Apollo V

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Current Assessment:

ArcelorMittal has become the world’s leading steel and mining company, with over 219,000 employees spanned over thirteen plant locations in the United States, through its acquisitions of other industry-leading competitors. Having such a predominance in this country allows us to realize the importance of ArcelorMittal as well as how this company’s future aligns with our own. Specifically looking at the Cleveland, OH plant shows us the age demographic of employees at this ArcelorMittal location. Three out of every four employees in Cleveland are over the age of 40.

<table>
<thead>
<tr>
<th>Age Range</th>
<th>20-24</th>
<th>25-29</th>
<th>30-34</th>
<th>35-39</th>
<th>40-44</th>
<th>45-49</th>
<th>50-54</th>
<th>55-59</th>
<th>60-64</th>
<th>65-69</th>
<th>&gt;=70</th>
<th>Grand Total</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>16</td>
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<td>49</td>
<td>59</td>
<td>76</td>
<td>26</td>
<td>3</td>
<td>368</td>
</tr>
</tbody>
</table>

Having this large of a percentage of older workers raises red flags when it comes to the longevity of the Cleveland location. A majority of these factory workers are nearing retirement posing many problems for the company. The number of people employed continuously decreases on a yearly basis as ArcelorMittal consistently struggles to recruit young talent. One of the predominant factors of this challenge is the scarcity of knowledge surrounding ArcelorMittal’s brand. Additionally, the differences in communication and work styles between generations, which make working together difficult and unappealing, serve as another cause for this employment issue.
Objective:

The objective for this case is to attract young people to work for ArcelorMittal for decades. Making ArcelorMittal become a company that can not only attract young people, but also can keep those young people in the company and eventually trained them to become the one who support the entire company in the future. Attracting millennials is easy, a fancy gimmick will do; but to keep those millennials, ArcelorMittal needs to create a value or a dream for millennials to fight and work for.

Partnering for a Positive Future:

Given the sustainable focus of the Millennial and iGen generations, ArcelorMittal and its ability to appeal to young potential employees would benefit immensely from a partnership with a solar energy service conglomerate such as Solar City. Considering the two-party nature of this plan, ArcelorMittal’s approach to partnership will need to be flexible depending on the potential partner being pursued. A selection of potential partners should be assessed and approached strategically based on those particular companies values, assets, and brands:

Verengo Solar

The residential solar application market is largely dominated by Verengo Solar, therefore making it a very recognizable brand amongst sustainable homeowners. ArcelorMittal is a household name in terms of residential application of steel products, and is working to garner the same status in regards to renewable energy; specifically, solar power. This partnership would benefit ArcelorMittal as it would allow for a more sustainable company brand and would benefit Verengo Solar by dramatically increasing the production quantity and sales. In order to partner with Verengo Solar, ArcelorMittal must emphasize its extensive reach of distribution and its guaranteed product quality assurance.

SolarCity

The best approach to SolarCity would be to appeal directly to their manufacturing division with the assurance that ArcelorMittal can provide the highest quality steel currently on the market. ArcelorMittal’s research and development sector is extremely important to the company, and it is constantly focused on innovation. These two companies can work together to create a new and improved product in the form of a solar panel. This would spark interest from SolarCity because it would differentiate their product from its competitors and help them to be even more successful than they have already become.
**Sungevity**

Much like Verengo Solar, Sungevity specializes in residential solar power. The company is listed as a B company (best for the world 2016) and prides itself on its strong connections to its nonprofit partners as well as its informational energy usage technology for its customers. Sungevity is a growing presence in the solar market and would serve as a strong addition to the ArcelorMittal brand. In order to partner with Sungevity, ArcelorMittal must emphasize its sterling research and development reputation, ensuring that innovations of both the products and sales would be constant. A partnership with Sungevity would absolutely positively benefit both companies involved.

**Risk Analysis:**

Attracting Millennials to join the ArcelorMittal workforce is not as easy as it may seem, in fact; there are some major challenges to be faced. In partnering with a solar energy service, ArcelorMittal will increase its brand recognition and positively influence their struggle with sustainability. However, they must carefully choose which company can best help ArcelorMittal in those aspects of business. While a partnership could bring both companies a great deal of profit and branding from one another, the risks need to be assessed to get a gauge on the likely outcome. Partnering with companies such as Verengo Solar and Sungevity would undoubtedly boost our image as a more sustainable company. Although these companies could make ArcelorMittal more attractive to Millennials through its eco-friendly efforts, they lack a dominant brand-recognition that some of its competitors have. Working with SolarCity is a more realistic option if ArcelorMittal wants to not only improve their image as an environmentally conscious company but also create a brand that is recognized by everyone. A major problem that needs to be addressed is that investing from other energy industries such as the oil industry will be cut off since they do not want to see their money being reinvested with their competitor. Another challenge ArcelorMittal faces with this plan is getting these eco-friendly companies to partner with them considering their past in sustainability. Although they are working to reduce their carbon footprint, more may need to be done before a company such as SolarCity can work with ArcelorMittal. In terms of this partnership, Verengo Solar, SolarCity, and Sungevity have a much greater risk to their public image. A great way to manage this risk is to continue ArcelorMittal’s sustainability campaign outside of this partnership so these companies are less reluctant to reject a partnership. When working with another company, a concern is whistleblowing within the partnership. ArcelorMittal has a strict whistleblowing procedure for their company that is different than these alternative energy providers. In the instance a disgruntled employee of one of these companies decides to disclose inside information about either company, both the brand and reputation of these companies could be severely crippled.

In terms of costs, the amounts will vary depending on the specific partnership and objective within the partnership. Costs are difficult to predict without understanding
ArcelorMittal’s budget designated to this plan, as well as the future plan developed by the partnered companies. For these reasons specific costs have been left out of the risk analysis and will be revisited later when the logistics of a specific partnership are being determined.

**Conclusion:**

To sum up, ArcelorMittal’s current status is that they are losing most of their workforce to old age, and there is not enough of the younger generation coming into the company to fill that void. The object of the case is to figure out a way to make ArcelorMittal more attractive for young people coming out of college who are looking for jobs. The object is also not only to attract the younger generation, but to also keep them in the company to fill the gap that is being created by the older generation. Our plan is to use the younger generation’s desire to make the world more eco-friendly to increase the number of applicant’s wanting to work for this great company. We suggest that ArcelorMittal partners with alternative energy company to create a new product that will increase both the company’s brand recognition, and to elevate their sustainable efforts. Among many companies including Verengo Solar, SolarCity, and Sungevity we have narrowed down one that would be the best. We believe that SolarCity would be the best option for ArcelorMittal for multiple reasons. SolarCity has by far the most brand recognition out of the three companies which will be a key factor in recruiting new applicants. SolarCity is also striving to be the most innovative in the industry, and that paired with ArcelorMittal’s already well established research and development department can lead to a very successful partnership. Thus, SolarCity is the best option of three alternative energy companies. This we believe will not only start to attract more potential employees, but also increase the market share of the company.
Works Cited:


