

## Strike While The Iron Is Cold?

*Anna Wells, Editor, IMPO*

*In this segment, our editors square off on timely issues relating to industrial maintenance and plant operation. The editorial staff would like to stress that we are not intending to specifically endorse any one viewpoint, however our intent is only to encourage dialogue by showing a point-counter-point on contentious issues.*



"What's important here is that each company took a good long look at the state of its operations and decide which approach will make sense for its future." **-Anna Wells**

As human beings, I think our natural reaction in times of scarcity is to hoard. It makes sense to hedge our bets on uncertainty and—as the squirrels do—stockpile enough acorns for winter.

This seems like a reasonable approach—stay on a steady course, and avoid any unnecessary expenditures. But what if it's your steady course that *is* the unnecessary expenditure?

I recently visited a facility which has been rooted in the same small upstate New York town for over a century (see full article in *IMPO's* September issue). In 2005, based on its projections and long-term vision, the company embarked on a \$30

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million plant modernization project. Part of this modernization focused on sustainability efforts rooted in investments in new equipment and creative use of local water supplies. Because of these efforts, among others, the facility has been able to see some serious payback on its investments.

The point of this anecdote is not about sustainability—rather, about knowing your company's needs and not shying away from the types of investments that may help you. While it may be human nature to hold onto those acorns and power through the winter, it's also important to think about what you can earn *from* an expenditure. The long term health of your company should not be gauged against the circumstances of one (albeit long) winter. This could mean looking at new technology that could cut down on maintenance costs, reducing/relocating a facility, or more effectively utilizing your local power grid.

It's also essential to keep in mind that some investments don't come with a big price tag. Take your employees for example—can you take the time to list a few ways to improve or incentivize their day-to-day jobs? Sometimes, something as simple as friendly competitions based on quality or throughput can be enough to bring the group closer together, thus improving morale. Keeping your employees happy in times where turnover costs could mean disaster is another great way to proactively approach this tough economy.

What's important here is that each company took a good long look at the state of its operations and decide which approach will make sense for its future. As offshore competition became the horror show of the past several years, recent hikes in transportation costs and a weak dollar have given American manufacturers the opportunity to grab pieces of the pie we'd already thought eaten. Instead of simply scaling back—do you have a plan? Is it long term? Perhaps this plan is sitting on that pile of acorns you've acquired through hard work and business acumen; perhaps it's dusting off your wallet and making a move.

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