



PACESETTER
OUR PEOPLE, YOUR ADVANTAGE

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YOUR **DEPENDABLE** ADVANTAGE

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YOUR DEPENDABLE ADVANTAGE | 3.8.2016 - 3.14.2016

No matter how amazing your organization is, associates get sick, go on vacation, or depart for other opportunities. In today's competitive environment customers don't allow for hiccups because you lost a key player at a critical time. When that happens, as a leader how have you prepared your organization?

Building a T-shaped workforce is an essential tool, in mitigating these organizational stresses.

When a company allows for a situation where only one associate knows how to handle a key area of our business, your company isn't positioned for success. Having a workforce of cross trained individuals will give your organization nimbleness, flexibility, teamwork, resilience, and productivity.

Cross-training helps ensure that if an important associate departs or takes a vacation, your business won't suffer. Cross-training creates a more agile workforce by providing on-the-job professional development. It's a win-win because you get to duplicate your associates' skill sets, and your associates get a chance to learn different things, uncover hidden talents, and prepare to advance in the organization.

Organizations that cross-train are better equipped to recover quickly from disruptions and handle transitions gracefully. This means they can deliver seamless service to their customers, even in times of disruption. Cross-training forces teams to refine processes by making them take a hard look at the way they do things as they train others.

Teaching is also a great opportunity for learning because it forces associates to answer questions, explain their processes, and see the tasks they perform daily through a fresh set of eyes.

Cross-training gives associates a chance to build new relationships with people they might otherwise never have contact with. These relationships will help your team work more effectively and increase associates' understanding of the big picture.

To avoid derailing your organization every time one of your key players is absent, follow these tips for implementing a cross-training initiative:

1. Create a culture of collective success. For some associates, being indispensable is a point of pride. Make it clear that your organization values people's ability to support each other and that single points of failure are a company-wide weakness. Show associates that their capacity to help their co-workers in times of need will benefit them when they need additional support.

2. Set formal expectations. Require associates to have at least one person who can step into their role at a moment's notice. Make it mandatory, give clear instructions, and provide time for people to cross-train effectively.

3. Test your success. Run simulations to ensure cross-training meets your expectations. See if a key associate can go away on vacation with absolutely no team contact, or commit that associate to another project and make sure he or she isn't pulled in to help the person performing his or her role. If someone is able to step in in this person's absence, you're covered.

4. Develop a feedback mechanism. Give associates an opportunity to give you feedback on the impact of cross-training activities, and use this information to continuously improve your efforts.

Although cross-training may result in some short-term loss in productivity, it's a small price to pay for long-term risk mitigation and increased efficiency. Think of cross-training as insurance against the inevitable.

When that happens, it's your duty to make sure your team is prepared.

Cross-training your associates to mitigate risk may involve developing your team's capacity so your company has the flexibility to respond to fluctuating workflows. It can also include training for different skill sets in the event that a key associate leaves, or simply as a way to prepare a lower-level associate to move up in the organization. Either way, cross-training can be extremely beneficial to your organization as a whole.

Reference

Cancialosi, C. (2014, September 15). Cross Training: Your Best Defense Against Indispensable Employees. Retrieved March 14, 2016, from <http://onforb.es/1M7zDDx>



STEEL | 3.8.2016 - 3.14.2016

- #1 heavy melt scrap is steady at \$157 per ton, as well as #1 busheling scrap at \$184 per ton.

- Raw steel production fell to 71.5% of capacity.

- Domestic lead times for galvanized products pushed out over 9 weeks. The average mill is into May lead times and some lines are in June already.

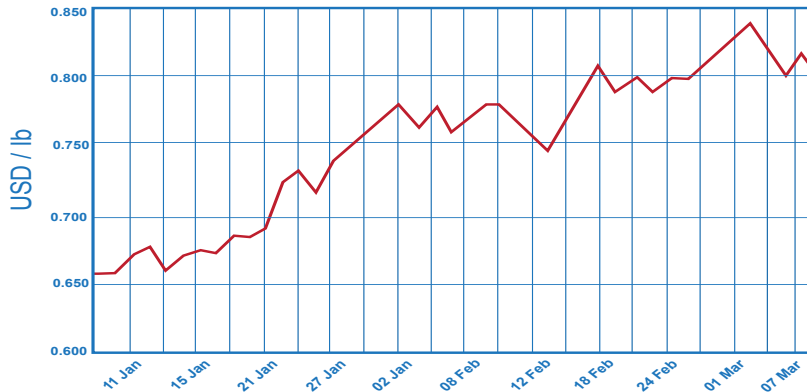
- Iron ore FOB Chinese ports rose to \$55 per dry metric ton.

+ Zinc prices continue to stair step upwards.

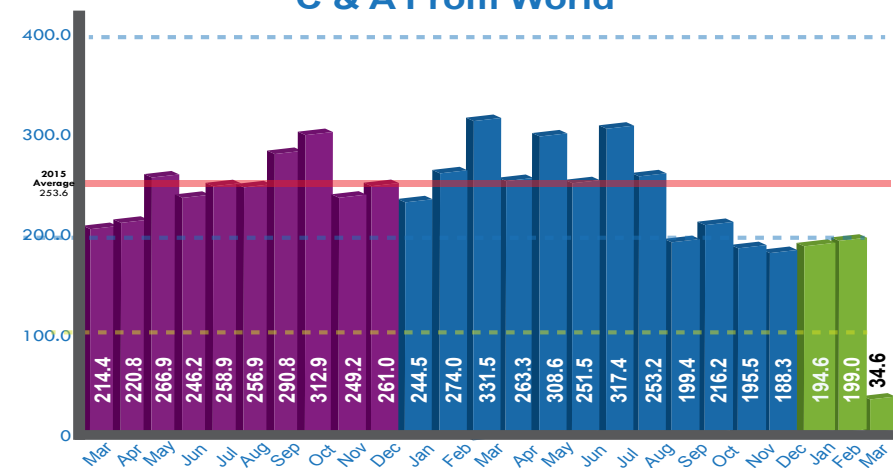
+ Galvanized imports in February came in slightly stronger than January and was the best performance since last October.

