Most of us are happy to leave 2009 behind, having experienced the worst economic downturn since the Great Depression. Although we still have a long way to go before we feel comfortable about the economy, most experts agree that the worst of this recession is behind us. As we reflect on the past year and all of the events that took place, we need to ask ourselves, “What did we learn, and how can we avoid another recession that is as bad, or even worse, than this one?”

One of the lessons I think most businesses have now learned is that one can never be over-capitalized. The idea of leveraging businesses to maximize investor returns may be a concept of the past. Many businesses went bankrupt because they were under-capitalized and could not survive the reduction in cash flow due to a sales slowdown. Moving forward, companies and investors will be looking at a company’s cash position and invest with an eye on the company’s ability to weather future dramatic economic fluctuations. How long this mindset lasts is anyone’s guess, but for now, I think, it will have a beneficial impact on our overall economy and will help us be better prepared to survive the next recession.

Another lesson I think we all learned is that sustainability is not just a word the “environmentalists” use. It applies to all aspects of our businesses and lives. Looking forward, understanding the longer-term impacts of our actions and the resultant positive and negative counter-reactions in business will help us create an economy that has longer expansions and fewer contractions. When one truly understands the meaning of sustainability, it really is complementary to and inclusive of lean. Maybe we should re-name all of the business concepts we promote in AME to help build great companies — from Lean to Sustainable!

Finally, I have an even stronger conviction of the importance of AME to our economy. AME is vitally important to companies in that it provides practitioner to practitioner and company to company best practice sharing. This realization should make us all very excited and energize us to get involved in one of AME’s key initiatives — to lead the way to the “Rebirth of Manufacturing Jobs in North America.”

While most of us would like to let 2009 fade away quickly, it is important for us to remember the lessons we have learned and share them. If we learn from our struggles and mistakes, we will be less likely to repeat the economic collapse and resultant hardships that befell many of us. It is important to share our best practices and also those practices that were not effective. Let’s work together through AME to build a stronger, more sustainable national and global economy in 2010 and beyond!