



# MAHAR & COMPANY

## INDUSTRIAL PERFORMANCE MONTHLY

*Insights for Terminals, Plants & O&M Leaders*

**June 2026: Summer Stress Test**

Operational **Resilience** Before Peak Season

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The Leadership Thread



### INSIDE THIS ISSUE

- ✓ Operational Resilience
- ✓ Industry Trends
- ✓ Feature Article: ...5 Cracks That Break...
- ✓ Christy's Corner
- ✓ Community Impact

### TIP OF THE MONTH

*"Fix it in June...  
or Explain it in July."*

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# EDITORIAL FROM CHRISTY

## INDUSTRIAL PERFORMANCE MONTHLY

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Issue 3: June 2026

### Welcome from Our Founder

**June is the moment of truth.** We spend the first half of the year building and stabilizing — now the question shifts from **"are we on track?"** to **"will we hold?"**

**Resilience** is not toughness. It is **preparation**. The most resilient operations I've seen are the ones that never broke — they had leaders who spent the quiet months building systems & relationships that could absorb the hit & keep moving.

Before July arrives, do one thing: **Run your own stress test.** Walk the floor. Call your top three suppliers. Ask your frontline supervisors what keeps them up at night. You will learn more in those conversations than in any dashboard.

**April** gave us **clarity**. **May** gave us **stability**.

**June** asks us to harden what we built — **RESILIENCE** is the foundation that makes everything after it possible.

Summer will test us. That is not a threat — it is an opportunity. Be one of the organizations that enters Q3 prepared and exits it stronger.

**Let's Get to Work! — Christy**



### Ready to stress-test your Operation before Peak Season?

If your team is navigating maintenance backlogs, supplier uncertainty, workforce challenges, or visibility gaps — we can help.

**Mahar & Company** works alongside industrial leaders to build the systems, strategies, and resilience that perform when it counts..... **Let's build your Summer Resilience Plan TOGETHER.**

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## INDUSTRY TRENDS

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## INDUSTRIAL TRENDS IN JUNE 2026



**38% INCREASE IN EQUIPMENT FAILURES**

DUE TO EXTREME HEAT



**21% SURGE IN DEMAND VOLATILITY**

PEAK SEASON SUPPLY CHALLENGES

**47% OF WORKFORCE AT "HIGH HEAT RISK"**

SAFETY COMPLIANCE IMPACTS



**62% USING SIMULATION & STRESS TESTING**

OPERATIONAL RESILIENCE STRATEGIES

### The Numbers Behind the Trends

*What the data is telling industrial leaders heading into peak season?*

**Equipment stress is no longer a seasonal footnote.** Unplanned downtime now costs Fortune 500 manufacturers \$1.4 trillion annually. As summer temperatures climb, heat-accelerated wear on motors, compressors, and cooling systems pushes that number higher.

**Supply chain volatility is structural, not cyclical.** GEP's Global Supply Chain Volatility Index recorded its highest demand surge since May 2022 in January 2026. Restructuring sourcing strategies in response to tariff exposure & demand swings, static safety stock models are giving way to dynamic, data-driven positioning.

**Heat safety is an operational cost, not just a compliance checkbox.** Manufacturing's total recordable case rate and heat-related incidents spike sharply June through August, carrying direct costs through absenteeism, workers' compensation, and throughput loss on high-heat shift days.

**Digital simulation is moving from pilot to production.** The digital twin market has reached \$36 billion and is growing at over 30% annually, with 70% of C-suite executives already investing. Companies deploying digital twin and simulation technologies report a 65% reduction in unplanned downtime — because they find the failure in simulation before it finds them on the floor.

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### ***The 5 Cracks That Break Operations Under Pressure***

Christy Mahar – June 2026

**June** is the month that separates prepared organizations from reactive ones. April gave us the KPI foundation. May locked in stability before volatility. June demands something harder — the willingness to stress-test the system before the system tests us.

***Resilience is not a reaction. It is a decision made in advance.***

As you will see in this article, **Resilience is not the absence of pressure** — it is the capacity to perform under it. Every industrial operation has structural weaknesses. The question is not whether those cracks exist, but whether leaders find them first — or the summer does. The five cracks discussed are not theoretical. They are the most common failure points that surface between June and August in high-demand industrial environments. They are also entirely preventable.