60 Day Zinc Spot

Source: www.kitco.com



U.S. Imports of Sheets & Strip Galv Hot Dipped C & A From World



Source: US Department of Commerce, Enforcement and Compliance | Graph last modified on: March 8, 2016 with Licensing Data collected through March 8, 2016. Commerce license data use for the last month appears in a different color. Data extracted from the Import licenses are not official Census data



AUTOMOTIVE | 3.8.2016 - 3.14.2016

- Cute, but some Fiat dealers are only selling 15 cars per month, so FCA is allowing dealers to combine Fiat sales with existing Chrysler/Dodge/Ram showrooms to save money.



- Fiat Chrysler is extending the outage at the Sterling Heights, Mich. plant for another 3 weeks due to lack of demand for the Chrysler 200 sedan produced there. Over the first 2 months of 2016, sales have slumped 61% and Chrysler has 147 days of inventory of this car nationwide.

+ Ford is the first in the USA to offer police cars with doors that protect against armor piercing bullets. They meet the US Justice Dept. highest standard for body armor. In 2015, Ford had 60% of the police car market in the US and Dodge is their closest competitor. I suspect Ford will gain more share with these new vehicles. The cost of these vehicles start at \$30,000. To put the cost in perspective, the Land Rover Sentinel police vehicle with armor starts at \$569,000. Good for Ford for making their vehicles affordable for our police departments.



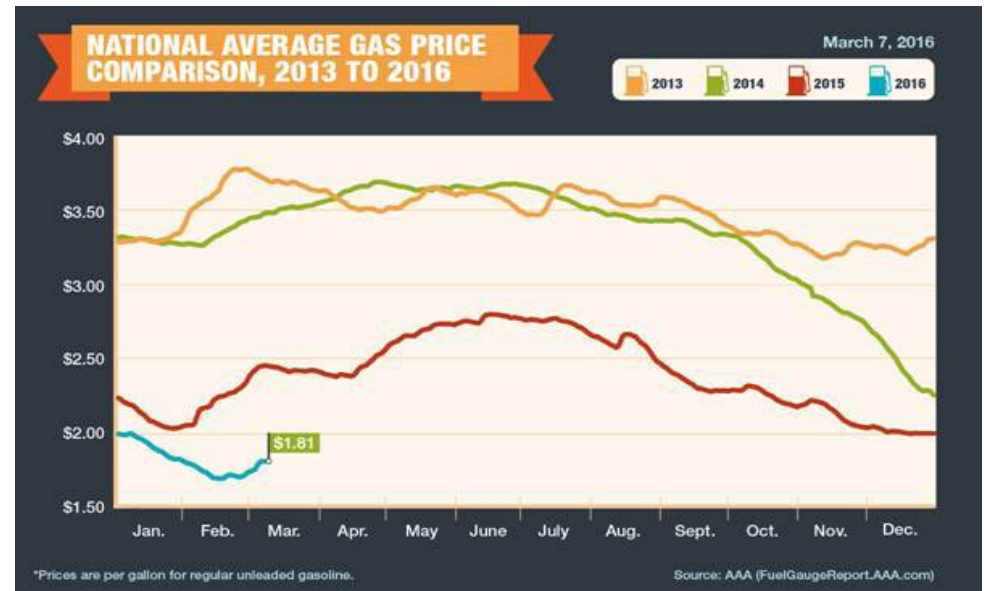
- Volkswagen is cutting 3,000 office jobs in Germany by the end of 2017, partially to offset the cost of their diesel emissions scandal from last year. VW is cutting \$1.1 billion from their budget using various methods including reducing head count.



GENERAL | 3.8.2016 - 3.14.2016

- The US Treasury Dept. hauled in a record \$1.248 trillion in tax revenues in the last 5 months (\$8,263 from each of the people in the US who paid taxes), but ran a deficit of \$353 billion in the same time period. Like a badly run household, how long can the spending go on?

- Gasoline prices continue to creep up even though this week's crude oil inventory rose to another record high, 521.9 million barrels. Gasoline inventory fell 4.5 million barrels and distillates fell 1.1 million barrels. Refineries operated at 89.1% of capacity.





BILL'S ROUND-UP | 3.8.2016 - 3.14.2016

“Our government is enjoying record tax revenues, but continues to spend more than they have. Gasoline prices are edging up, just like the price of steel lately. Steel scrap prices are steady, but the cost of zinc and iron ore are trending up. Lead times are pushing out for our domestic mills, as well as the off shore mills. Some domestic galvanizing lines are into June lead times, and some off shore sources are out to September deliveries. Import volumes seem to be leveling out. Keep an eye on the automobile market. It might be slowing.”

PARTING SHOT:

“What is now proved was once only imagined.”

– William Blake (1757 to 1827)



Bill Feier, World Sourcing Manager



'TIL NEXT TIME | 3.22.2016



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