Champagne Beer

By David Mantey, Editor, PD&D

“Americans had a champagne taste while on a beer budget.”

It wasn’t a particularly life-shattering statement, but as a fan of idioms I was immediately drawn to attention. With it, Alex Davern, National Instruments’ (NI) CFO and senior vice president of manufacturing and IT operations, had succinctly summed up our nation’s propensity to overspend.

As a Wisconsinite, by location and stereotype, you can understand why my ears perked and I scribbled the sentence down to Google at a later date.

A few minutes into the NI expert panel *On The Economy* at NIWeek 2009 — which also featured president, CEO and cofounder Dr. James Truchard; vice president of marketing John Graff and senior vice president of sales and marketing Pete Zogas — and I thought Davern had concisely answered how we fell into this economic mess.

The recession was a moral issue; it was the morality of Wall Street, according to Truchard. The morality, or immoralities, of people who borrow money with no way of paying it back are at the root of this recession. This is the point when I began enjoying my glasses of wine with less moderation.

As I began to sweat with shame, I realized that I was closer to part of the problem than I was to the solution, from a personal perspective anyway. It’s not as though I had a multi-billion dollar corporation that tanked and ruined thousands of lives, or a Ponzi scheme that I was working beyond this thing I have going with motivational scratch-and-sniff stickers.

However, I sat there as a former student swimming in student loans, a former teen who thought it could be fun to fill out every credit card application and the not-so-proud owner of a condo that was purchased just in time for the housing market to crash – watching the value fall on your home and the community around you is similar to watching it go up in flames (speaking from experience), only it’s a much longer process. Think the last scene in Braveheart with fewer kilts. I have no one to blame but myself. Thankfully, I was quick to realize the black magic behind easy credit and I performed the ritualistic card cutting.

In the past, and at great length, I have discussed the power and importance of innovation in a down economy – I even have a coworker who refuses to speak, reference, write or elude to the term because it seems to be the economical talking heads’ new plaything.

“Innovation is the one variable you can use to drive the [economic] healing,” says Davern, “but that’s not happening.”

According to Pete Zogas, innovation and supply and demand are going to be quite upset for some time because many companies are in a footrace to secure stimulus money. Truchard mentions that we all need to “keep common sense in the equation.” We cannot blindly follow a model and expect positive results.

If you have skimmed up to this point of the column, just say no to champagne and don’t be a lemming.

Drink beer when you’re on a beer budget. Build flexibility into a company, or your personal finance, with a cash reserve. “A recession is only a threat if you’re not prepared for it,” says Zogas. I continued to listen to the panel (in August) and questioned whether it was too late. Had I been in the same chair four years ago, would things be different? Probably, but I was never really able to see hindsight in 20/20.

A final thought lingered after I exited into the hall of the Austin Convention Center. Truchard (or Dr. T) says that the one good thing about a recession is the ability to recruit talent that would be otherwise impossible to lure. Thinking of the stacks of resumes from overqualified applicants flooding HR departments around the country, I looked back at my notes to recall some of Zogas’ closing remarks.

“New recruits feel like they can shoot for the stars,” says Zogas, “be it getting rich or making the world a better place.”

How about we all shoot to make the world a better place? And if a deserving few come into a pot of gold along the way, the champagne is on them.
What do you think? Drop me a line at david.mantey@advantagemedia.com [1].

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