated with the Manufacturing Extension Partnership for fiscal 2019.

Local officials involved with the program worry the elimination of federal funding would imperil their work assisting smaller manufacturers with business planning, employee training and cybersecurity protection.



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## MEMORABLE QUOTES

"Help people to improve...I mean everybody."

W. Edwards Deming

"Time waste differs from material waste in that there can be no salvage. The easiest of all wastes and the hardest to correct is the waste of time, because wasted time does not litter the floor like wasted material."

Henry Ford

## Recent Proactive Technologies News Article Quicklinks

### February

[Eight Scenarios That Would Make You Wish You Had a Structured OJT System](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

[A Pay-for-Value Worker Development Program - Fair to Management and Workers, and Effective Tool](#)

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

[Who is Responsible for Decisions Regarding Training?](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

### 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.

"If we lose our federal funding, we close our doors - it's that simple," Scott Broughton, director of the Advantage Kentucky Alliance, said this week between visits to manufacturers in the Hazard, Ky., area. About half of the not-for-profit group's \$1.2 million budget this year is expected to come from client fees, Mr. Broughton said. [Read Article](#)

## Remington Planning to File for Bankruptcy

*IndustryWeek - Bloomberg*

For two centuries, it has been a totem of America's gun culture – a name emblazoned on frontier flintlocks and U.S. Army .45s.

But on Monday Remington Outdoor Co., which traces its history back to 1816, said it would file for bankruptcy protection, succumbing to a slump in business worsened by, of all things, a president who has steadfastly supported Americans' right to bear arms.



The bankruptcy is a blow to the private-equity mogul Stephen Feinberg, who has been a prominent supporter of President Donald Trump.

Feinberg's firm, Cerberus Capital Management, acquired Remington in 2007 and subsequently saddled it with almost \$1 billion in debt. The Chapter 11 bankruptcy filing will let Remington stay in business while it works out a plan to turn around the company and pay its creditors. [Read Article](#)

## Brooklyn Navy Yard to Anchor Innovation with Manufacturing Startups

*IndustryWeek - Bloomberg News, David M. Levitt*

America may never recover its glory as a manufacturing powerhouse, but the Brooklyn Navy Yard is doing what it can, transforming itself from a 20th-century warship builder to a 21st-century high-tech hub.



Now it's about to unveil a \$2.5 billion building plan that would more than quadruple its current workforce.

The navy yard's ongoing expansion – which includes the reconstruction of Admiral's Row, where naval officers once lived, and the creation of a waterfront office building that the co-working startup WeWork Cos. helped design – should raise the job count to about 20,000, from the current 7,000, according to the Brooklyn Navy Yard Development Corp. [Read Article](#)

## Financial News

### What Companies Are Really Doing With Their Tax Windfall (So Far)

*IndustryWeek - Bloomberg*

The GOP tax overhaul has inspired what seems like a flurry of action from companies looking to gain billions of dollars in potential savings.



Every day, a new organization announces bonuses and wage increases. Others, however, are using their funds to lay off thousands of workers.

Despite the headlines, it turns out most companies aren't doing much at all with their tax savings, according to a new survey from Willis Towers Watson. At least not yet.

The HR consulting firm asked 333 employers with at least 1,000 employees what they have done or plan to do as a result of the Tax Cuts and Jobs Act. Only 4% of companies said they had "increased wages for all employees"; an additional 3% said they planned to do so in the next year. While a further 13% said they're "considering taking action this year or next," a full 80% of companies aren't considering giving raises at all. [Read Article](#)

[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:**

[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 -

**Five Actions to Win Your Bean Counter's Approval**

IndustryWeek - Robert E. Bendetti Jr.

If leading business experts, publications and websites are any indication, you know how critical innovative thinking is to your company's future. But you may also feel frustrated with the approval process at your firm. You may have failed to get approval for great ideas in the past and that is negatively impacting your desire to propose new ideas in the future.



Peter Drucker famously stated, "The enterprise that does not innovate inevitably ages and declines. And in a period of rapid change such as the present....the decline will be fast." [Read Article](#)

**Amid Bitcoin Frenzy, SEC Warns Against Risky Cryptocurrency Products**

NPR - Ian Wren

The Securities and Exchange Commission is warning investors about the potential for volatility and fraud in new cryptocurrency products.



