



Proactive Technologies News

The Proactive Technologies Report newsletter is a Free Service of Proactive Technologies Inc. Feel Free to Share With a Colleague

Labor Costs Expected to Increase, So Will Challenges to Developing Workers

by Dean Prigelmeier, President of Proactive Technologies, Inc.



In an article by David McCann of *CFO.com* entitled, "[Labor Costs Will Skyrocket Over the Next Decade](#)", the author cited new research from consulting firm [Korn Ferry](#) projecting new challenges for employers in the coming years. "Organizations around the world could add more than \$2.5 trillion to their annual labor costs within 12 years as a result of the global shortage of highly skilled workers. **The report follows up on the recruiting and workforce management firm's forecast in May that the talent shortage could cost companies \$8.5 trillion in unrealized annual revenue by 2030.**

This is a rolling crisis that started several decades ago - the repercussions are just now being articulated in terms employers can relate. Employer's awareness of the approaching crisis appeared for retiring baby-boomers and the anticipated loss of expertise and critically unique task-based skills mastered over decades of performance. Add to that the rise of millennials, the continual introduction and evolution of technology and the disruptive effects of the Crash of 2008. Now employers are finding themselves rebuilding their workforce, in many cases with tools and techniques that haven't evolved all that much and still without really understanding the seriousness of the challenge, let alone the labor and opportunity costs to their operation.

The report continues, "**The crisis is not something that's far off in the future. Even in 2020, the U.S. wage premium is expected to reach \$296 billion. By 2025, the gap will total \$400 billion, according to the report.**" What can companies do to mitigate the trend and minimize the effect? "Employers will need to concentrate on reskilling lower-level workers," Thompson (author of the report) notes. "That involves identifying those who are adaptable and flexible enough to be successful in the new world of work and putting in place robust training and workforce plans."

Since 1986, Proactive Technologies, Inc. has repeatedly sounded the alarm in presentations, conferences and employer visits. For some, the urgency and magnitude of the challenge seemed not to register even though they were confronted by symptoms daily. Worker development is not everyone's forte, and many had several "other fish to fry." Developing workers and maintaining high performance slipped to the back burner. Numerous pieces appeared in this newsletter, attempting to draw attention to the challenge and things that needed to be done, and could be (should be) done, such as: [Read More](#)

Proactive Technologies, Inc. - capturing worker expertise to build and support job specific, task-based worker development programs (with metric-based solutions) since 1986. Experience the power of the [accelerated transfer of expertise](#)™ !

Have all the experts you need with a fraction of the investment, in a fraction of the time... with a substantial return.

Proactive Technologies' Publications Archive

To download a .pdf version of this

issue, find the link at the bottom of this month's post on our website's [News and Publications](#) page or click [Proactive Technologies Report August 2018 Issue](#). While at our website, check out past newsletters, articles and more.

Helping employers to unlock worker value since 1986!



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):

More Employers Finding Ways To Strategically Ensure Fair Pay

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



In an article appearing in *IndustryWeek* entitled "[Trying to Ensure Fair Pay, Employers Are Changing Policies](#)," it noted that according to a recent employer survey "2018 Getting Compensation Right," "60% of U.S. employers are planning to take some action this year to prevent bias in hiring and pay decisions." Further, 53% "are planning on or considering adding a recognition program."

The report went on, "**37% percent are planning on or considering changing criteria for salary increases. Among employers not redesigning their programs, most are making changes to the importance of factors used to set base pay increases.**"

In short, the report led one to believe that employers overall wanted to make pay fairer, but one got the impression that there was no clear path. It is difficult in this environment to talk about raising workers wages without shareholders mounting a revolt. But with the reported shortage of skilled labor, the difficulty in training workers with a lean staff and no structure, strategy or record keeping, etc. an area of compromise has to be reached. If not, skilled workers will not apply, or stay, and the shareholder profits will definitely be affected. It is the "bullet that needs to be bit" to get the economy working like it did so well post World War II when everyone felt they had a chance at doing well for themselves and their family.

One easy-to-set-up, easy-to-implement, low investment/high return strategy for paying workers for the documented value the employee has accumulated has been discussed in previous Proactive Technologies Report articles, most recently "[A Pay-for-Value Worker Development Program - Fair to Management and Workers, and Effective Too!](#)" and previously in "[Pay-For-Value Employee Programs](#)" [Read More](#)

Pre-Employment Physical Ability Tests Can be a Legal Liability If Not Done Right

by Jim Poole, President of Lifetime Learning, LLC



David Sparkman of *EHS Today* wrote in a July 20, 2018 article entitled "[EEOC Cracks Down on Pre-Employment Physical Testing](#)" that "If your company uses pre-employment physical stress tests for job applicants that result in the rejection of female applicants, you could be in a world of hurt if the Equal Employment Opportunity Commission (EEOC) finds out." He described the story of Hirschbach Motor Lines, "which used a pre-employment back assessment to screen and reject applicants it believed would be unable to work as truck drivers. Applicants were tested for their ability to balance and stand on one leg, touch their toes while standing on one leg, and to crawl... **The company eventually agreed to pay \$3.2 million to a class of female applicants after the EEOC filed a lawsuit alleging the strength and fitness tests they took impacted women disparately. Earlier this year another case involving physical ability testing required by a police department resulted in a nearly \$2.5 million settlement for female applicants.**"

EEOC's aggressive pursuit of cases demonstrates why it is important that employers understand the legal issues surrounding [physical ability tests](#) (PATs). Extreme care should be exercised when selecting and validating such tests. Sparkman quotes experienced lawyers representing clients in these types of cases, "If a PAT has a disparate impact-for example, if women fail the PAT at a statistically significantly higher rate than men-an employer has

[PTIpromo - A Preview of an](#)

[Upcoming Presentation](#)

(13 minutes)

FOR FORMER EMPLOYER CLIENTS:

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

(45 minutes)

FOR ANY EMPLOYER:

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

(45 minutes)

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

(45 minutes)

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

(45 minutes)

[PTI1008 - Preparing your Workers 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:

August, 2018

Colorado (**Eastern Slope**)

Indiana

the burden of demonstrating that use of the PAT is job-related and consistent with business necessity,' explain attorneys Mallory Stumpf and Sarah Smith Kuehnel of the Ogletree Deakins law firm."

The EEOC announced last year in its Strategic Enforcement Plan (SEP) that for the next several years, it will continue to focus on class-based recruitment and hiring practices that discriminate

PATs can be useful in pre-employment assessments, but employers need to make sure they are constructed and utilized correctly. A credible approach is:

1. **Have an independent expert perform a thorough job/task analysis - [Read More](#)**

Keeping Employers Engaged in Regional Workforce Development Projects

by Dean Prigelmeier, President of Proactive Technologies, Inc.

Billions of dollars have been spent on workforce development projects funded by the state and federal governments in the last 20-30 years. However, from the tone of the discussions surrounding workforce development projects and participants today, it seems that the same things that were troubling employers in 1980 are still troubling them today.

Getting an employer to sign up for a grant-funded workforce development project should not be that difficult, if the brands and reputations of the institutions promoting the project are sound, and the project concept appears logical, achievable and will in all likelihood contribute to the employer's business model. But once the pitch has been made to the employers and the bold outcomes projected, keeping the employers engaged for the duration of the project and beyond can be difficult.

One thing that I have found in setting up and maintaining long-term projects is making sure the person, or people, at the initial meeting are the right ones. "Worker development" seems to fall within the domain of the employer's human resources department. But not all human resources managers are the same. Some are fresh from college and may not yet have experience with concepts such as meaningful on-the-job training, integration of worker training with ISO/TS/AS compliance, etc. Some tend to be generalists and may enthusiastically agree with a project concept but are out-of-sync with their production and quality manager's view of the world. While you may be able to get the human resources manager on-board, the human resources manager may not reflect the interest or concerns of the more influential production or operations management and staff.

Unfortunately, this may not be discovered until months into a project. If the operation's management and staff were briefed on the project (sometimes they are not), out of deference to the human resources manager the other key stakeholders may not voice concerns or ask pertinent questions that may influence the nature of the project. This may later start to percolate up and bring the organization's participation in the project to a halt.

If there is a requirement for employer contributions (in-kind and/or cash) to the project, lack of support from the operational management and staff may allow concerned accountants to cause the organization to withdraw. [Read More](#)

Successful organizations rely on high-performance organizational systems that are continually adapting and improving.

Kansas (Kansas City, Topeka and I70 Corridor)

Kentucky (North and Eastern)

Missouri (Kansas City, St. Louis)

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

Nevada (Reno, Las Vegas)

New Mexico (Albuquerque, Santa Fe)

Ohio

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.



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

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!

Is your internal worker keeping up? Would you like it to?

Wouldn't it be worth a few minutes of your time to find out how you can drive every worker - incumbent and new-hires - to full job mastery with a small investment and huge return?

