



1991 PRESIDENT

JOHN E. HOLDITCH • IRON & STEEL SOCIETY



Sometime Wednesday morning, April 17, near the end of the Board of Directors' meeting of the Iron & Steel Society (ISS), John E. Holditch of Dofasco Inc. will accept the ISS presidential gavel from outgoing President Richard J. Fruehan. With this symbolic act John will don the mantle of the ISS President for the next 12 months.

The 1991 ISS President is Superintendent of Iron Production at Dofasco's Hamilton, Ontario, Canada, Works. John joined Dofasco in 1969 as a metallurgical trainee after graduating from Ryerson Polytechnical Institute. He became Assistant Superintendent of Blast Furnaces in 1974, and was promoted to his current position in 1978.

He received a degree in Commerce from the University of Toronto in 1976.

In 1974 John was a co-recipient of the ISS's Ironmaking Merit Award and received the J.E. Johnson Jr. Award in 1979. He served as Program Chairman of the 1985 Ironmaking Conference and became Chairman of the Ironmaking Executive Committee in 1987. John has been a member of the Iron & Steel Society's Board of Directors since 1987.

In addition to his activities with Dofasco and the ISS, John is Investment Fund Co-Chairman and Director of the Hamilton and District Chamber of Commerce and

is very active with Scouts Canada. He resides in Burlington, Ontario, with his wife Jill and their two sons: Fraser, 12, and Ross, 9. *I&SM* visited John's office earlier this year to provide the incoming President with a n opportunity to express his views on the activities and plans of the Society.

I&SM: What are your thoughts about the Iron & Steel Society?

HOLDITCH: I have a tremendous feeling for the Society, for the aims, concepts and principles embodied within the Society. I hope I understand it enough to appreciate it. The Society is, of course, people – its members. So I guess what I have is a tremendous collective respect for the members of the Society.

Our society is a member run organization which is truly its strength as well as its opportunity. Our Society also takes a process perspective. And I think these two aspects, in combination, will be the springboard to its future.

I&SM: Will you elaborate?

HOLDITCH: to produce a quality product three components must come together: the process, the plant and equipment which contain the process, and the people who maintain the plant as well as control and manage the process. Our industry is going through a metamorphosis to achieve this. For one, we are moving from a physical plant perspective to a process perspective. The operator is moving from having empathy with his equipment to having empathy with the product being created. This perspective can be demonstrated through the fact that maintenance itself is being looked upon now as a process rather than a series of reactive inventions.

Change itself is also something that should be viewed as a process. It is a natural process. Our Society, having a process perspective, is in an ideal position to understand change and be proactive rather than this because members within our Society have a natural disposition to view things from a process perspective.

It's embodied in the way we think, and even in how the Society itself is organized.

Our Society is organized in response to the divisions of the industry. We support the coke and ironmaking division, steelmaking division, mechanical working and steel processing division and, of course, the electric furnace division. We are here to support the professionals within the industry, so we have naturally aligned ourselves in the way in which the industry aligns itself. In addition, the Society is horizontally integrated through the Process Technology Division.

If one takes a futuristic view, for example, a typical plant would include a direct steelmaking operation with a thin strip caster and a continuous finishing process. Obviously, the Society is not presently patterned after these future aspects of the steel industry. Therefore, both the industry and the Society will have to undergo some sort of change in order to support the processes of the future. Industry can undergo change by edict: Companies are going to either build one of these new processes or are going to discontinue some. The Society, on the other hand, has to evolve in response to the needs of our members. We can either be reactive, sit back and respond as it is required of us, or we can be proactive and begin to look forward, look for options and opportunities.

I'm not suggesting anything particularly radical at the moment because we don't have a clear vision of what the future industry is going to be. As members we should begin looking beyond our own individual division, even if it is just becoming generally aware of what is happening within the other divisions and start the activity of awareness. This will put us in a much stronger position to proactively evolve our Society and its divisions in response to the needs of our industry, rather than have to change radically because what we are doing is no longer relevant.

I&SM: Any suggestions on how to accomplish this?