If you're tempted to join the cryptocurrency bandwagon, regulators say you should take a pause before you click "buy."

Following bitcoin's meteoric price rise in 2017 - from just under \$1,000 in January to nearly \$20,000 in December - there's been a rush to cash in on cryptocurrencies and the blockchain technology that makes them possible.

Numerous investment vehicles have been created to meet this surge in consumer demand.

In December, bitcoin futures began trading on two exchanges, the Chicago Board Options Exchange and the CME Group. In January, Kodak saw its shares rise on the announcement of its "KodakCoin" digital currency. Even Venezuela is making moves into digital money, with President Nicolas Maduro announcing the development of a "petro cryptocurrency" backed by the country's oil and gas reserves. [Read Article](#)

**SAP Buys Callidus in Front-Office Software Move**

CFO.com - Matthew Heller

German technology giant SAP is adding front-office software to its cloud portfolio by acquiring customer relationship management (CRM) specialist Callidus for \$2.4 billion.



Callidus' products are aimed at managing company sales teams from lead through proposal to contract to commission or payment. SAP described it as "a synergistic addition to SAP's portfolio and significantly strengthens SAP's position" in the CRM space that will complement its strength in back-office software.

The deal, announced Tuesday, is priced at \$36 a share, giving Callidus stockholders a 21% premium over the 30-day volume weighted average share price. Callidus, which is based in Dublin, Calif., was founded in 1996 and went public in 2003. [Read Article](#)

**Insider Trading has Been Rife on Wall Street, Academics Conclude**

The Economist

One study suggests insiders profited even from the global financial crisis; another that the whole share-trading system is rigged.



INSIDER-TRADING prosecutions have netted plenty of small fry. But many grumble that the big fish swim off unharmed. That nagging fear has some new academic backing, from three studies. One argues that well-connected insiders profited even from the financial crisis.\* The others go further still, suggesting the entire share-trading system is rigged.\*\*

What is known about insider trading tends to come from prosecutions. But these require fortuitous tip-offs and extensive, expensive investigations, involving the examination of complex evidence from phone calls, e-mails or informants wired with recorders. The resulting haze of numbers may befuddle a jury unless they are leavened with a few spicy details-exotic



### [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.

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

by Dean Prigelmeier, President of Proactive Technologies, Inc.

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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](#)

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

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

by Dean Prigelmeier, President of Proactive Technologies, Inc.

## **U.S. Household Debt Reaches Record \$13.15T**

CFO.com - Matthew Heller

U.S. household debt rose in the final three months of 2017 to an all-time high, with growth particularly strong in the mortgage and credit card categories.

The Federal Reserve Bank of New York said household debt rose by \$193 billion to \$13.15 trillion last quarter, completing the fifth straight year overall balances increased. Debt has now risen for 14 straight quarters.

According to The Wall Street Journal, "Americans' willingness to take on additional debt and make big purchases suggests they are confident in their job prospects and about the longevity of the economic expansion, which began in mid-2009." [Read Article](#)

## **Trump Administration Plans To Defang Consumer Protection Watchdog**

NPR Morning Edition - Chris Arnold 2016 square

The Consumer Financial Protection Bureau was created after the financial crisis to protect Americans from being ripped off by financial firms.



Now, President Trump's interim appointee to run the bureau, Mick Mulvaney, is making radical changes to deter the agency from aggressively pursuing its mission.

The CFPB on Monday unveiled a new strategic plan to that end. In a message accompanying the plan for the years 2018 through 2022, Mulvaney wrote, "we have committed to fulfill the Bureau's statutory responsibilities, but go no further." The plan says the bureau should be "acting with humility and moderation." [Read Article](#)

## **Five Reasons Why the Big 2017 Trade Deficit Affects You**

Coalition for a Prosperous America - Michael Stumo, CEO

The big news this week is that the annual US trade deficit increased in 2017 by 12% over 2016. Here are five reasons you should care.



1. Your stock market gains could be at risk - The economy that really matters-the jobs and industries that support middle class families across the nation-isn't tied to Wall Street. But when we import more than we export, US consumer demand "leaks" overseas to companies producing in other countries. American companies do not get the benefit of those sales, which limits both workers' wages and company profits. While the stock market can rise based upon speculation and debt-fueled consumption, those gains can be fleeting. Reducing or eliminating the trade deficit would mean more demand for American-made products, which can boost consumer spending. But until we revitalize middle class jobs, the stock market will remain vulnerable to a soft economy. [Read Blog](#)

## **Corporate America's Spending Roars On**

IndustryWeek - Bloomberg

An elixir of tax relief, a less-stringent regulatory landscape and healthier global demand is unleashing a heady pace of capital spending by corporate America.



The government's latest report on gross domestic product showed corporate outlays for equipment sprinted ahead in the fourth quarter at the fastest rate in more than three years. And there's more beyond the most prominent headlines. Other data show capital-spending plans at levels not seen in years. [Read Article](#)

## **International News**

[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](#)

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

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

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

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**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!](#)

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

**Classes alone will not**

**Amazon Threat Has Maersk Racing to Stop Clients Becoming Rivals**

*Material Handling & Logistics - Bloomberg*

The world's biggest container shipping line is trying to stop customers like Amazon.com Inc. and Alibaba Group Holding Ltd. from becoming competitors in just a few years' time.



"Amazon is a threat if we don't do a good job for them," Soren Skou, the CEO of A.P. Moller Maersk A/S, said in a phone interview. "If we don't do our job well, then there's no doubt that big, strong companies like Amazon will look into whether they can do better themselves." [Read Article](#)

**Japan Economy Grows for 8th Straight Quarter, Longest Since 1980s**

*IndustryWeek - Agence France-Presse*

Japan's economy grew for the eighth straight quarter at the end of 2017, government data showed on Feb. 14, its longest period of expansion since the "bubble" boom days of the late 1980s.



Gross domestic product figures fell short of expectations and represented a slowdown from the previous quarter, but analysts forecast continued growth nonetheless.

GDP expanded just 0.1% in the last quarter of 2017, the Cabinet Office said, a far cry from the 0.6% figure for July-September. [Read Article](#)

**Zuma's Fall a Chance to Take Moral Leadership in Africa**

*BBC - Fergal Keane*

South Africa's new ruler will steer away from the conspiratorial culture that flourished under his predecessor



It is rare in a journalistic life that one gets to sit a few yards from a president as he announces his resignation and then, within the same 24 hours, stand in the presence of his successor as he is sworn in. More so when it happens without a shot being fired or vast crowds taking to the streets. [Read Article](#)

**Kiwis Consider Foreign House Buyer Ban**

*BBC - Phil Mercer*

The dream of home ownership is fading for many New Zealanders



In one of the world's most liveable cities, and arguably its windiest, there are tough choices for prospective first-time property buyers in Wellington, where real estate prices soared by more than 18% in the year to June 2017.

For Sam, a mother in her thirties, the decision was unenviable; a baby or a house.

"It was basically making those hard choices whether (to) make our family larger and have another child (or) to try to get a house because you can't really do both at the same time," she told BBC News. "It is hard. I'm trying to convince my partner to move elsewhere."

Last year, national median average house prices increased by 5.8% to 550,000 New Zealand dollars (\$405,000; £290,000), while in Auckland, the country's most expensive city, they rose by 1.8% to NZ\$870,000, according to the Real Estate Institute of New Zealand. [Read Article](#)

**As China Takes 'Center Stage,' Europe Stands at a Crossroads**

*DeutscheWelle*

China's position as a global superpower is indisputable. As leaders gather to set the agenda of global security at the Munich Security Conference, the EU is at a crossroads between Washington and Beijing.



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**CLIENT SERVICES**

**To supplement onsite**

A silhouette of a man and a woman in front of a slogan: Without the Communist Party, there would be no China.

Global leaders are converging on Germany this week for the 2018 Munich Security Conference at a time when the declining US influence in international politics continues to play out under President Donald Trump.