Proactive Technologies, Inc. **always** offers a **low-to-no risk pilot program approach**:

- Select 1 job classification (minimum) for a pilot project;
- Proactive Technologies will perform an onsite job/task analysis of the classification(s) (incorporating your process documents and specifications), set up a structured on-the-job training system, and provide 12 months of implementation technical support to make sure your project is running to your expectations;
- **AS WITH ANY PROJECT**, retainers are scheduled over 12 months. If not satisfied with the results, you can cancel the project at any time, for any reason;
- **AND AS WITH ANY PROJECT**, 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 discounts offered would apply! We demonstrate our confidence that our approach to worker development is sound, effective and transformative.



We work with you to design a project to fit your budget, then offer discounts on the project based on size and scope up to 30% - all expenses are included! **WE RESEARCH AVAILABLE GRANT FUNDS AND HELP YOU APPLY. GRANTS MAY COVER MOST OR ALL OF YOUR INVESTMENT!!**

Low investment, no risk, high returns - everything to gain!

END YOUR WORRIES OVER "THE SKILLS GAP" AND "FINDING QUALIFIED WORKERS"

Drive every worker to full job mastery while they simply learn their job.



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

[Contact a Proactive Technologies, Inc. representative today!](#)

Industry News

DOMESTIC ECONOMIC DATA

Gross Domestic Product

US Department of Commerce - Bureau of Economic Analysis

Real gross domestic product increased at an annual rate of 4.1 percent in the second quarter of 2018, according to the "advance" estimate released by the Bureau of Economic Analysis. In the first quarter, real GDP increased 2.2 percent (revised). [Read Report](#)



Advanced Report on Durable Goods Manufacturers' Shipments, Inventories, and Orders

US Census Bureau

New orders for manufactured durable goods in June increased \$2.5 billion or 1.0 percent to \$251.9 billion. June





- **Accelerated Transfer of Expertise™**;
- Increased worker capacity, productivity, work 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 an extension to your training department**, with our technical implementation support - **included with every project!**

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

www.proactivetechnologiesinc.com

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

OHIO STATE UNIVERSITY EXTENSION

ALBER ENTERPRISE CENTER



ORGANIZATION
PERFORMANCE
CONSULTING

- Job-Relevant Technical

2018: +1.0% change; May 2018 (r): -0.3% change. [Read Report](#)

Job Openings and Labor Turnover

US Bureau of Labor Statistics

Errors in JOLTS Federal government estimates BLS identified errors in the JOLTS Federal government hires, total separations, and layoffs and discharges estimates from January 2011-April 2018. On June 12, 2018, BLS suppressed these data from the LABSTAT database.

[For more information on this error and correction plans](#)



The US Is Losing Ground in the Race for Energy Efficiency

IndustryWeek - Bloomberg, Riley Griffin

Italy and Germany tied for first place in the worldwide energy-efficiency race, according to a biennial international scorecard released on Tuesday by the American Council for an Energy-Efficient Economy. France, the United Kingdom and Japan followed suit.



The United States fell, from 8th in 2016, to 10th in the new ranking of the 25 largest energy-consuming countries in the world. This shift comes as result of both recent policy changes, including the White House's decision to pull out of the Paris Climate Agreement, and amendments to the scorecard's methodology, such as the scoring of residential and commercial building codes. [Read Article](#)

Lawsuit Challenges Constitutionality of Steel Tariffs Statute

IndustryWeek - Jill Jusko

The American Institute for International Steel and two of its members filed suit Wednesday in the U.S. Court of International Trade challenging the constitutionality of the statute by which President Donald Trump imposed a 25% tariff on imported steel and a 10% tariff on aluminum imports earlier this year.



Those tariffs had generated \$582 million from steel and \$195 million from aluminum as of last week, according to the U.S. Commerce Department. More than 22,000 exclusions have been requested. [Read Article](#)

Millennials Don't See Such a Bright Future

IndustryWeek - Staff

For younger workers, the gap is widening between what responsible companies should achieve and what businesses' actual priorities are, according to 2018 Deloitte Millennial Survey,



The younger generation believes that ethics behavior by corporations is decreasing. Last year they said 65% behaved ethically while this year only 48% took that view.

Furthermore, they don't see their leaders being committed to improving society. That number was 62% last year and this year it's 47%. And even more surprising is that 40% believe that business leaders are having a negative impact on society. [Read Article](#)

\$6B DoD Contract Launches V-22 for U.S. Navy

American Machinist - Staff

Six-year contract for 58 multi-function, tiltrotor aircraft brings program stability, starts modernization for carrier-based cargo service fleet



The Bell Helicopter/Boeing Defense collaboration that builds the V-22 tiltrotor aircraft has drawn a six-year, \$4.2-billion contract from the U.S. Dept. of Defense for 39 CMV-22B aircraft for the U.S. Navy; 14 MV-22B aircraft for the U.S. Marine Corps; one CV-22B for the U.S. Air Force; and four MV-22B aircraft for the government of Japan. [Read Article](#)

American Axle Building a New Plant in Spain

Forging - Staff

American Axle & Manufacturing Inc. plans to build a new plant near Barcelona, Spain, to produce automotive powertrain components for European automakers including Renault, BMW, Daimler, Porsche, Audi and Ford. The new, 15,000 sq.-m. plant at Viladecans will consolidate operations of two smaller plants, nearby at Gavà, starting in January 2019.



The cost of the new plant project was not announced. [Read Article](#)

- 360 Relationship Technical
- Instruction Provider
- Proactive Technologies
- Credentialing Partner
- Online and Onsite Instruction

See more at [Our Website](#)



THE OHIO STATE UNIVERSITY

© 2018 The Ohio State University



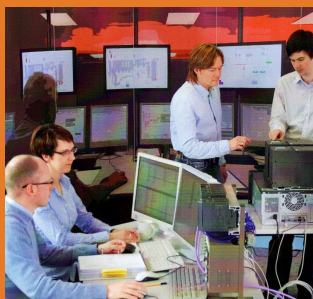
- Skill, Knowledge and Behavioral Assessments
- Intro and Advanced Blueprint Reading Courses
- Geometric Dimensioning and Tolerancing Courses
- Front Line Supervisor Training
- Training Materials and Online Courses



[Visit Our Website](#)

© 2018 Lifetime Learning LLC.

SAR Automation and Training



- We Design, Build, Install

How One Small Firm Took on NAVAIR's NAICS Decision and Won

Washington Technology - Mark Amtower

In *Selling to the Government*, I devote a chapter to "The Myth of the Level Playing Field." There are many ways Congress and Federal Acquisition Regulations try to make the playing field level (although much of the legislation is a bad joke), and the Small Business Administration interjects with small biz size standards and various set-aside categories.



Those who read my column know that I hit certain themes again and again. My regular topics are issues that, over 35 years of observing the government contracting marketplace, I've seen what separates the most successful firms from the rest.

Successful firms have a grasp on the unique importance of research, resources, and relationships, the "Three R's of Government Contracting." Of course, the three R's are important in pretty much any kind of business, but in the GovCon world they are your lifeblood. To be successful, you have to think in terms of the three R's every day. [Read Article](#)

Tired Of Tiny Seats And No Legroom On Flights? Don't Expect It To Change

NPR All Things Considered - David Schaper

The Federal Aviation Administration is refusing to regulate the size of airline seats, saying it sees no evidence that filling smaller seats with bigger passengers slows emergency evacuations.



Most of us know the routine of boarding an airplane: First, there's the patient waiting in line at the gate, and then again on the jet bridge, and waiting yet again for fellow passengers to put luggage in the overhead bins, before finally it's your turn to find your seat and do the same.

Now, actually getting into the that narrow window or middle seat is another problem. [Read Article and Hear Podcast](#)

Automakers Bristle at Administration Demand for Sensitive Data

IndustryWeek - Bloomberg

The U.S. Commerce Department has asked carmakers to reveal some of their most closely held secrets as part of its investigation of whether tariffs on imported cars and components are needed to safeguard national security.



A 34-page questionnaire from the department's Bureau of Industry and Security was sent to several automakers this month seeking sensitive details about company finances, factories, supply chains and other topics. [Read Article](#)

The U.S. Labor Shortage is Reaching a Critical Point



CNBC.com - Jeff Cox

*Private payrolls grew less than expected in June, likely due not just to a slow down in hiring but also a decline in the labor pool.

*For the first time, there are more job openings than there are eligible workers to fill them.

*Economists expect wage pressures to continue building as part of increasing inflation.

America's labor shortage is approaching epidemic proportions, and it could be employers who end up paying.

A report Thursday from ADP and Moody's Analytics cast an even brighter light on what is becoming one of the most important economic stories of 2018: the difficulty employers are having in finding qualified employees to fill a record 6.7 million job openings. [Read Article](#)

Siemens CEO Warns of Dire Consequences If German Carmakers Fail

IndustryWeek - Bloomberg

Siemens AG Chief Executive Officer Joe Kaeser has a stark warning to Germany's carmakers: Manage the electric-vehicle revolution shaking up the industry, or face violent consequences that inevitably come with mass unemployment.



"We'll still have cars in the streets, but they won't be electric, they'll be

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



SAR Group

Visit [Our Website](#)

© 2018 SAR Automation

MEMORABLE QUOTES

"Half of the money I spend on advertising is wasted; the trouble is I don't know which half."

[John Wanamaker](#)

American merchant and religious, civic and political figure, considered by some to be a proponent of advertising and a "pioneer in marketing"
1838-1922

"[T]here is an intimate and necessary relation between the processes of actual experience and education."