The five cracks share a common characteristic: ***they are all visible before they fail.*** That is what makes **June** the **most strategically valuable month** in the operational calendar. The pressure has not yet arrived. The margin for intervention still exists. The organizations that use June to find and seal their cracks will outperform those that wait — not because they are luckier, but because they were deliberate.

***Resilience is a decision. Make it now.***



## CRACK 1 — Deferred Maintenance: The Hidden Time Bomb



Deferred maintenance is the most predictable cause of summer operational failure — and the least acted upon in Q1 and Q2. When budgets tighten in the first half of the year, PMs get pushed. Lubricants get stretched. Inspections get scheduled but not completed. By June, those deferrals have accumulated into a system-wide vulnerability that sits quietly beneath the surface of normal operations — ***waiting for the heat to expose it.***

Heat is not kind to deferred assets. Motors running at elevated ambient temperatures without recent service fail at dramatically higher rates. Cooling systems that missed spring checks become June emergencies. Compressed air systems operating with aging seals and filters lose efficiency precisely when demand is highest. The physics of thermal stress on unserviced equipment is not forgiving — and it does not wait for a convenient moment to make itself known.

The solution is not perfection — it is triage. High-performing maintenance leaders conduct a June asset audit: identify the top 20% of assets that carry 80% of production risk, and prioritize PMs accordingly. This is not a full turnaround. It is a ***targeted resilience sprint*** before peak load arrives — a deliberate act of ***operational self-awareness*** that transforms deferred risk into managed priority.

***"The cost of a PM in June is always less than the cost of a breakdown in July. Always."***



### CRACK 2 — Workforce Fatigue: The Silent Capacity Drain

Workforce fatigue entering summer is one of the most underestimated operational risks in industrial environments. After months of sustained output, tight scheduling, and in some organizations, ongoing understaffing, the workforce arrives at peak season already depleted.

**Fatigue does not announce itself** — it shows up as quality escapes, near-misses, absenteeism spikes, and reduced throughput on the shifts that matter most.

Heat compounds fatigue exponentially. Core body temperature regulation consumes cognitive and physical bandwidth that workers need for precision tasks, situational awareness, and decision quality. Workers in high-heat environments — whether on plant floors, in yards, or in logistics facilities — have measurably reduced reaction times and endurance by the third and fourth hours of a shift. These are not soft metrics. They are **operational throughput variables with direct ties to output, safety, and quality performance.**

Resilient workforce planning means building recovery into the schedule before it is needed. Rotating assignments, hydration protocols, pre-shift briefings that acknowledge heat conditions, and visible leadership presence on the floor are not HR programs — they are **operational resilience tools**. Leaders who treat workforce condition as a performance input, not a wellness checkbox, outperform those who do not. The floor knows the difference between a leader who is there because things are fine and one who is there because they are paying attention.



***"You cannot run peak-season throughput on a workforce running on empty.  
Resilience starts with the people."***



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## CRACK 3 — Supplier Fragility: When Buffers Run Dry

The supplier relationships that held through Q1 and Q2 will be **tested by Q3 demand**. Suppliers operating near capacity face the same pressures as their customers: workforce constraints, equipment stress, and input cost volatility. When your supplier's system cracks under that pressure, the gap shows up in your production schedule — as a shortage, a delay, or an allocation cut at precisely the moment you cannot absorb it.

Supply chain resilience heading into peak season requires an honest assessment of supplier health — not just supplier performance. A supplier who has been hitting metrics may be doing so by burning down their buffers. A supplier running at 95% capacity surge. These vulnerabilities are entirely visible if you **ask the right questions** — and entirely invisible if you only watch the scorecard. The scorecard is a trailing indicator. Supplier health is a leading one.



The highest-performing supply chain teams conduct **pre-peak supplier health checks in June**. Not audits — conversations. **They ask:**

***Where are you tight? What would break you? What do we need to resolve before July?***

Those conversations surface risks that no dashboard will show. And they signal to suppliers that you are a partner worth prioritizing when allocations get scarce — because when they do, your relationship history is your competitive advantage.

***"Your supplier's ceiling is your operational floor.  
Know where their ceiling is before peak season arrives."***



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### CRACK 4 — Communication Breakdowns: When Speed Matters Most



Peak season compresses decision timelines. Issues that could be resolved in days during steady-state operations need to be resolved in hours when **throughput is at stake**. In that environment, communication breakdowns are not inconveniences — **they are cost events**. Every hour of ambiguity at peak load carries a compounded operational price: in delayed decisions, in frozen escalation paths, in frontline teams waiting for answers that are not coming fast enough.