China, meanwhile, has increasingly been defined by a growing presence on the world stage, from the fight against climate change to global trade rules. The country's rise to the position of a superpower may not be a new phenomenon, but the past year has seen its status cemented.

In a speech described by risk consultancy Eurasia Group as "the most geopolitically noteworthy event since Mikhail Gorbachev formally dissolved the Soviet Union," Chinese leader Xi Jinping pronounced Beijing's newfound status during China's 19th Party Congress in October. [Read Article](#)

### **World leaders Tackle Uncertainty at the Heart of Global Order**

*DeutscheWelle*

On its opening day, the Munich Security Conference has raised unsettling questions about the future of Europe, Washington's role in the world and the demise of international relations.

With no simple answers, heads of state, military generals and lawmakers offered a cacophony of responses to the limbo that manifested in the past year, in part due to the election of US President Donald Trump, or Britain's decision to leave the European bloc.

The overarching question, however, concerned the US role as the chief stakeholder of liberal values and global order, and whether the new administration would continue the country's legacy at the international level.

"Is President Trump going to continue a tradition of half a century of being supportive of the project of European integration, or is he going to continue to advocate EU member countries to follow the Brexit example?" MSC Chairman Ambassador Wolfgang Ischinger told DW.

"If he did that, it would amount to a kind of non-military declaration of war. It would mean conflict between Europe and the United States. Is that what the US wants? Is that how he wishes to make America great again," the former German diplomat added. [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 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 \$53.1 billion in December, up \$2.7 billion from \$50.4 billion in November, revised. December exports were \$203.4 billion, \$3.5 billion more than November exports. December imports were \$256.5 billion, \$6.2 billion more than November imports. [Read Report](#)

#### **Monthly Wholesale Trade**

*US Department of Commerce - Bureau of the Census*

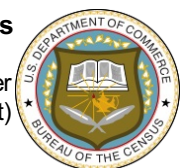
December 2017 sales of merchant wholesalers were \$500.2 billion, up 1.2 percent (+/- 0.7 percent) from last month. End-of-month inventories were \$612.1 billion, up 0.4 percent (+/- 0.4 percent)\* from last month. December 2017: +0.4\* % change in Inventories; November 2017 (r): +0.6 % change in Inventories. [Read Report](#)



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

*US Department of Commerce - Bureau of the Census*

U.S. total business end-of-month inventories for December 2017 were \$1,902.2 billion, up 0.4 percent (+/- 0.1 percent) from last month. U.S. total business sales were \$1,431.3



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billion, up 0.6 percent (+/- 0.3 percent) from last month. December 2017: +0.4 % change in Inventories; November 2017 (r): +0.4 % change in Inventories. [Read Report](#)

### **Cursed are the Cheesemakers: Spain and Mexico Locked in Manchego Dispute**

*The Guardian - David Agren in Mexico City and Sam Jones in Madrid*  
Mexican government leans away from Trump and seeks to update 2000 EU deal but fight over naming rights shows no sign of ending

One is a revered sheep's milk cheese, as Spanish as acorn-fed pigs, a famously insane knight errant or the napkin-strewn floor of a tapas bar. Don't call it mezcal: Mexico may force artisanal producers to use a new name

The other is a mild cow's milk cheese, sometimes bulked out with vegetable oil, that is sold cheaply in Mexican supermarkets and stuffed into quesadillas.

The two cheeses share a name, manchego, but they have about as much in common as a Spanish tortilla and its Mexican namesake. That is how they have come to be at the centre of a standoff that is slowing down a major trade deal between Mexico and the European Union.

[Read Article](#)

### **EU Talks with Mexico, Mercosur Push On For 2018 Trade Deals**



*International Centre for Trade and Sustainable Development*

Trade negotiations between the EU and a number of Latin American countries are picking up in the new year, with officials aiming to clinch an updated EU-Mexico agreement and a long-awaited EU-Mercosur accord in the near term.

EU-Mexico talks have already resumed, with negotiators meeting last week in Mexico City to advance the process. The two sides had attempted to finish the trade deal update last year, only to confirm after the final negotiating round in December that they would need more time. (See Bridges Weekly, 7 December 2017)

After that meeting, held from 12-21 December, EU Trade Commissioner Cecilia Malmström said that the negotiating teams would need to do additional work in early 2018, "aiming for a deal that is right, not any deal."