[John Dewey](#)

American philosopher, psychologist, Geologist, and educational reformer whose ideas have been influential in education and social reform
1859-1952

"If you can't describe what you are doing as a process, you don't know what you're doing."

[W. Edwards Deming](#)

American engineer, statistician, professor, author, lecturer, and management consultant.
1900-1993

Recent Proactive Technologies News Article Quicklinks

July

[From Innovation to Implementation -](#)

burning," Kaeser told reporters late Monday. "The success of Germany depends on this one industry."

Kaeser has been at the helm of the country's second-biggest company for half a decade and has increasingly used the position to comment on the political and industrial changes sweeping through Europe's biggest economy. He has criticized mounting populism in German politics and urged manufacturers, which form the backbone of the economy, to make the leap to greater automation in factories.

At Siemens, Kaeser is in the midst of cutting thousands of jobs in Germany and shutting a local factory at Goerlitz in response to a sharp downturn in demand for power plant turbines. Rival General Electric Co. is also shedding workers in response to the trend. [Read Article](#)

US Manufacturers are Not Reshoring

Material Handling & Logistics - Staff

Viewing importing of goods as an indicator of whether or not manufacturers are bringing back operations to the US,



A.T. Kearney's fourth annual Reshoring Index shows record U.S. imports from traditional offshoring countries in 2017. Imports of manufactured goods from the 14 largest low-cost country trading partners in Asia rose by \$55 billion, or 8%-the largest one-year increase since the economic recovery of 2011.

This is a sharp reversal of the glimmers of hope seen in 2016 in regard to manufacturers moving operations back stateside, the group says. [Read Article](#)

Growth Abounds But Strained Supply Chain and Tariff Worries: ISM Report

IndustryWeek - Staff

"Demand remains robust, but the nation's employment resources and supply chains continue to struggle," said ISM. Additionally, companies are overwhelmingly concerned about how tariff related activity is and will continue to affect their business."



Economic activity in the manufacturing sector expanded in June, and the overall economy grew for the 110th consecutive month, say the nation's supply executives in the latest Manufacturing ISM Report On Business.

The June PMI registered 60.2%, an increase of 1.5 percentage points from the May reading of 58.7%.

Other highlights from the report: [Read Article](#)

China Holds Ever-Growing Advanced Technology Trade Edge on US

IndustryWeek - Bloomberg

Getting a leg up in the ability to process volumes of information in short periods of time is key in a rapidly advancing technological world, and the U.S. is increasingly dependent on China.



America imported almost \$156 billion in advanced technology information and communications equipment from China in 2017 -- an almost six-fold increase from 15 years earlier, according to U.S. Census Bureau data.

China, meanwhile, has seemingly avoided the middle-income trap -- the phenomenon in which middle-income countries fail to evolve into high-income nations because they do not move up the technology ladder. In recent years, China has increased the sophistication of the products they produce. [Read Article](#)

Project 38: Our Podcast Series on the Future of Government Contracting

Washington Technology

Washington Technology has launched its first podcast -- Project 38 -- to discuss the future of government contracting.



The idea is to look at the market and where it is headed between now and 2038. We are taking a long-term view of things and will be talking to a variety of industry leaders to explore how the market is changing and what the market might look like in 20 years.

[Hear Podcast](#)

[Success Depends on Preparedness of Those Executing](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

[A Management Theory Flashback - The Peter Principle](#)

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

[Workforce Development Partnerships With Substance: My Experience](#)

By Randy Toscano, Jr., MSHRM, CEO of Legacy Partners 2

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

by Dean Prigelmeier, President of Proactive Technologies, Inc.

June

[Every Work Task Is A Micro Unit - Everything About the Task Should Be Trained At Same Time For Maximum Efficiency and Effectiveness](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

[Knowledge Gap v. Skills Gap, Core Skill Gap v. Task Skill Gap; Important to Know Which You Are Trying To Close](#)

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

[Tips for Workforce Developers - Partnerships That Matter...and Last](#)

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

[Unemployment is at an 18 Year Low, So Where is the Party ?](#)

By Dean Prigelmeier, President of Proactive Technologies, Inc.

May

[The Accelerated the Transfer of Expertise™](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

[Challenges Presented by the Widening Skill Gap](#)

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

[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.

April

[We Have Enough Evidence: Without Employer-Based Structured OJT, Worker Development Falls Way](#)

Transportation Tactics: It's Not All About the Price

Material Handling & Logistics - Greg Scheevel

It is rare that things in the supply chain and logistics industry ever stay stagnant, and with that constant change comes the emergence of new and different issues that pose challenges for those in the industry. The first half of 2018 has been a trying time for supply chain management, and the uncertainty of the future is something weighing heavily on industry insiders.

From the repercussions of the recently implemented ELD mandate, to the shortage of truck drivers causing a ripple effect across entire supply chains, the market is currently very sensitive. It is important for logistics professionals to stay nimble and be willing to change alongside the ever-fluid, and sometimes unstable, industry. [Read Article](#)

Driverless Cars? After Deadly Accidents, Most Americans Would Rather Take the Bus

IndustryWeek - Darrell M. West

Recent fatalities involving self-driving vehicles appear to be making people nervous about the automotive technology.

When asked in a survey by researchers at the Brookings Institution how likely they are to ride in a self-driving car, only 21% of adult internet users said they are inclined to do so, compared to 61% who are not.

The support for self-driving cars is down a bit from other surveys over the past year. For example, Northeastern University/Gallup undertook a mail survey of 3,297 U.S. adults from September 15 to October 10, 2017, and found 25% were likely to ride in a self-driving car and 54% were unlikely. In January 2018, Reuters/Ipsos completed a survey of 2,592 adults, finding 27% were comfortable riding in a self-driving car and two-thirds were uncomfortable. [Read Article](#)

Sergio Marchionne, Who Revived Fiat and Chrysler, Dies at 66

The New York Times - Neal E. Boudette and Elisabetta Povoledo

Sergio Marchionne, the executive who pulled two ailing carmakers from the brink of collapse and led the improbable transformation of Fiat Chrysler into an automotive giant, died on Wednesday after suffering complications from shoulder surgery, the holding company that founded Fiat said. He was 66.

"Unfortunately, what we feared has come to pass," John Elkann, the chairman and chief executive of Exor, the company controlled by the family that founded Fiat, said in a statement. "Sergio Marchionne, man and friend, is gone."

Mr. Marchionne took over Fiat in 2004 and spearheaded the acquisition of Chrysler in 2009. On both occasions, the businesses were near low ebbs, and few gave him any chance of success. He defied those gloomy predictions - today Fiat Chrysler Automobiles and Ferrari, which was spun off during Mr. Marchionne's tenure - are worth nearly 10 times as much as when he took over. [Read Article](#)

Financial News

SEC Wants Companies to File Machine-Readable Financial Data

Washington Technology - Chase Gunter

NOTE: This article first appeared on FCW.com.

The Securities and Exchanges Commission will begin requiring companies to report financial data in machine-readable format.

The SEC will phase in rules requiring companies to submit certain financial data filings in the inline XBRL data format over the next three years.

"The amendments are part of the commission's continued efforts to modernize reporting and to improve the accessibility and usefulness of disclosures to investors, including our Main Street investors," said SEC Chairman Jay Clayton in a statement. "The amendments reflect the commission's effort to use developments in structured disclosure technology to lower costs borne by filers and investors." [Read Article](#)

Tax Law Drives Pension De-Risking Opportunity

CFO Magazine - Chris Schmidt

Among the many effects on corporate finance from the Tax Cuts and Jobs Act is a greater motivation to address problems with



Washington
Technology

CFO

Short

by Dean Prigelmeier, President of Proactive Technologies, Inc.

[Blockchain Employee Records? What is the Balance Between Business Controls and Employee Privacy?](#)

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 Dean Prigelmeier, President of Proactive Technologies, Inc.

March

[Explaining Your Process Training to Auditors, Prospects and Clients](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

[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.

[Five Most Important Ways Structured On-the-Job Training Can Reclaim Wealth For an Employer](#)

by Dean Prigelmeier, President of Proactive Technologies, Inc.

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 Too!](#)

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.

[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

defined-benefit (DB) employee pension plans. Thanks also to the savings from a lower corporate tax rate for 2018, senior finance executives think that this year may be an opportune time to reduce the liability risks associated with their companies' DB pensions.

Those were among the important findings of a recent CFO Research study on how the new tax law is influencing a range of pension-related decisions.

The online survey, conducted in collaboration with Prudential Financial, drew 127 responses from finance executives whose companies have DB plans for current or former employees. This is the eighth consecutive year Prudential has surveyed CFOs on pension issues. [Read Article](#)

Credit Suisse Settles Foreign Bribery Investigations

CFO.com - William Sprouse

Credit Suisse Group has agreed to pay \$77 million to settle with the Securities and Exchange Commission and the U.S. Department of Justice over violations of the Foreign Corrupt Practices Act (FCPA). The agreement includes a \$30 million settlement with the SEC and a \$47 million criminal penalty to the DOJ.