The most common summer communication failure is **escalation delay**. Issues arise at the floor level and sit — because the escalation path is unclear, because the culture does not reward raising problems early, or because the reporting cadence is too slow to match the pace of operational change. By the time leadership is engaged, options are limited, costs are committed, and the window for low-cost intervention has already closed. Escalation delay is not a communication problem. It is **a design problem** — one that can be solved in June before it costs you in July.

Resilient operations pre-configure their communication infrastructure before peak season begins. **Escalation triggers are defined** — not assumed. Shift handover standards are enforced. Daily operating rhythms are accelerated. Dashboards are live and reviewed, not compiled and distributed. **Leadership visibility on the floor increases**. These are not reactive measures — they are pre-loaded communication resilience, built when the time to build them still exists.

***"In peak season, the speed of your communication is the speed of your recovery.  
Slow escalation is slow performance."***



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## CRACK 5 — Data Blind Spots: Operating Without Visibility

You cannot manage what you cannot see — and peak season has a way of revealing every gap in operational visibility. The KPI dashboards that felt sufficient in Q1 become inadequate when throughput demand doubles and the margin for error shrinks to near zero. **Data blind spots** are not just technical failures — they are **leadership failures**, because they consistently produce delayed decisions and missed opportunities to intervene before a manageable issue becomes an operational emergency.



The most dangerous blind spots are not found in data-absent areas — they are found in data-rich areas where the **wrong metrics are being tracked**. An operation measuring units shipped but not cycle time variance, or tracking OEE without correlating it to maintenance event history, is generating data without generating insight. That is the definition of an operational blind spot: the illusion of visibility without the reality of it. Leaders who believe they are seeing clearly because dashboards are full are the most exposed when peak pressure arrives.

Before peak season, resilient operations **audit their data infrastructure** the same way they audit their equipment. **They ask:**

What do we measure?

What does it actually tell us?

What decisions does it drive?

What are we not seeing?

The answers to those questions — honestly given — **reveal the blind spots** that will surface under pressure. **Address them in June.** Or discover them in July, the hard way, at a cost that will be several multiples of what the fix would have taken.

***"Data without decision is noise. Insight without action is risk.  
In peak season, visibility is a survival tool."***



## COMMUNITY IMPACT

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**RESILIENT COMMUNITIES  
READY BEFORE THE STORM.**

**#ReadyBeforeTheStorm**

**SUPPORT AMERICAN RED CROSS DISASTER RELIEF**

MAHAR & COMPANY | American Red Cross

**DONATE TODAY: REDCROSS.ORG**

**Hurricane season** officially began June 1st. As industrial leaders, we know better than most what it means to prepare before the pressure arrives — and **our communities deserve that same level of readiness.**

This month, Mahar & Company is **calling on our entire network** — operators, supply chain professionals, and industrial leaders — to support the **American Red Cross Disaster Relief Fund** ahead of hurricane season. The **same resilience we build in our operations, we owe to the communities around us.**

### Here is how you can help:

- ✓ **DONATE** — Every contribution supports disaster relief, emergency shelters, and recovery efforts for families impacted by hurricanes along the Gulf Coast and beyond.
- ✓ **SHARE** — Spread the word in your network using the hashtag #ReadyBeforeTheStorm. Awareness saves lives.
- ✓ **ACT NOW** — Don't wait for a named storm. The time to give is before it's needed most.

Our community **goal** for June: **50 donors** across the Mahar & Company network.