"As I've said before, quality must come before speed, and this is a goal shared by our Mexican partners," Malmström added. [Read Release](#)

### **India Hits Apple, Rivals with Higher Duties on Imported Phones**

*Industryweek - Bloomberg*

India hopes higher duties may incentivize Apple to expand its operations in the country, along with rivals such as Samsung, Xiaomi and Oppo.



India is raising custom duties on imported mobile phones to 20% from 15%, a bid to promote domestic manufacturing that may hurt Apple Inc.'s ability to compete in the world's fastest-growing smartphone market.

The iPhone maker has been seeking to expand its presence in India and has negotiated with the government for lower tariffs on certain components. But the latest duties – part of a budget unveiled on Feb. 1 – show the country moving in the opposite direction. [Read Article](#)

### **Commerce Department Proposes 24% Tariff on Steel, 7.7% on Aluminum**

*IndustryWeek - Bloomberg*

The U.S. Commerce Department revealed its recommendations that the U.S. impose tariffs or quotas on imports of aluminum and steel, in the strongest indication yet the administration intends to see through its protectionist agenda.



Commerce "found that the quantities and circumstances of steel and aluminum imports threaten to impair the national security," Secretary Wilbur Ross said on Feb. 16. The news spurred gains in metal prices as

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- \* 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;
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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.

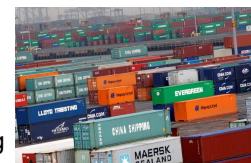
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well, shares in Alcoa Corp., Century Aluminum Co., and U.S. Steel Corp. An increase in tariffs could impact consumer prices of everything from beer cans to cars. [Read Article](#)

### Full-Year 2017 Trade Deficit Holds Back GDP Growth

*Citizens for a Prosperous America - Jeff Ferry, CPA Research Director*

The US trade deficit last year surged 12.1%, rising at three times the rate of nominal GDP growth, hampering US economic performance, employment levels, and incomes.



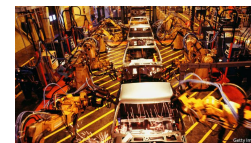
The Department of Commerce reported this morning that the US trade deficit in goods and services came in at \$556.0 billion, an increase of \$61.2 billion over 2016. The trade deficit lowered US GDP by 2.9% in 2017, as compared to 2.7% in 2016. All the other major components of GDP - consumption, investment, and government spending - rose, leaving the trade deficit as the only negative force.

A widening trade deficit directly impacts total national income (GNI) and production (GDP). But the negative impact of a large trade deficit goes deeper than its simple subtraction from US production. As importers take a larger share of US markets, domestic producers lose market opportunities to increase revenue, employment, profit, and investment. Imports are concentrated in manufactured goods, which include industries that pay better wages than comparable service jobs. Wage growth, which came in at just 2.9% in January, has been held back by the growth of foreign competition, much of it driven by unfair or illegal government support of foreign competitors and an overvalued dollar. [Read Release](#)

### Cars Block the Road to a Renegotiated NAFTA

*Area Development - Economist*

ROBERT LIGHTHIZER, the United States Trade Representative, wants renegotiation of the North-American Free Trade Agreement (NAFTA) to speed up. When the sixth round of talks ended on January 29th with only three chapters agreed, he griped: "We owe it to our citizens, who are operating in a state of uncertainty, to move much faster." But given the changes he wants, any more speed risks a crash.



One of the biggest fights is over Mr Lighthizer's desire to rewrite NAFTA's rules about cars. Seen one way, the deal has been a boon for the industry. Trade in vehicles and their parts accounts for a quarter of America's two-way trade with Mexico and Canada. But NAFTA's critics see it as a big reason for America's trade deficit with Mexico, and for its falling share of car assembly (see chart). Rules riddled with holes should be rewritten, they think, to yank back American jobs. [Read Article](#)

### Export Documentation Compliance: Getting to PAID

Free Webinar - Thursday, March 22, 2018 at 2:00 PM EST

*Export-Import Bank*

International shipments often face customs and delivery challenges. These challenges are usually due to inaccurate export documentation which can lead to payment problems.