According to the SEC, the bank illegally won investment banking business in the Asia-Pacific region by hiring and promoting individuals connected to government officials as part of quid pro quo arrangements. Over seven years, the bank hired more than 100 employees at the request of foreign government officials, the regulator said. [Read Article](#)

FDI was Down 32% in 2017, But Manufacturing Top of List for Investment

IndustryWeek -Staff

Last year was not a good year for expenditures by foreign direct investors to acquire, establish, or expand U.S. businesses. The total was \$259.6 billion in 2017, down 32% from \$379.7 billion in 2016, according to the Department of Commerce.

However, manufacturing was at the top of the list of expenditures at \$103.7 billion, accounted for 40% of total expenditures, the largest share among major industries. [Read Article](#)

SEC Wants the Power to Limit the Size of Whistleblower Awards

CFO.com - William Sprouse

The Securities and Exchange Commission apparently thinks the federal government is paying some whistleblowers too much for revealing corporate malfeasance.

So, the SEC is proposing amendments to rules governing the whistleblower program. Among other things, the changes would give commissioners more discretion over the dollar size of awards.

Under the current rules, whistleblowers can receive between 10% and 30% of monetary sanctions from SEC enforcement actions. The new rules would allow commissioners to reduce bonuses for cases over \$100 million, with an award minimum of \$30 million. For smaller cases, commissioners could raise the award to \$2 million. [Read Article](#)

Fed Looks Toward End of Years of Stimulus

CFO.com - Matthew Heller

The Federal Reserve could raise interest rates over the next year to a level that would no longer be "accommodative" of economic growth.

According to the minutes of the Fed's last policy meeting in June, many participants noted that if gradual increases in the target range for the federal funds rate continued, the federal funds rate could be at or above the 2.9% neutral level sometime next year.

The Fed's latest projections put the benchmark rate at 3.1% by the end of 2019, rising to 3.4% by the end of 2020. [Read Article](#)

Supreme Court Decides Wayfair Online Sales Tax Case

Area Development - Tax Foundation, Joseph Bishop-Henchman

The U.S. Supreme Court today handed down its anticipated decision in South Dakota v. Wayfair. The case challenges South

CFO



CFO

CFO



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

by Dean Prigelmeier, President of Proactive Technologies, Inc.

Visit the Proactive Technologies website "[News and Publications](#)" page for Past Newsletters and Archived Articles



We Partner With Educational Institutions, Workforce/Economic Development Groups, Government Agencies.

Structured on-the-job training attracts and engages employers in workforce development partnerships...some projects sustainable for more than 18 years!

This creates a steady need for your related technical instruction, services and a pathway for employment.

These partnerships:

- enhance your institution's opportunity to market your products and services to incumbent workers;
- allow your organization to include structured on-the-job training as a capstone to pre-employment preparation;
- document a trainee-to worker's increasing value to the employer - the key to retention - rather than leaving it to chance;
- properly aligns workforce development resources and maximizes the impact and results;
- allows you to engage an employer's facility, equipment and staff in the training process;
- provides the best infrastructure for apprenticeships and internships that last!

Dakota's application of its sales tax to internet retailers who sell into South Dakota but have no property or employees in the state. At issue is the case Quill Corp. v. North Dakota from 1992, which set the property or employees standard for sales taxes using the Court's (debated) dormant commerce clause power to restrict state taxation of interstate commerce.

Drumroll...South Dakota won. The Court laid out why South Dakota's law is no burden to interstate commerce but made clear that more complex or overreaching laws would be. This was not too surprising, as during oral argument the justices expressed such frustration with the issue that it's easy to see why they wouldn't want this to be just the first of many cases. Better to articulate the rule well here. (We had filed a brief in the case, in support of neither party, urging the Court to uphold South Dakota's law but draw a clear line preventing more problematic laws from being held as valid. [Read Article](#)

Buried Treasure in U.S. Tax Reform: Three Site Selection Strategies to Maximize the Benefits of the New Federal Rate Reduction

Area Development - Duff & Phelps, Gregory Burkart

The United States has always been one of the leading destinations for foreign direct investment. Our stable political climate, abundant natural resources, large workforce and trusted U.S. currency have historically been attractive for companies that are looking to establish or expand their presence in local and global economies. And now, there's new area that makes the U.S. an extremely attractive place to do business, one that has presented challenges in the past-our tax code.

The U.S. tax landscape has changed dramatically since the signing of the 2017 Tax Cuts and Jobs Act (the "TCJA"). Until recently, the highest marginal federal corporate tax rate in the U.S. was 35 percent, which often surpassed 40 percent once state taxes were taken into account, putting U.S. companies at a distinct disadvantage when competing in the global market. The new tax law levels the playing field with the much lower 21 percent rate, while also closing several loopholes. [Read Article](#)

Health Insurers Are Vacuuming Up Details About You - And It Could Raise Your Rates

NPR Morning Edition - Marshall Allen

Without scrutiny, insurers and data brokers are predicting your health costs based on public data about things like race, marital status, your TV consumption and even if you buy plus-size clothing.



To an outsider, the fancy booths at a June health insurance industry gathering in San Diego, Calif., aren't very compelling: a handful of companies pitching "lifestyle" data and salespeople touting jargon phrases like "social determinants of health."

But dig deeper and the implications of what they're selling might give many patients pause: a future in which everything you do - the things you buy, the food you eat, the time you spend watching TV - may help determine how much you pay for health insurance.

With little public scrutiny, the health insurance industry has joined forces with data brokers to vacuum up personal details about hundreds of millions of Americans, including, odds are, many readers of this story. [Read Article and Hear Podcast](#)

Warning: Don't Mention Trade Secrets in 10-Ks

CFO.com - David McCann

The tentacles of cyber crime seem to be reaching everywhere. For one, have you considered your company's exposure to the potential threat of trade secrets being stolen?



Trade secrets are among the primary means by which companies create and maintain value. The ability to prevent them from being stolen, copied, or eroded is one of the key factors ensuring a company's longevity. Even so, trade-secret theft has become a serious threat to the U.S. economy, causing damage in the range of 1% to 3% of gross domestic product, according to a new academic study.

With the principal means of trade-secret thievery shifting from betrayals by former employees to cyber attacks, companies have a surprisingly simple option for reducing the risk of such theft: Desist from disclosing the existence of trade secrets in 10-K reports. [Read Article](#)

- is a win for the trainee, win for the worker, win for the employer, win for the institution and win for the community!

This approach has continued to prove itself since 1988, and does not compete with your products and services; it adds to your efforts the clear, tangible, measurable advantage that employers seek.

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

Introduce the power of the **PROTECH® system of *managed* human resource development to your clients!**



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

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"

Social Good and Business: The Winning Formula

CFO.com - Alessandra Cavalluzzi

What if I was to tell you that you can strengthen your company from the inside, by helping on the outside? That you can grow your company by giving to others? Or that you can enhance your brand image by utilizing your employees as ambassadors?



Do I have your attention? Read on and I'll explain how you can do all of the things above by integrating a strategy for social good into your business strategy.

Embracing charitable giving and broader corporate social responsibility (CSR) initiatives has many benefits, including financial ones. Let's begin with your workforce. Studies show that employees want to feel like they are making a difference and contributing to more than their company's bottom line. In fact, they expect their employers to provide them with opportunities to do so. Encouraging participation in company-sponsored fundraisers, volunteerism, and charity events drives employee engagement. [Read Article](#)

Labor Costs Will Skyrocket Over the Next Decade

CFO.com - David McCann

Organizations around the world could add more than \$2.5 trillion to their annual labor costs within 12 years as a result of the global shortage of highly skilled workers, according to new research from Korn Ferry.

CFO

The report follows up on the recruiting and workforce management firm's forecast in May that the talent shortage could cost companies \$8.5 trillion in unrealized annual revenue by 2030.

But the crisis is not something that's far off in the future. Even in 2020, the U.S. wage premium is expected to reach \$296 billion. By 2025, the gap will total \$400 billion, according to the report.

What can companies do to mitigate the trend? "Employers will need to concentrate on reskilling lower-level workers," Thompson notes. "That involves identifying those who are adaptable and flexible enough to be successful in the new world of work and putting in place robust training and workforce plans." [Read Article](#)

International News

Mexico, Latin America, South America and the Caribbean

GE's Latin America CEO Arrested in Brazil Healthcare Fraud Probe

IndustryWeek - Bloomberg

General Electric Co.'s chief executive officer for Latin America was arrested in Brazil as part of a corruption probe into an alleged health-care cartel that operated for more than two decades.



Daurio Speranzini Jr. was served an arrest warrant in a sweep early Wednesday in Rio de Janeiro along with eight other people. Police are allowed to hold him for five days. Thirteen so-called preventative arrest warrants, which have no set time for release, and 44 search warrants were also issued, Brazil's Federal Police said in a statement.

GE's press office in Brazil confirmed the arrest Wednesday, but said GE is not the target of the investigations. [Read Article](#)

U.S. Citizens Warned to 'Shelter in Place' as Looting Follows Violent Protests in Haiti

Time - Associated Press

(PORT-AU-PRINCE, Haiti) - Looters pillaged, burned and vandalized shops in Haiti's capital Sunday following two days of violent protests over the government's attempt to raise fuel prices.

