

Mid-South Engineering Company

Issue No 39 Working Together

Third Quarter, 2011

The Novelty or Reality of Business

By Mark Culpepper

Companies strive to have an advantage over the competition regardless of what it is that they do, but the ways in which they were quantified came down to three fundamental measurements of: speed, cost and quality. In the 1960s through the 1970s, quality appeared to be the driving force. In the 1980s speed was how manufacturing competed; then in the 1990s cost rose to the top while still claiming to provide both speed and quality of their product. Many different methods have been used to achieve each of these goals, such as Deming management, just-in-time delivery and manufacturing and Six Sigma. Depending on how well and how long a business implements and maintains these tools, you would consider some to be a novelty approach or a business philosophy reality.

Today there is also a fourth measurement and that is environmental friendliness. After the British Petroleum (BP) spill in the Gulf how will a company be viewed? BP's reputation and ability to survive is still being put to the test, and the same three measurements of speed, cost and quality will be applied in association with the fourth yardstick: **environmental friendliness**. How fast did BP respond to the spill to get the oil well capped? How much does this cost the customer, not just at the gas pump, but also in their business and our seas and shore life? What is the quality of the work BP did to cap the oil well and future work that BP undertakes? How do we conduct our business having watched and hopefully learned from BP and that environmental disaster?

Environmental friendliness is not just a new trend. In the late seventies, many realized that there were high levels of consumption along with excessive waste of products. This trend was short lived, but this time it doesn't appear to just be a fad. Today new approaches are coming into use to help companies approach product and process design where the environmental aspects are treated as their primary objectives or opportunities rather than simple boundaries. Businesses are emerging to overcome the waste aspects, such as gas landfill management, anaerobic digesters manufacturing and the like. As manufacturing sectors grow and population increases, more waste is produced and more energy is needed and more products are consumed.

Environmental impact due to production and waste generation are now permeating our everyday society and a key factor in how businesses are going to be measured. The consumer is more environmentally conscious, but they will always look at the cost, speed and quality of our work or product to make their purchasing decisions. They will look to see how we approach the **reality** of how we conduct our businesses.

Our ability to design facilities, operations, equipment, products or services with efficiency is critical. Efficiency of: production, energy consumption, space requirements, shipping and inventory control are not just good for the environment but good business. We can always benefit by improving our processes, applying statistical controls, the applications of operations research. Keeping reasonable inventory quantities translates into smaller buildings, less energy expended in heating and cooling, less waste. A key component in reducing waste is to enhance the results or the outputs of the process by reducing or eliminating deviations. Using statistical process control systems, can allow us to coordinate and create measurements to identify off-target processes that have large variations. Minimizing scrap associated with poor quality parts or by working with our supply chain providers who share common quality goals saves money and reduces waste.

Ultimately, the reality of how we conduct our business comes down to if we use the tools available to run efficiently, while producing a quality product or service that gives our consumers a cost benefit that they translate as beneficial to them and view us as a supporter of the environment.



"The Barn" built in the 1930's to house Welsh ponies, serves as Mid-South's offices.

A Philosophy to Starting Up

By: Mark Culpepper

We are often involved in the commissioning and start-up of an operation or an entire plant, and that is the case now where we have been fortunate enough to be involved with a customer who we've known for a long time although he was with another client at that time. He recently shared his philosophical thoughts with all the people who will be involved in the commissioning and start-up of one of his current company's newest facilities that I felt his statements had merit, so I asked him for permission to share it with all of our friends. I've changed the names to protect the anonymity of the participants in this current start-up and to make the message more generic, but I would like for you, the reader, to think of this for your team on the next commissioning and ramp-up to production you undertake.

This coming week we are entering a critical phase of our project; there has been an incredible amount of effort expended over a very short time period. Many decisions have been made that most, but not all, of us took part in, and over the next number of weeks we will experience successes as a result of those decisions. We will also have setbacks and wonder..."who in the world made that decision". Always remember that the easiest decisions to make are the ones you are not responsible for. At the time, it seemed like the right thing to do, or perhaps a different decision was offered but did not represent the value we were looking for as a team. We will find that some of our contractors have done less than a perfect job; our Project Manager & his team will deal with that, just as our Plant Manager and his team will deal with the mistakes that the new team leaders and operators will make.

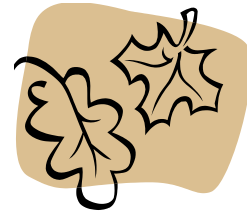
Patience will be at a premium, we will have many new employees looking at us and they will follow our example as to how we deal with the difficult times. The effort you have put into this project can never be questioned and our new team members will see that immediately. But always remember that the frustrations we display when we have set backs will also be in plain sight and how we respond during the difficult time will not only demonstrate the character of our company but ourselves also. Be patient, step back and take a deep breath; there is always a solution and we can resolve any problem; it may take a while but we will get it fixed, and always make sure that our people are safe.

*Many of these new folks will not be familiar with the potential dangers that surround them, never assume that just because you told them one time and they shook their head yes that they really understood you; they will make mistakes but also remember that their mistakes are still **OUR** responsibility. **Have the courage to care about each other!***

I leave you with the following:

- Laugh when you can,
- Apologize when you should, and let go of what you can't change.
- Kiss slowly,
- Forgive quickly,
- Play hard,
- Take chances,
- Give everything, and have no regrets.
- Life is too short to be anything but happy!

I want to thank my friend who allowed me to pass his philosophy on "How to approach the start-up of a plant" and also "How to live life".



Autumn is a second spring where every leaf is a flower.
Albert Camus



Corporate Office

Hot Springs, Arkansas – USA 1658
Malvern Avenue - Hot Springs, AR 71901 501-321-
2276 - FAX:501-624-4214

Web Site: www.mseco.com

Mid-South Engineering Company

Branch Office

Cary, North Carolina - USA
1149 Executive Circle, Suite A-Cary, NC 27511
919-481-1084 – Fax: 919-481-1184

E-mail: info@mseco.com