Please join us as Preferred Shipping Executive Vice President, Michael J. Ryan, Preferred Shipping Senior Vice President of Operations, Adam Young, and EXIM Bank Regional Director Greater Houston, Eric A. Miller discuss how to avoid costly documentation errors, streamline your logistics operations, and protect against nonpayment risk.

Topics covered include:

- \* Five key elements to ensuring document accuracy
- \* Logistics planning for international markets
- \* Protecting against nonpayment
- \* Competitive positioning with credit enhancement

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### Why GDPR Matters

*CFO.com - Edward Cyran, Bill Shipp and Jonathan Marks, Contributors*



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The European Union's General Data Protection Regulation, or GDPR, takes effect on May 25, 2018, and will have major implications for businesses with connections to Europe.

GDPR is designed to protect an individual's right to control the use of his or her personal data and is broadly drafted to apply to a wide range of personal data on any natural person, regardless of his or her nationality. Under GDPR, personal data includes, but is not limited to, customer data, such as dates of birth, mailing addresses, IP addresses, product purchases, payment information, supplier data, and employee data. Personal data also includes "sensitive data," such as health information and information on race and sexual orientation.

The broad nature of GDPR and its potentially large fines for noncompliance - up to 20 million euros (\$24.9 million) or 4% of a company's global annual revenue for the prior year - are causing alarm among U.S. and European companies. [Read Article](#)

## Education and Workforce Development News

### Acosta Promotes 'Demand-driven Education'

*Community College Daily News - Ellie Ashford*

"I would argue this is one continuum," he said Monday at the annual National Legislative Summit in Washington, D.C., which is presented by the Association of Community College Trustees in collaboration with the American Association of Community Colleges (AACC).



"Everyone needs practical skills, experience and theoretical knowledge at the same time. That's what you do," Acosta said.

While the nation has a strong economy and a low unemployment rate, there are still 6 million job openings, he said, noting that employers are having trouble finding people with the right skills for good, family-sustaining jobs. [Read Article](#)

### Trump's Budget Impact on Pell

*Community College Daily News - Daily Staff*

The Trump administration's budget plan for fiscal year 2019 continues to carry the president's emphasize on workforce development - especially through apprenticeships - and would allow students to use Pell grants for certain short-term programs.



The president's proposal, which would level fund Pell and keep the maximum grant at \$5,920, would extend Pell eligibility to high-quality, short-term programs that lead to a credential, certification or license for an in-demand field - with sufficient "guardrails in place." A House bill to reauthorize the Higher Education Act would do the same, and members of a Senate education committee also have supported the idea as they work to release their HEA bill this spring.

Overall, the budget would slash discretionary funding for education by reducing or consolidating 39 programs that the administration says are duplicative or that the state, local or private funds should cover. [Read Article](#)

### Local Control, National Economy

*Inside Higher ED - Matt Reed*

Our national discourse around community colleges and workforce development is stuck at the "partner with local employers" level. What's the proper role for a locally-funded and locally-controlled community college when the better jobs aren't local?

I still haven't seen a serious treatment of that question. But I'm starting to see people put together the elements of the question, which is something.

As these two pieces by Emily Badger and Paul Krugman outline, the spatial distribution of wealth in the United States got increasingly flat until about 1980. Since then, wealth has gravitated to a few major metros, and away from smaller places inland. (I'm referring here to the lower 48; Hawaii and Alaska are geographically distinct enough to merit their own

analyses.) But most community colleges were established before 1980, and their geographic distribution largely reflects the economy of the postwar period.

If we see community colleges as local branches of a sort of national educational program, the solution is relatively clear: they should prepare some fraction of students to move to the metros, whether in transfer or in jobs. [Read Article](#)

## Training and Organizational Development News

### One-Third of US Employees Don't Receive Formal Job Training

*IndustryWeek - IW Staff*

As job training is often looked at as an important way to both attract and retain employees, it turns out that only 31% of the U.S. workforce receives formal job training.