TIME

Journalists saw young men stripping shelves bare in some supermarkets that were charred from the protests. Several bodies lay among debris scattered in the streets.

With the situation still chaotic, the U.S. Embassy in Port-au-Prince on Sunday warned U.S. citizens to shelter in place. It noted that many airline flights had been cancelled and said, "The airport has limited food and water

Certification"

"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

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



EMPLOYERS!
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 with turnover;
- * Drives new-hires and incumbent workers to "full job mastery;"
- * Increases worker capacity, work quality, productivity and compliance (ISO/AS/TS training

available." [Read Article and See Video](#)

Wave After Wave of Garbage Hits the Dominican Republic

The New York Times - Palko Karasz

Come for the beaches, say tourism ads for the Dominican Republic.

But it has some beaches you might want to skip right now .



The Caribbean nation is known for sapphire seas and ivory beaches, but it is grappling with waves of garbage washing up on its shores, a vivid reminder of the presence of thousands of tons of plastic in the world's oceans. [Read Article](#)

Canada, Europe and Great Britain

EU Hits Google With \$5 Billion Fine For Pushing Apps On Android Users

NPR - Camila Domonoske

The European Commission has fined Google \$5 billion for violating the European Union's antitrust rules - specifically, by forcing manufacturers of Android phones to install the Google search app and the Chrome Web browser.



"Google has used Android as a vehicle to cement the dominance of its search engine," Commissioner Margrethe Vestager said in a statement. "These practices have denied rivals the chance to innovate and compete on the merits."

The tech giant plans to appeal the decision, a Google spokesperson tells NPR. [Read Article](#)

Britain's Overseas Territories Brace for Brexit

DeutscheWelle

Residents of the British territory Anguilla didn't get a say in Brexit, but they will lose their EU passports come March 29 next year. The territory relies heavily on imports that come mostly via the EU.

As UK Prime Minister Theresa May continues to hash out a Brexit deal with the EU, Britain's overseas territories are waiting anxiously to see how the divorce from the bloc will affect them.

Anguilla, one of Britain's six territories in the Caribbean, is located some 6,500 kilometers (4,039 miles) from Britain and relies heavily on imports - even for its drinking water. [Read Article](#)

Asia, India Australia

Peace Between Ethiopia and Eritrea Will Promote Democracy

DeutscheWelle

It seemed impossible just a few months ago: reconciliation between Ethiopia and Eritrea after decades of attrition. But peace is here at long last. How did this turnaround, which some are calling historic, come about?



As of July 9, it's official: the war is over between long-time enemies Eritrea and Ethiopia. A document to the effect was signed by Eritrean President Isaias Afewerki and Ethiopian Prime Minister Abiy Ahmed in the Eritrean capital of Asmara.

"This is perhaps one of the biggest news in recent years that emerged from this part of Africa," Solomon Dersso, senior researcher with the Institute for Security Studies and an adjunct Professor of Human Rights Law with the Centre for Human Rights and School of Law, Addis Ababa University, told DW.

The "Joint Declaration of Peace and Friendship" puts an end to a decades-old conflict which peaked in a war between 1998 and 2000 that claimed 80,000 lives. In 2002 an independent commission told Ethiopia to return territory along the border to Eritrea, but Addis Ababa refused to do so. [Read Article](#)

World's Largest Mobile Phone Factory Set to Open in India

IndustryWeek - Bloomberg

Samsung Electronics Co., the South Korean maker of Galaxy phones, said it is opening the world's largest mobile phone manufacturing facility on the outskirts of the Indian capital, as smartphone



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!

This structured on-the-job training is performed where, and while, the work takes place!

You need no additional staff, and this will not disrupt your work schedule or burden your existing staff!

If your firm 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

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



**THE DEADLINE for
ISO 9001:2015
RECERTIFICATION IS
APPROACHING
Will you make it?**

Re-certification audit planning for the new standard must be performed at least 90 days prior to expiration, in other words by **September 14, 2018**,

demand surges.

The factory will be inaugurated by Indian Prime Minister Narendra Modi and South Korean President Moon Jae-in at 5 p.m. local time. Both leaders are visiting the facility adjoining New Delhi, according to India's ministry of external affairs.

"The opportunity is just massive," said Faisal Kawoosa, who heads new initiatives at researcher CMR Pvt. "Such a large facility will help Samsung cater to the huge demand in a country of 1.3 billion people where there are only 425 million smartphone users." [Read Article](#)

Viral WhatsApp Messages Are Triggering Mob Killings In India

NPR - Lauren Frayer

Harsh Poddar, a senior police official, addresses a village meeting at a rural school near Malegaon, in northern Maharashtra state. He warns families to be skeptical of what they read online. Earlier this month, Poddar helped rescue five people from being killed by a mob in his constituency.

Iram Sabah, mother of two, is terrified by messages her family has been receiving on their smartphones.



Her husband recently forwarded a video that shows a child's mutilated body. It's unclear where or when the video is from, or whether it has been doctored. A voice implores people to forward it to others, and to stay vigilant - that kidnappers are on the loose.

Sabah, 27, doesn't know if the video is fake or real. But she's not taking any chances. [Read Article and Hear Podcast](#)

China and Southeast Asia

China Vaccine Scandal Sparks Fear and Fury

DeutscheWelle

Chinese President Xi Jinping has called a scandal over inferior vaccines "vile" and "shocking." Many in China are scared and angry over lax regulations.

Chinese authorities have launched an investigation into a vaccination scandal that is sending shockwaves through the country.

Changsheng Biotechnology, the country's second-largest vaccine maker, was found to have produced sub-standard vaccines.

There is no indication anyone has been harmed by the vaccines, but the widening scandal has frightened people. [Read Article](#)

China's Xi Jinping Strikes Deals with Rwanda During Four-nation African Tour

DeutscheWelle

Chinese President Xi Jinping has inked more than a dozen deals with Rwanda as his "economic partnership with African countries" continues. The deals include loans and grants worth millions of dollars.



Rwanda Besuch Präsident Xi Jinping China (Getty Images/AFP/S. Maina) Chinese President Xi Jinping signed 15 bilateral agreements with Rwanda on Monday while visiting the East African country, the second stop on a four-nation tour to cement relations with African allies.

The agreements, the value of which was not revealed, focused on visa exemptions, strengthening mutual investment in e-commerce, cooperation in civil air transport, law enforcement partnerships and human resource development. They included loans for construction, hospital renovation and the development of Rwanda's new Bugesera airport. [Read Article](#)

Africa, Middle East, Eastern Europe and Russia

Boeing Forging Machining Expansion on Track in Russia

Forging - Staff

The Boeing Co.'s joint-venture titanium machining company in central Russia is due to start production at its second plant in September, according to a report from the region. Ural Boeing Manufacturing performs roughing and finish machining of titanium forgings at Verkhnyaya Salda, in Russia's Titanium Valley special economic zone. The forgings are produced nearby by VSMPO-Avisma, and titanium alloy



and the last audit day cannot exceed the deadline or a full, initial audit must be performed.

Along with AS9100D and TS16949, a major new requirement for the "capture of institutional knowledge" and "identifying training gaps and closing them", as well as managing both for change are covered by **Proactive Technologies' PROTECH© system of managed human resource development.**

Train workers to full job mastery, increase worker capacity, work quality and quantity AND increase compliance with ISO/AS/TS and safety at the same time...with the same investment!

Training and training records, alone, are usually a target for auditors. Clients report passing their audit for the training and institutional knowledge requirements are rated as "best practice" level.

Contact a Proactive Technologies representative for more information.

www.proactivetechnologiesinc.com

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

chips and turnings are returned for remelting.

"The plant will be opened in September. The entire process chain of Boeing will depend on this facility's operation," according to a statement by Artemy Kyzlasov, Titanium Valley CEO. [Read Article](#)

African and Global FDI Inflows Weaken in 2017

Brookings - Amy Copley, Research Analyst and Project Coordinator - Africa Growth Initiative

BROOKINGS

According to United Nations Conference on Trade and Development's (UNCTAD) latest World Investment Report, from 2016 to 2017, global foreign direct investment (FDI) flows decreased by 23 percent from \$1.87 trillion to \$1.43 trillion-despite an increase in global gross domestic product (GDP) growth and trade during this time.

The report indicates that a decrease in cross-border mergers and acquisitions (M&As) from 2016 to 2017 contributed significantly to the decline in overall FDI. However, the relative decline in M&As in 2017 was not unexpected, considering that 2016 was characterized by several one-off megadeals of over \$30 billion-including foreign acquisitions of U.K.-based companies SABMiller, BG Group, and ARM, as well as U.S.-based firms Allergan PLC and Baxalta Inc., among others. [Read Report](#)

Pakistan Election Raises Fears of 'Creeping Coup'

BBC News - M Ilyas Khan

A day before Pakistan's 11th national election, the country's dream of undiluted democracy appears to be receding - again.



In its 70-year history, Pakistan has alternated between quasi-democracy and pure military rule. In the process it has become embroiled in international conflicts and morphed into a home base for Islamist militancy.

Over the past decade, Pakistanis have witnessed democracy at its most undiluted thus far, but it's now under threat from what some say appears to be a "democratic coup" of sorts.

