Current reports suggest that the nation’s steel industry is experiencing a rebound – a rebound driven by a growing collective confidence about America’s economic future.

That’s all good but irrelevant because confidence is not a strategy for growing the nation’s global competitiveness. What is relevant is the extent to which our companies are able to grow other much more important things, like metrics critical to their competitive success. Do that and the power of any confidence index won’t matter.

Let me explain. Since 1998 I have been leading the nation’s Trade Adjustment Assistance for Firms (TAAF) program in the MidAtlantic region. My business experience during the last 50 years has yielded insight into the kinds of things that have the highest probability for success at reversing an enterprise’s negative fortunes irrespective of the competitive battlespace that they’ve chosen to play in. Prior lives involved corporate management in both private and public sectors (large and small companies) in a wide variety of markets that included: management consulting, chemicals, plastics, medical devices, pharmaceuticals, automotive systems, battery tech and steel – and I’ve learned that there are some things that are universal …

For example, I’m a believer that, for businesses of all stripes, there is only one true asset to be quantified and listed on the Balance Sheet – knowledge. Nothing else really matters at the end of the day. And the overarching value of TAAF is that it is this nation’s singularly effective business model that injects it directly into a company’s bloodstream over an extended period of time, i.e. half a decade. That sort of holistic, long-term approach yields the biggest chance for success because it has a high probability of permanently upgrading a company’s core DNA.

In my view steel companies don’t operate in markets that are fundamentally any different from markets in general. No markets are forgiving. No customer base is loyal. Some players don’t play fair. No amount of investment is worth it if indigenous leadership is of poor quality. So as a direct consequence, all companies that are serious about permanently enhancing their global competitiveness must achieve mastery over stuff like: competitive intelligence, customer intelligence, market dynamics intelligence, costs/managerial finance, talent/leadership development, product development, planning effectiveness, etc., etc., etc.

In other words: it’s the knowledge stuff that’s critical and little else. And in my humble opinion, focusing the attributes that TAAF brings to the table on that industry on a larger scale would yield stunning results.

The TAAF business model places its nationwide network of Trade Adjustment Centers (i.e. TAACs) in the unique position of being the right catalyst at the right place at the right time. Does it always work? Certainly not. What does? But it works better than just about anything else in America’s tool kit. It is unique. And here's the kicker, we don’t ask for equity. On behalf of the American taxpayer we simply insist on pure, unadulterated, robust, and relentless commitment
from the Chief Executive Officer down to the shop floor. Absent that? Well, it’s unfortunate but some companies probably should fail.

This approach really works, without costing a great deal of money or causing economic disruption while at the same time providing our political establishment the cover it needs to smooth passage of critical treaties – and, because a company must match our injection dollar-for-dollar throughout the process, the American taxpayer is assured of management’s total and focused commitment for one simple reason … they share in the risk!

Bottom line? The long-term holistic approach is effective. The business model, stipulating unique strategies addressing each company’s unique circumstances is effective. The program's neutral economic impact is effective. It’s ability to support passage of trade agreements while not impeding the benefits of free trade is effective. It’s ability to lessen the costs associated with the engagement of outside expertise to reengineer critical business processes is effective.

And I firmly believe that it’s application is not limited to America’s smallest makers – only its funding is. For several decades that’s been little more than an afterthought.

Consider …

- All manufacturing companies were at one time small ones.
- All manufacturing companies are impacted by globalization.
- Small ones need outside expertise to teach them basic stuff.
- Larger ones need outside expertise to teach them sophisticated stuff.
- Small makers, because they’re learning the basics and have little resources to tap, take a longer time to turn the corner.
- Larger makers, because the basics are already inculcated and they have the requisite resources at hand, can turn the corner at much higher speed.
- And if you were the Chief Executive of a tier-one domestic manufacturer, would you doubt for a minute –
  - That your supply chain probably has several thousand companies in it?
  - That extensive improvement in their performance would have a significantly positive impact on your performance?
- Improvement in the performance of the small cohort will increase the probability that fewer will fail because a greater proportion will grow into larger ones – driving concomitant growth in good-paying manufacturing jobs and the creation of wealth. Go ahead. Beat that with a stick!