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HOLDITCH: I have tried to become familiar with each of the operating divisions. Each division has truly taken on the personality of the process that it supports. And they are all wonderful personalities. I think it's a marvelous strength that each operating division can have such a different personality and yet come together collectively. The glue that holds our Society together is its, member run and process, perspectives. This has certainly been a tremendous eye opener for me.

One of the things that I have been trying to do informally is to initiate a little bit of the cross-pollination between the divisions. In order to prepare ourselves for change, we have to be aware of what the other divisions are doing.

I&SM: Don't you think this happens at the Board level of the Society?

HOLDITCH: I'm not sure that ISS Board discussions are taken back to all of the divisions as effectively as they could be. I think that the directors from the various divisions come together and reach consensus during Board activities. But I'm not sure this experience or process is effectively communicated to the members of the divisions. I'm talking about educating the people coming up through the chairs of the individual divisions. How do we present an opportunity for awareness to people coming up through the divisions of the organization?

Quite honestly, when you are the Chairman of the Ironmaking division, you are running full tilt trying to get up to speed. Some people, when they become a Past Chairman, view their activity as over and really don't see the importance of their continued attendance at an ISS Board meeting. They should consider this an opportunity to take information back to their divisions.

Another thing is that it takes awhile to just begin to understand what the Society is all about. Even through the Board, it's difficult to really get a grasp of what Continuing Education is all about, what University Relations is all about, what

the Education Committee is all about. It's difficult. I have been thinking about trying to bring to each of the divisions a little more understanding and awareness about the activities of the standing committees and then, eventually, some of the strengths of the other divisions.

I would suggest that following the Spring and Fall Conferences, after we have had our major committee meetings, that it would be worthwhile to send a one-page information report on the committees to all members or at least to division program committees. Start feeding information to those people, so that they become aware of the major activity within each of the Society's Standing Committees.

I&SM: Earlier, you stressed the importance of recognizing maintenance as a process. Why?

HOLDITCH: Maintenance can be considered a business with opportunities to enhance the financial well-being of a company. I view maintenance as the preservation of capital. In other words, you have an operation, an asset. If you maintain it well, then you are preserving the usefulness and the integrity of that capital. If you do not maintain, then you are, in fact, selling a portion of your asset with every ton that you ship. You have to make conscious decisions. You can over maintain and go broke. You can under maintain and go broke. You have to find the right balance given the environment.

Maintenance truly is the preservation of capital as well as having an opportunity to maintain and lower processing costs, both of which are key instruments to the financial well-being of the company in the long run.

Operations and maintenance are really partners with other groups within the business unit. I think that partnership is being recognized to some degree through the concept which people are calling total productive maintenance.

I&SM: Would you define total productive maintenance?

HOLDITCH: My definition of total

productive maintenance is fairly simple. I believe that it represents: the team approach, and do what is reasonable under the circumstances. The team is made up of all members that are supporting that business unit. And certainly the two predominant players are the operator and the maintenance man. The maintenance man has to develop a better appreciation and sensitivity toward the operational process that he is trying to support. Through that better understanding and better appreciation of an operating process, such as a blast furnace, there is the natural spill over effect. He suddenly begins to realize that what he is doing is a process – one that can be studied, understood, controlled and improved. It's really this awareness of maintenance being a process that does two things: It brings the maintenance people into a team feeling as though they are partners rather than spectators, and it develops an awareness that the whole maintenance activity has the same opportunity for improvement as any of the operating processes.

I&SM: Let's move on to another subject. The Society has become very strong financially. How do you see the Society benefitting from this financial stability?

HOLDITCH: I look at money as a scorecard. The Society has a resource that it has to use wisely. There are an awful lot of opportunities that are available to the Society. These opportunities are continually changing and evolving in a very dynamic way. We have to continually be sensitive to what those opportunities are and try to react wisely to them. We have a responsibility to react because we have a resource. We need to use that resource wisely. We have a responsibility to use it. I think that one of the greatest sins is to let an opportunity go by that you should have and could have capitalized on, but failed to do so. This, to me, is the definition of failure.