This was the conclusion from a study released by Axonify, "State of Workplace Training," that showed that this number was slightly up from last 2016 where it was 30%.

Furthermore, for those that do have access to formal training, 43% report that it's ineffective. [Read Article](#)

### AACC, DOL to Work Together on Apprenticeships

*Community College Daily News -Ellie Ashford*  
NEW ORLEANS - Both the American Association of Community Colleges (AACC) and the U.S.

Department of Labor (DOL) agree that apprenticeship programs are critical to reducing the skills gap and ensuring a path to family-sustaining jobs.



As a result, AACC President and CEO Walter G. Bumphus and Diane Jones, senior policy advisor to the U.S. labor secretary, signed a memorandum of understanding (MOU) Wednesday at AACC's Workforce Development Institute to work together to expand apprenticeship programs. The MOU provides a framework under which AACC and the Department of Labor (DOL) will share best practices and provide joint support for apprenticeship initiatives involving partnerships of community colleges and employers.

DOL will provide technical assistance and resources to help AACC and its member colleges create innovative apprenticeship programs. AACC will explore the development of a "community college virtual apprenticeship network" (VAN), comprising AACC member colleges, secondary and higher educational institutions, training providers, industry employer partners and industry-led consortia. The VAN could validate community college programs, identify and match industry partners to appropriate colleges that have industry-led consortia and scale up successful strategies to benefit the wider AACC membership.

[Read Article](#)

## Quality News

### Lessons in Lean Training

*IndustryWeek - Jill Jusko*

A skilled welder isn't born fully fledged. Neither is a superior athlete or an excellent attorney. They train. Mastering a language takes instruction and then practice, practice and more practice. So does playing the piano with any skill. Why should mastering lean be any different?



Few would argue that it should be. Indeed, Eric Lussier, vice president, Steel Business System, for Steel Partners, is adamant that training is key to developing a sustainable lean culture. "Culture is the only thing that is sustainable," he says. "That is why we have such a heavy emphasis on training, to build the culture."

But how much training, who needs it, for how long, and what kinds of training are just a few of the questions that begin to bubble up once a manufacturing organization decides to take the lean leap. They are

important questions. As Jim Rowland, vice president of St. Louis-based Watlow notes: "I believe an organization is an organism. If you're not continually feeding it, if you're not continually trying to grow it, it's going to die. And that's what happens with most lean organizations." [Read Article](#)

## Why You're Struggling to Improve Company Culture

*IndustryWeek - Dan Markovitz*

If we focus more on leadership mindset and behavior, and less on the mechanical aspects of operational excellence, it should be easier to create the culture we want.



The new Proqis BTOES Insights report on operational excellence is out, and by a landslide margin (55% to 37%), the most critical challenge for respondents is "improving the company culture."

Anytime I read that culture is a stumbling block for companies pursuing continuous improvement, I go back to John Shook's reflections on NUMMI (pdf). With the same people as those who worked at the GM Fremont plant, product quality in the NUMMI joint venture with Toyota went from GM's worst to best in one year. Absenteeism dropped from 20% to 2%. Strikes stopped completely. No one was intentionally sabotaging cars. As Shook points out, the union and workers didn't just accept Toyota's system; they passionately embraced it. [Read Article](#)

## Cyber Security and IT News

### U.S. Consumer Protection Official Puts Equifax Probe on Ice - Sources

*Better Markets - Reuters, Patrick Rucker*

WASHINGTON (Reuters) - Mick Mulvaney, head of the Consumer Financial Protection Bureau, has pulled back from a full-scale probe of how Equifax Inc failed to protect the personal data of millions of consumers, according to people familiar with the matter.



Equifax (EFX.N) said in September that hackers stole personal data it had collected on some 143 million Americans. Richard Cordray, then the CFPB director, authorized an investigation that month, said former officials familiar with the probe.

But Cordray resigned in November and was replaced by Mulvaney, President Donald Trump's budget chief. The CFPB effort against Equifax has sputtered since then, said several government and industry sources, raising questions about how Mulvaney will police a data-warehousing industry that has enormous sway over how much consumers pay to borrow money. [Read Article](#)

### The Father Of The Internet Sees His Invention Reflected Back Through A 'Black Mirror'

*NPR Morning Edition - Laura Sydell*

In 1984, two men were thinking a lot about the Internet. One of them invented it. The other is an artist who would see its impact on society with uncanny prescience.