And just as in the past, the country's powerful military establishment remains the chief suspect behind the fresh round of political manipulation. [Read Article](#)

International Trade News

INTERNATIONAL TRADE DATA

Monthly Wholesale Trade

US Department of Commerce - Bureau of the Census

May 2018 sales of merchant wholesalers were \$509.0 billion, up 2.5 percent (+/- 0.4 percent) from last month.

End-of-month inventories were \$633.5 billion, up 0.6 percent (+/- 0.2 percent) from last month. May 2018: +0.6

% change in Inventories; April 2018 (r): +0.1* % change in Inventories.

[Read Report](#)



Manufacturing and Trade Inventories and Sales

US Census Bureau

U.S. total business end-of-month inventories for May 2018 were \$1,936.9 billion, up 0.4 percent (+/- 0.1 percent) from last month. U.S. total business sales were \$1,449.7 billion,

up 1.4 percent (+/- 0.2 percent) from last month. May 2018: +0.4 % change in Inventories; April 2018 (r): +0.3 % change in

Inventories. [Read Report](#)



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 announced today that the goods and services deficit was \$43.1 billion in May, down \$3.0 billion from \$46.1 billion in April,

revised. May exports were \$215.3 billion, \$4.1 billion more than April exports. May imports were \$258.4 billion, \$1.1 billion more than April

imports. [Read Report](#)



Herman Miller Says Trade War Could Lead It to Move Manufacturing

IndustryWeek - Bloomberg

The brewing trade war between the U.S. and its major trading partners may lead furniture maker Herman Miller Inc. to relocate some of its manufacturing if costs become prohibitive, CFO Jeff Stutz said.



"We are obviously feeling the effects of tariffs that are putting pressure on our business as it stands today and have been all fiscal year," Stutz said on July 3.

The Zeeland, Mich.-based creator of the ubiquitous office chair has plants in the U.S. and abroad, including China and the U.K. While the company has no concrete plans at this time, it could shift some manufacturing to other countries or find third-party companies in those regions to make products for them, Stutz said. He didn't specify which factories could be moved.

[Read Article](#)

Caught In Tariff War, U.S. Distillers Fear Losing Out On Global Whiskey Boom

NPR Morning Edition - John Ydstie

U.S. whiskey distillers are fretting over the steep new tariffs they're facing around the world. They're being punished as U.S. trading partners retaliate against the Trump administration's tariffs on steel and aluminum. Now, the distillers fear that a long boom in U.S. whiskey exports could be coming to an end.

Kentucky bourbon has experienced a huge revival over the past decade - thanks in large part to U.S. trade initiatives that have opened up global markets, says Eric Gregory of the Kentucky Distillers' Association. [Read Article and Hear Podcast](#)



Global Trade War Threat Is Bringing Anxiety to the Factory Floor

IndustryWeek - Bloomberg, Fergal O'Brien and Lucy Meakin

"The actual tariff is not a big problem to companies planning for their future," said Nobel laureate Christopher Pissarides, who teaches at the London School of Economics. "The problem is that you don't know what's coming next."

Donald's Trump protectionism is taking its toll on confidence, with companies around the world getting more worried about the damage a full-blown trade war could do to business.

Reports on Monday showed optimism at euro-area factories fell to the lowest in 2 1/2 years in June, while sentiment at Japan's large manufacturers cooled for a second quarter. In China, a measure of factory activity fell last month, as did similar gauges for the euro area and its two largest economies, Germany and France.

Stocks in Asia and Europe fell on Monday, a negative start to a week [Read Article](#)



BMW, Ford and Tesla Brace for 'Nightmare' Tariff Whiplash

IndustryWeek - Bloomberg

For BMW AG, Tesla Inc. and other global automakers whose future is ever-more dependent on China's burgeoning market, any gains from lower import tariffs this week will likely be short-lived -- thanks to President Donald Trump's trade war.

After decades of pleading for easier access to the world's biggest car market, manufacturers finally saw duties on overseas imports almost halved to 15% on Sunday. But the reprieve for producers of those models - if they are built in the U.S. - is set to end in five days, when a retaliatory 25% levy makes them more expensive.

Trump's tit-for-tat trade squabble with China threatens to undo years of lobbying by carmakers and drag Europe's leading luxury brands into the fray because of decisions that were made when global manufacturing and exporting were buzzwords. Now, the uncertain implications of a tariff whiplash are unnerving dealers and consumers in a country where a record 24 million vehicles were sold last year. [Read Article](#)



US Pulls Trigger on China Tariffs; China Retaliates as Trade Furor Mounts

IndustryWeek - Bloomberg

U.S. President Donald Trump fired the biggest shot yet in the global trade war by imposing tariffs on \$34 billion of Chinese imports. China retaliated.

Duties on Chinese goods started at 12:01 a.m. Friday in Washington, just after midday in China. Another \$16 billion of goods could follow in two weeks, Trump earlier told reporters, before suggesting the final total could eventually reach \$550 billion, a figure that exceeds all of U.S. goods



imports from China in 2017.

U.S. customs officials will begin collecting an additional 25% tariff on imports from China of goods ranging from farming plows to semiconductor and airplane parts. China has said it would respond by imposing higher levies on an equivalent amount of goods ranging from American soybeans to automobiles, which may in turn prompt Trump to raise trade barriers even higher. [Read Article](#)

CARICOM Must Reposition to Navigate the "New Normal"

Jamaican Information Service - Tashion Hewitt Stennett



Prime Minister of Grenada, Dr. the Right Hon. Keith Mitchell, says the Caribbean Community (CARICOM) must reposition itself to operate in a global landscape characterised by the "new normal".

He said that navigating the new normal means that leaders will have to consolidate their positions on key hemispheric and international issues that hold profound implications for the region.

"This new area requires our governments' unwavering commitment to courageous leadership and an aggressive pursuit of policies and innovation. It also requires holistic decision-making, planning, and action, but more than anything else, partnerships," he noted.

Prime Minister of Grenada, Dr. the Right Hon. Keith Mitchell, says the Caribbean Community (CARICOM) must reposition itself to operate in a global landscape characterised by the "new normal".

He said that navigating the new normal means that leaders will have to consolidate their positions on key hemispheric and international issues that hold profound implications for the region.

"This new area requires our governments' unwavering commitment to courageous leadership and an aggressive pursuit of policies and innovation. It also requires holistic decision-making, planning, and action, but more than anything else, partnerships," he noted. [Read Article](#)

Trump Weighing Plan to Curb Chinese Investment in More Than 1,000 U.S. Companies

Politico - Doug Palmer and Nancy Cook



The administration is expected to release new restrictions, consistent with a timetable President Donald Trump outlined in May that detailed a plan to put tariffs on Chinese goods because of concerns about intellectual property theft and forced technology transfers.

New U.S. investment restrictions could restrict Chinese access to over 1,000 U.S. companies in technology and other sectors that the administration has deemed vital to U.S. national security, an administration official told POLITICO.

The administration is expected to release the new restrictions at the end of next week, consistent with the timetable President Donald Trump outlined in a statement in late May in which he announced plans to proceed with tariffs on Chinese goods because of concerns about intellectual property theft and forced technology transfers.

A private sector source told POLITICO they expect the administration to announce restrictions on Chinese investment in sectors that are integral to Beijing's "Made in China 2025" plan to control future economic frontiers. That includes areas such as robotics, artificial intelligence, aerospace, biomedicine and energy-saving vehicles.

The private sector source did not think it was likely that the administration would issue a specific list of companies and say that China would be barred from investing in them, but that it could not be ruled out that Trump may have requested such a list. [Read Article](#)

Germany, China Seek Closer Alliance Over Trade Spat With US

DeutscheWelle



Government consultations between Germany and China in Berlin on Monday aim to send a signal of closer bilateral cooperation in light of a worsened trade spat with the US. But some hurdles have yet to be overcome.

German Chancellor Angela Merkel and Chinese Prime Minister Li Keqiang

held talks on closer economic cooperation in Berlin on Monday as the two countries seek a coordinated strategy in response to the US administration's protectionist agenda.

As part of the talks, the two countries signed a raft of commercial agreements worth some €20 billion (\$23.5 billion). The deals, involving German industrial giants like Siemens, Volkswagen and BASF, come as the two exporting powerhouses are being forced into an unlikely alliance in defense of the open global trade on which both of their economies depend. [Read Article](#)

Switzerland Challenges US Tariffs at WTO

IndustryWeek - Agence France-Presse

Switzerland has joined a string of countries launching challenges to Washington's new steel and aluminum tariffs at the World Trade Organization, Bern said Tuesday.



The Swiss economic affairs ministry said it had formally asked the U.S. for "consultations" over tariffs of 25% on steel and 10% on aluminum. Consultations constitute the first step in a full-blown legal challenge before the global trade body.

Switzerland, where the organization is based, had on Monday "submitted a request for consultations with the U.S. as part of WTO dispute settlement proceedings," the ministry said in a statement. [Read Article](#)

In Louisiana, Trade War Makes Biggest US Port Tremble

Material Handling & Logistics - Bloomberg

To understand what a trade war means for America, go to the Mississippi. Follow the mud-brown river past Louisiana's chemical plants, oil refineries, granaries, ports, and the rail networks and highways that spring from its fingers.