I see the Society projects as being projects which are undertaken by an individual or a group of members, whether



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it be a single activity or a continuous activity. An example of this is the videotape that was recently put together by the University Relations Committee. The videotape features interviews of young people who have recently joined the industry. They describe in their own words how exciting and fulfilling a career in our industry is. It's designed to encourage college and university students to think about a career in steel. The tape will be very useful and beneficial to our industry. Hopefully, through that benefit to our industry, it will become beneficial to our Society. I think the process of producing this tape is going to have major long-term benefits.

By endorsing the production of this tape, the Board will have experienced about what we are as a Society and what opportunities are available to us as a Society.

The Society has a tremendous responsibility to make use of its assets in ways such as this.

I&SM: One of the major decisions facing the Society in the next two years is the selection of a new Executive Director.

HOLDITCH: The Executive Director will have to have a process perspective. This person will have to be a 'systems sustainer' concerned with the long-term evolution rather than be a project person. I see the new Executive Director as a 'systems sustainer' with many hats to wear. One of those hats is a resource to the Executive Committee and to the Board in pointing out areas of concern and opportunity, and ensuring that the Executive Committee and Board are well aware of and have the information needed to take our Society forward. And certainly the Executive Director has to be a 'systems sustainer' in respect to maintaining the Society's headquarters. Now that isn't to say that a person who is a capable 'systems sustainer' can't have the ability and flare to undertake certain projects.

I also think that the new Executive Director will have to realize the importance

of the ISS Foundation, what it could be, but also have some idea of what the stepping stones are across the creek to get there. Maybe that should be one of the things that we crank into the selection process, to not only look at his/her experience within a headquarters operation, but also query what opportunities and what steps should be taken in developing the full potential of the Foundation. In other words, make it very apparent, even through the selection process, that the Foundation isn't a secondary responsibility to spare time activity. I think the Foundation, in the years to come, can bring to the Society tremendous strength and opportunity.

Down the road, I see a real opportunity for the foundation. I see it as actually being able to provide support to the Society through its relationships, as well as the Society being able to support the Foundation through financial contributions.

I&SM: Let's talk more about the ISS Foundation. How do you think it can best support the Society?

HOLDITCH: If you want to get the CEOs or the operating officers at the vice presidential level of a company involved with the Society, I see the Foundation as the vehicle to do it. The Foundation has an opportunity to get that level of management linked to the Society. Right now the Foundation Trustees are Past Presidents of the Society. We may, over the course of time, think about whether they should be limited to only past presidents. Over time, if you encouraged a CEO to serve as a trustee on the Foundation and you had a balance of senior executive officers from different companies who were there to act as the elder statesmen or the wise council, you would have built the bridge to the most senior levels of corporate management in the industry.

I&SM: Before we finish this interview, I would like to know what you consider the main accomplishments of our Society to be.

HOLDITCH: I think that the Society does a good job of maintaining an overall balance – whether it be the conferences, the publications or short courses or symposiums. I think to overachieve in one of these areas at the expense of another would eventually become a fatal flaw. Although there is always room for improvement, I think the fact that we are continually improving in all of these fronts is a major accomplishment.

I&SM: Do you see any weaknesses?

HOLDITCH: If you define weakness as the lack of strength, then the greatest weakness is not having all of our people as active and supportive of our industry through the Society as the most active person. We would be stronger if all of the members of our Society contributed as much as the person who contributed the most.

Now this definition of weakness is also the definition of opportunity and unfortunately this opportunity will never be fully realized. But we have to continually try to provide an environment that encourages people, for their own reasons, to become more actively involved. To those members who support the Society by simply being members year after year, they are very needed and valued. And when the time and place are right for them, they will hopefully take advantage of whatever opportunities they have to become even more involved.

I truly believe and hope that we have matured beyond the idea that we are a Society only because we hold five conferences a year. Intellectually, people can become aware of what the Society does. But it is only when you, as a member, develop empathy with all aspects of the Society's activities and have these activities in some sort of balance, that you truly understand what opportunities and potentials lie ahead. *I&SM*