First is the man often called "the father of the Internet," Vint Cerf. Between the early 1970s and early '80s, he led a team of scientists supported by research from the Defense Department.

Initially, Cerf was trying to create an Internet through which scientists and academics from all over the world could share data and research.

Then, one day in 1988, Cerf says he went to a conference for commercial vendors where they were selling products for the Internet.

[Read Article and Hear Podcast](#)

## Human Resource Management News

### Obsession for the Perfect Worker Fading in Tight US Job Market

*IndustryWeek - Bloomberg*

American companies might need to embrace the unconventional career path of Mitch McNeal if they





expect to find talent in today's hot labor market.

McNeal parlayed skills developed as a basketball tournament organizer into a job as a land liaison for the oil and gas industry, and then as an acquisitions and business development specialist for a large non-profit company. Yet his successful bob and weave through the labor market is all too rare, as most employers are reluctant to hire a candidate whose resume isn't a perfect fit full of industry buzzwords.

This is a problem because, at 4.1% last month, U.S. unemployment is at the lowest level since 2000 and companies from Dallas to Denver are struggling to find the right workers. In some cases this is constraining growth, the Federal Reserve reported last week. [Read Article](#)

### **No Slavery on Our Factory Floor - How Human Trafficking Laws Can Still Shut You Down**

*William Shepherd and Jeff Schacknow*

Enforcement of trafficking in the supply chain is in high gear with U.S. Customs actively confiscating goods that enter ports under the suspicion that they were produced with any sort of modern slavery labor.



"Slavery? In my factory? There's no way...I know who all my employees are, and I make sure they work under great conditions."

While this used to be sufficient, countries around the world are starting to hold large companies accountable for labor conditions not just in their own business but also for the conditions in their supply chains. For companies in manufacturing, this means being able to affirmatively say that your suppliers of raw materials, parts, and equipment are not using any forced labor. [Read Article](#)

### **2019 U.S. Department of Labor Budget [Photo Gallery]**

*EHSToday - Stefanie Valentic*

Job creation and security are the focus of the \$10.6 billion in proposed discretionary spending.

The U.S. Department of Labor (DOL) has released the details of President Donald Trump's Fiscal Year 2019 budget request for the agency.

The request, which totals \$10.9 billion, targets investments and reforms aimed at securing the American workforce. The proposed funds are a 9.3 percent increase from the FY 2018 budget of \$9.7 billion. [Read Article](#)

## **Environmental, Health & Safety News**

### **Forklift Fail: Viral Video Shows Unsafe Practices**

*EHS Today - Stefanie Valentic*

From "Idiots on Ladders" to "Best of the Worst," unsafe practices are caught on camera every day.



With the proliferation of social media, there is no shortage of videos and photos of practices that could potentially cause serious injuries or fatalities.

A viral Facebook video posted in September 2017, which continues to be shared, shows two workers at an unknown facility blatantly misusing a forklift. [Read Article](#)

### **ISO 45001 Globally Aligns Workplace Safety Efforts**

*IndustryWeek - Stefanie Valentic*

The International Organization for Standardization (ISO) has approved a global measure aimed at improving workplace safety and reducing risk.



ISO 45001, Occupational Health and Safety Management Systems, is a voluntary consensus model spearheaded by the global standards organization along with support from the American Society of Safety Engineers (ASSE).

"ISO 45001 is one of the most significant developments in workplace safety over the past 50 years, presenting an opportunity to move the needle on reducing occupational safety and health risks," said Vic Toy, U.S. technical advisory group (TAG) chair, in a statement. "The goal was to create a widely accepted standard that can produce a highly effective safety and health management system for an increasingly interconnected world, regardless of an organization's size, location, supply chains or nature of work. It becomes a minimum standard of practice, and a good one at that." [Read Article](#)

**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!**

**AND, structured on-the-job training takes place where, and while, the work is performed.**

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