Over centuries, trade on the winding waterway hailed as the great spine of the U.S. built hundreds of communities. Most U.S. grain, nearly a quarter of its coal, and much of its petrochemicals pass through here. But the river carries not only goods—it also carries consequences. [Read Article](#)

Trump's Tariff Barrage Pushes China Fight to Point of No Return

New Equipment Digest - Bloomberg News

U.S. President Donald Trump is pushing his trade conflict with China toward a point where neither side can back down.



By Aug. 30, as the U.S. nears midterm elections vital for Trump's legislative agenda, the White House will be ready to impose 10% tariffs on \$200 billion of Chinese-made products, ranging from clothing to television parts to refrigerators. The levies announced Tuesday -- together with some \$50 billion already in the works -- stand to raise import prices on almost half of everything the U.S. buys from the Asian nation. [Read Article](#)

Senate Sends Trump Message to Slow Down on Tariff Escalation

IndustryWeek - Bloomberg

The U.S. Senate took President Donald Trump to task on trade but fell short of curtailing his power to impose tariffs.



In an 88-11 vote on Wednesday, the Senate approved a symbolic motion backing a role for Congress in requiring tariffs based on national security, such as those Trump imposed on steel and aluminum imports and is contemplating on autos. The vote came a day after the administration said it would impose a new round of 10% tariffs on \$200 billion of Chinese goods as part of a dispute over alleged Chinese theft of U.S. intellectual property. [Read Article](#)

China's Currency Depreciation Should Set Off Alarm Bells

The Hill - Desmond Lachman

The recent sharp Chinese currency depreciation should be setting off alarm bells for the global economy.

Not only does that movement likely presage further currency depreciation in China, the world's second-largest economy, but it also increases the likelihood that China and the United States might be drifting inexorably toward both a currency and a trade war.



Since March, the Chinese currency has depreciated by some 6 percent, taking it to the sensitive level of 6.7 renminbi to the dollar. It has done so in the context of a weakening Chinese economy, a generalized strengthening of the U.S. dollar and the implementation of an "America First" trade policy.

There are at least two reasons to think that the Chinese will be forced to continue allowing their currency to depreciate against the U.S. dollar. [Read Article](#)

China's Trade Surplus with US Keeps on Growing

IndustryWeek - Bloomberg

China's monthly trade surplus with the U.S. rose to a record in June, underlining the imbalance at the heart of an escalating trade war between the world's two largest economies.



The trade surplus with the U.S. stood at \$28.97 billion, the highest in any month in data back to 1999. Exports climbed to \$42.62 billion, also a high, the customs administration said on Friday. [Read Article](#)

Textile Industry Shattered by China Trade Embraces Trump Crusade

IndustryWeek - Bloomberg

While there's no shortage of doom and gloom coming from corporate America about President Donald Trump's trade war with China, there is at least one U.S. industry cheering him on: textiles.



After decades of shedding thousands of jobs and closing factories as the U.S. opened up trade with China and other countries, textiles stabilized in recent years. And just as the sector was trying to invigorate growth, along came a presidential candidate pledging to revive American manufacturing. [Read Article](#)

EU's Malmström: Bad Domestic Policies Also Make Trade Unfair

Tralac



New ways in which the United Nations could address the crisis of multilateralism and trade and its development machinery, as well as what the contribution of UNCTAD would be | Note by the UNCTAD secretariat, April 2018 (File size: 271.59 KB)
EU Trade Commissioner Cecilia Malmström says domestic policy choices, such as taxation, are just as responsible as global trade rules for determining who benefits from globalization.

Rising discontent with how the spoils of globalization are distributed has targeted the rules of multilateral institutions, such as the World Trade Organization (WTO), but EU Trade Commissioner Cecilia Malmström has said that domestic policies, such as taxation, deserve their share of the blame.

The European Union's top trade official was speaking in Geneva at the opening session of the annual gathering of UNCTAD's governing body - the Trade and Development Board - meeting at the Palais des Nations from 4 to 12 June. [Read Article and Access Reports](#)

How Trade Wars Threaten Food Security

International Food Policy Research Center - Will Martin and David Laborde

What began as heated rhetoric over trade between the United States and China has evolved into a potential trade war, with negotiations foundering and both countries proposing tit-for-tat trade barriers. (Meanwhile, open trade war has broken out on other fronts.) Our analysis shows that such policies will not only harm the two feuding nations but also have fallout among other countries in the global marketplace.



The conflict captures the central issue outlined in Chapter 3 of IFPRI's 2018 Global Food Policy Report: Growing anti-globalization sentiments and moves toward protectionism threaten to undermine the substantial benefits of global trade-particularly for food systems and nutrition-while doing nothing to address the problems associated with it. [Read Article and Access Reports](#)

Trump Says He's 'Ready To Go' With \$500 Billion in Tariffs on All China Imports

IndustryWeek - Bloomberg, Terrence Dopp

President Donald Trump said he's "ready to go" with tariffs on \$500 billion of Chinese imports, saying the U.S. has been taken advantage of for too long.



"I'm not doing this for politics. I'm doing this to do the right thing for our country," Trump said in a CNBC interview aired Friday. "We are being taken advantage of and I don't like it."

The \$500 billion figure is about the value of Chinese goods imported into the U.S. last year. S&P stock-index futures declined along with the Stoxx Europe 600 gauge after Trump's comments aired. [Read Article](#)

Education and Workforce Development News

Electronics Industry Supports Senate Bill to Advance Workforce Education

IndustryWeek - Staff

Given the fact that the electronics industry has been hit particularly hard by a shortage of skilled workers in the United States, it's not surprising that the IPC - Association Connecting Electronics Industries made clear their support of a U.S. Senate bill that is advancing workforce education and training.

Many companies in the association have indicated that the lack of employees is constraining their growth and, in some cases, their long-term viability.



In a letter to the chairman and ranking minority member of the Senate Health, Education, Labor, and Pensions Committee - Senators Lamar Alexander (R-TN) and Patty Murray (D-WA), respectively - IPC CEO John Mitchell praised the pair for their bipartisan leadership on the Strengthening Career and Technical Education for the 21st Century Act. [Read Article](#)

Best Colleges for Producing Engineers

IndustryWeek - Adrienne Selko

Quietly a number of smaller colleges and universities have been turning out engineering talent that is being quickly scooped up by manufacturing companies.

The following is a look at the top of the list, created by employment firm, Zippia. They used the Integrated Postsecondary Education Data System to search for the college in each state with the highest listed job placement ratings, looking specifically at employment levels at year 10 after students have graduated. The degrees that were included in this search was civil, mechanical, industrial engineers. [Read Article](#)

Funding Opportunity for Apprenticeships

Community College Daily News - Daily Staff

The U.S. Department of Labor (DOL) has announced \$150 million in grants to support sector-based approaches to expand apprenticeships on a national scale in key industry sectors.



The program aims to accelerate the expansion of apprenticeships to new industry sectors, and to increase apprenticeship opportunities for all Americans, according to DOL. It added that there are more than 6.6 million job openings in the U.S., many of which require advanced skills.

Grant funds will go to higher education institutions in partnership with national industry associations. Public-private partnerships are required for eligibility. The application deadline is October 16.

Veterans, military spouses, service members re-entering the civilian workforce and underrepresented groups in apprenticeship, including women, people of color and ex-offenders will benefit from their investments, the department said. [Read Article](#)

A Fast Track for Perkins

Community College Daily News - Staff

If the House on Wednesday passes a bipartisan bill to reauthorize the Carl D. Perkins Career and Technical Education (CTE) Act, the next stop could be the president's desk for his signature, which is likely.



The Senate on Monday passed by voice vote the House version of the Perkins reauthorization bill and then substituted the bill with the Senate version, which the Senate education committee passed last month. If the House passes the Senate version of the bill without amendments, a conference committee to hash out differences between the two bills won't be needed.

The Senate bill would encourage states, schools and local career and

technical education providers to update education and job training to meet the needs of the local economies, ensuring students have the skills needed to remain competitive, according to the Senate Health, Education, Labor and Pensions (HELP) Committee. It would also increase alignment with the federal Workforce Innovation and Opportunity Act (WIOA) and the Every Student Succeeds Act, and promote collaboration between stakeholders so that local businesses can communicate their needs to states and educators as strategies and programs are developed, the committee said. [Read Article](#)

Training and Organizational Development News

Catching Up with Mr. Productivity: Norman Bodek

IndustryWeek - Jill Jusko

Norman Bodek is on the telephone with an urgent message: American CEOs must do more and do better to improve the success of their organizations.



"What's the barrier for us to become as efficient and effective as possible to compete internationally in the world? Of course, it rests with the CEOs," he says.

Bodek's mantra: A company will be its best when it helps its people be their best.

"If the people grow, the organization grows. It's not complicated," Bodek says. [Read Article](#)

A Radical Idea for Encouraging Employee Feedback

IndustryWeek - Chris Morgan

Ray Dalio's book Principles was a #1 New York Times bestseller and the #1 Amazon business book of the year in 2017. In it he espouses "radical transparency," which is the idea that everyone should be able to see and criticize everything in the business, including the boss and his or her ideas.



