



Effective Associating in a Changing World

By Miles Free – Director of Industry Research and Technology

It's no argument that our world is changing. Our industry has gone from hunker-down mode and playing defense against overreaching regulatory abuse under the last administration, to a new normal where we are producing at record highs despite seasonality. Instead of regulatory uncertainty, we see supply uncertainty and foreign trade issues becoming the most important challenges we currently face.

Change is positive in one sense. We now have improved technologies to do our work. But, in another sense, change is a burden for those of us in operations, as it is another distraction from what we thought was important, such as making parts that meet customer expectations and are delivered on time and ready to use. Things that brought customers delight.

So, what does effective associating have to do with you, your shop and change, in a changing world?

Workforce Challenges and Solutions

By 2020, over one half of the workforce will be made up of millennials. That means many of the baby boomers will have retired, perhaps taking their tribal knowledge with them. In the face of this challenge, effective associating means that PMPA members have access to an online workforce training system to help screen employees through a U.S. Department of Labor Recognized Mechanical Aptitude test that comes bundled with preliminary safety training. It offers a one-year CNC operator certificate program that is aligned with NIMS credentials. Moreover, it provides a wealth of individual courses in a variety of topics, including print reading, shop math, metallurgy and other shop-relevant subjects.

In addition, that tribal knowledge is still available to your new hires through access to our Manufacturing and Technical Listserve, where more than 1,000 industry professionals are available to answer your shop operation-related questions.

Regulatory Change and Trade

From 2008 to 2016, the federal government published 648,607 pages in the Federal Register. These pages contain new and proposed regulations and related procedural documents. That's an average of 81,075 pages per year. That's a lot of regulations. In the final year of the last administration, the pages increased to 97,110, a 23-percent increase over the average number of pages annually for the prior seven years.

Rate of regulation creation has changed. In 2017, the number of pages published was down to 61,949, a decline from the eight-year average of 81,075. Regulatory agency heads are no longer calling themselves the new sheriffs in town.



However, with positive change comes a new challenge. The current administration has proposed tariffs and various trade-related actions that could have substantially reduced availability of critical raw materials and increased their costs significantly for our shops. Effective associating means we were able to help our members connect with administration officials and representatives in Congress and the trade actions, while still under consideration, have not yet materialized to diminish our ability to compete.

Shop Competitiveness

The average precision machining shop spending in our NAICS code-332721 is \$4,920,000, according to the 2012 U.S. Census Industry Snapshot. From our own annual surveys of PMPA members, we know the average sales of PMPA members are more than double the industry average, at \$11.8 million. Could this be selection bias, or that shops with more sales join PMPA? Perhaps. However, there may be another kind of selection bias going on here, such as shops with access to PMPA support and tools find themselves better equipped to adapt and thrive to our changing world.

Effective Associating To Become the Best Shop You Can

Our shops have had to transform themselves as our technologies and markets have changed. PMPA helps our members to become the best versions of themselves by providing tools and networking so all of our members have access to best practices and best thinking and to implement them in their unique way. Seth Godin said it best, "The most productive thing to do during times of change is to be your best self, not the best version of someone else." Through effective associating, PMPA helps our members become their very best selves, adapting and thriving as the changes continue to come.