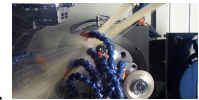
Dalio's company, Bridgewater, is the world's most successful hedge fund. They have been practicing and refining radical transparency practices for decades. The book presents a persuasive argument for such transparency. [Read Article](#)

Quality News

Understanding the Role for ISO Standards for Machine Tools

IndustryWeek - Staff

Along with wider access to raw materials, technologies, and customer markets, one of the indicators of globalization are industrial standards - for quality control, production standards, and lately environmental compliance. To date, energy-efficiency may not be a differentiator for CNC machine tools, but the expectation of such standards is growing.



True, machine tools contain motors and auxiliary components with a varying range of energy needs. Now, a new series of ISO standards is available to help measure energy supplied and improve machine design and performance. [Read Article](#)

Hitachi Affiliate Discovers Data Fraud of 60,000 Batteries

IndustryWeek - Agence France-Presse

An affiliate of Japanese electronics giant Hitachi admitted Friday it had falsified data for 60,000 industrial batteries, the latest in a series of similar scandals that has battered the country's reputation for quality.



Hitachi Chemical said it had falsified data for the batteries, which were delivered to 500 companies and mainly used for back-ups at industrial plants, between April 2011 and June 2018. [Read Article](#)

Ask the Expert -- Lean Leadership: What Are Good Metrics to Measure the Performance of the Purchasing Department?

IndustryWeek - Larry Fast



Question: What are some good metrics to measure the effectiveness and performance of the purchasing department?

Answer: This is a great question that I plan to answer in what will likely become a three-part series on the purchasing function. So please bear with me. Let's start by understanding the mindset that is required by all who work in the purchasing function.

1. Purchasing people have an enormous responsibility. The cost of raw materials varies by industry but may be as high as 70% of the cost of goods produced. Whatever the number is, purchasing has a major role in making sure manufacturing stays competitive. [Read Article](#)

Cyber Security and IT News

A Small Manufacturer Solves the Cybersecurity Puzzle

IndustryWeek - David Boulay

Atlas Tool Works is a small family-owned company that provides specialized machining and turning of tight tolerance parts, precision sheet metal fabrication, metal stamping, and complex engineered assemblies. It has 72 employees, and a long history of commitment to quality and continuous improvement.



Atlas leadership knew they needed to improve their cybersecurity. The company, being part of the U.S. Department of Defense supply chain, was required to comply with the Defense Federal Acquisition Regulation Supplement (DFARS) minimum security standards or risk losing their DoD contracts. Leaders also realized that improving the company's overall cybersecurity would protect the confidentiality, integrity, and availability of information. [Read Article](#)

Cybersecurity Summit Washington Technology - Free Military/Government Event: August 9th



Attend the Cybersecurity Summit to hear leaders from across government explore the technologies, policies and management strategies that help agencies focus on network-, application-, and data-level security.

You'll receive best practices and strategies for blockchain-based data security, cyber risk management, cross-domain security, compliance, cryptographic key management, and much more. [Register](#)

Human Resource Management News

Embattled Trump NLRB Strikes Back

Material Handling & Logistics - David Sparkman

The new Republican majority of the National Labor Relations Board (NLRB) is striking back at attacks from both inside and outside the agency by those who want to block its efforts reversing the Obama-era board's pro-union decisions.



In March the new board was forced to reverse its own December 2017 ruling overturning an Obama-era board's joint employer decision, which itself had reversed 30 years of precedents. The Democrat-dominated board had found joint employer status existed between companies and their staff leasing providers and franchisees. The 2015 decision decreed that secondary employers would be considered joint employers if one employer retains indirect control or rights of control—even when those rights are never exercised. [Read Article](#)

You Have the Wrong Idea about Corporate Culture

IndustryWeek - Rick Bohan

Earlier this year, there was an article right here in IndustryWeek entitled, "Culture is More than Free Snacks and Ping-Pong." The author wrote, "I suspected [corporate culture is] something more than free snacks and ping-pong tables in the common areas."



I've found several other articles in other publications, with similar titles: "Culture is More than a Ping Pong Table", "Think Culture is About Ping-Pong Tables? You are Wrong!" "Culture is More than Just a Ping-Pong Table in the Break Room." [Read Article](#)

Trying to Ensure Fair Pay, Employers Are Changing Policies

IndustryWeek - Staff

Under pressure to ensure fair pay throughout the



workplace, companies are starting to change employee compensation and performance management programs according to a recent survey, "2018 Getting Compensation Right," by Willis Towers Watson.

"Getting compensation right is becoming increasingly important as employers look to drive higher levels of performance, attract and retain talent, and make fair pay decisions," said Sandra McLellan, North America practice leader, Rewards, Willis Towers Watson. "Decisions around pay, however, are becoming more complex, and many employers say their base pay and short-term incentive programs are falling short of expectations. Not surprisingly, changes to these and other related programs are on the horizon." [Read Article](#)

Regulators Investigate Fast-Food Chains' Limits On Who They Hire

NPR All Things Considered - Yuki Noguchi

Fast-food workers may be stuck in jobs for various reasons. In many cases, their employers prevent them from leaving to work for other restaurants within the same chain.



Now, 10 state attorneys general and the District of Columbia are taking on the issue with an investigation into eight national fast-food chains. At issue are "noncompete" clauses that limit where employees can work after they leave.

Traditionally, such clauses are in high-tech companies that want to protect trade secrets and keep top executives from jumping to work for a competitor.

But such restrictions are also used by fast-food franchises where they agree not to recruit or hire workers who work for other franchisees in the same chain. [Read Article and Hear Podcast](#)

EEOC Cracks Down on Pre-Employment Physical Testing

EHSToday - David Sparkman

If your company uses pre-employment physical stress tests for job applicants that result in the rejection of female applicants, you could be in a world of hurt if the Equal Employment Opportunity Commission (EEOC) finds out.



That's what happened to Hirschbach Motor Lines, which used a pre-employment back assessment to screen and reject applicants it believed would be unable to work as truck drivers. Applicants were tested for their ability to balance and stand on one leg, touch their toes while standing on one leg, and to crawl. [Read Article](#)

Environmental, Health & Safety News

Healthcare Alternative Options Expand for Employers

EHSToday - David Sparkman

Employers will have a new way to control health insurance costs when final rules issued by the U.S. Department of Labor (DOL) governing Association Health Plans (AHPs) go into effect starting this September.



President Trump paved the way in October 2017 when he signed an executive order directing DOL to issue proposed rules for governing the formation and management of these kinds of health insurance programs. Although such plans already exist to some extent, they previously had been severely restricted, making them virtually impossible for small businesses and individuals to use.

The change embodied by the new DOL rules also is seen as another body blow to the Affordable Care Act (Obamacare,) which the Trump Administration has sought to undermine administratively in various ways since the Republican-controlled Congress failed to pass repeal legislation. No sooner were the final rules issued than the state attorneys general of New York and Massachusetts announced that they will sue to overturn them. [Read Article](#)

OSHA Proposes Rule on Crane Operator Certification

Material Handling & Logistics - David Sparkman

Eight years after it began the process of finalizing a rule to govern the certification of crane and derrick operators in the construction industry, the Occupational Safety and Health Administration



(OSHA) has finally issued a notice of proposed rulemaking that could just possibly be adopted as a final-final-they really mean it-final rule in 2019.

In August 2010 OSHA issued the final cranes and derricks in construction standard, that called for crane operators to be either certified or qualified, depending on the option elected by an employer, by November 2014. However, in February 2014, the agency proposed another three-year extension to the operator certification deadline and requested public comment. That deadline eventually was delayed again until November 2017. [Read Article](#)

Get Ready for Rolling Background Checks at the Plant

IndustryWeek - Bloomberg, Michael Sasso and Jeff Green



Jay Cradeur takes pride in his 4.9 driver rating on Uber Technologies Inc.'s five-star scale and the almost 19,000 rides he's given in the capital of ride sharing, San Francisco. So he was puzzled -- and more than a little annoyed -- when Uber kicked him off its platform last December.

Little did he know that he had fallen victim to a growing practice among U.S. employers: regular background checks of existing workers in addition to the routine pre-employment screening. Uber's post-hiring check had thrown up a red flag on Cradeur, an issue that took six weeks to resolve and which the company later attributed to a "technical error." [Read Article](#)

Self-Driving Cars Don't Need Rules Yet, US Regulator Says

IndustryWeek



Of greater concern are the "old enemies" of road safety: drunk driving and not wearing a seat belt, said Heidi King, deputy administrator of the National Highway Traffic Safety Administration.

It's premature to regulate the self-driving vehicles being tested by companies such as General Motors Co. and Waymo LLC, the U.S. government's top auto safety official said.

"At this point the technology is so nascent I don't think it is appropriate today to regulate this technology," Heidi King, deputy administrator of the National Highway Traffic Safety Administration, said in an interview. "It's not there yet, but each and every day we are open to identifying when the time is right." [Read Article](#)

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

- 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. You need no additional staff and structured on-the-job training **does not interrupt your work schedule** like unstructured, haphazard and ad hoc training does.

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