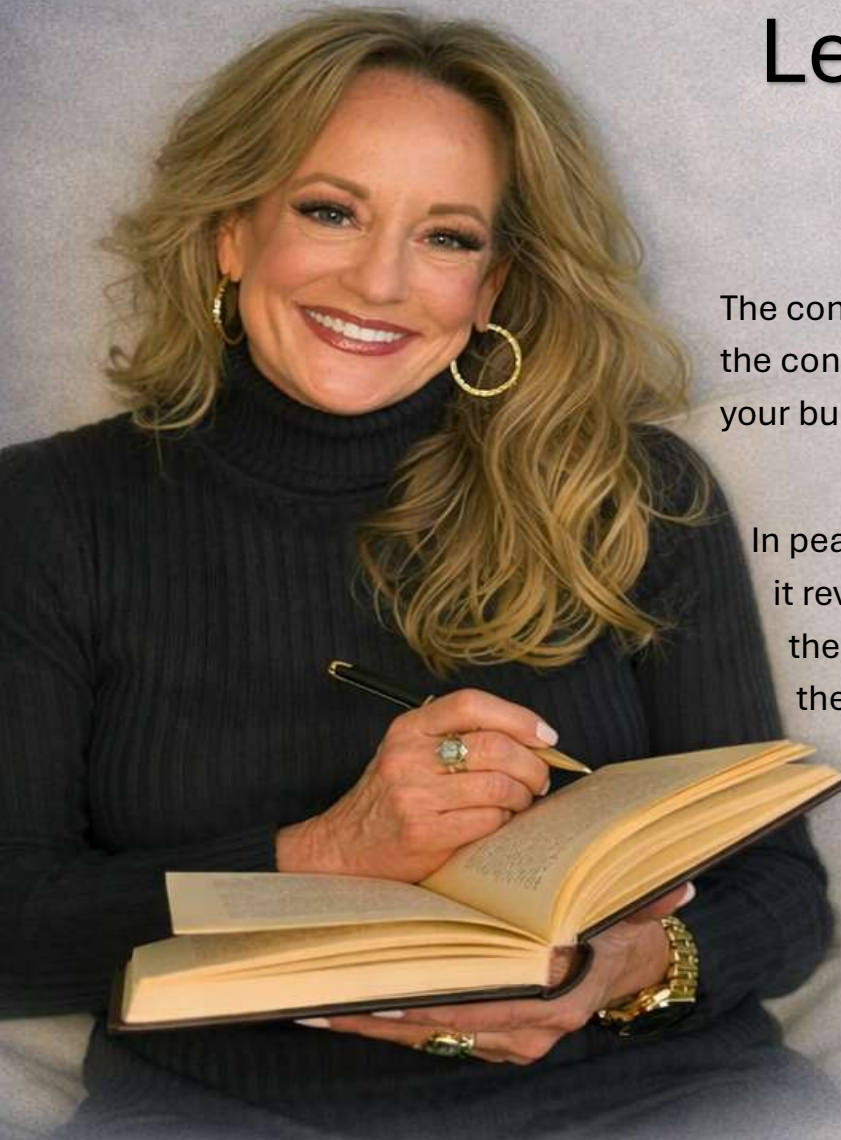
To donate, visit [www.redcross.org](http://www.redcross.org) or reach out to us at [christy@maharandcompany.com](mailto:christy@maharandcompany.com) and we will point you in the right direction.

**Together, we build resilient operations. Together, we build resilient communities.**

— **Mahar & Company**



CHRISTY'S CORNER



## Leadership & Flow

*Reflection. Perspective.*

The condition of your operation is a direct reflection of the condition of your leadership. Not your strategy. Not your budget. **Your leadership.**

In peak season, pressure doesn't create problems — it reveals them. The cracks showing up in July were there in February. **Leadership Flow** is what keeps them from becoming failures: information moving fast, problems surfacing early, leaders present where it matters most.

**Operational excellence** doesn't start on the floor. **It starts with you.**

**The floor always knows.**

**Make sure your leadership does too**

*Christy Mahar*

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**Operational Excellence starts with Leadership Flow**

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# CLARITY TO RESILIENCE

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### Looking Back, Looking Ahead

#### WHERE WE'VE BEEN

##### April – Issue 1: The KPI Foundation

- Established measurement discipline
- Defined operational clarity
- Set expectations for accountability.

##### May – Issue 2: Stability Before Volatility

- Shifted from measurement to operational control
- Focused on flow, visibility, and risk
- Positioned May as the month to tighten systems before summer.

##### June – Issue 3: Operational Resilience before Peak Season

- ✓ Moved from operational stability to performing under peak-season pressure
- ✓ Identified the five structural cracks that break operations before summer does
- ✓ Positioned June as the month to harden systems, leaders, and teams before Q3 arrives

April = Clarity – May = Stability – June = Resilience – July = Recalibration



#### WHAT'S COMING NEXT

##### July – “Mid-Year Reset: What’s Working, What’s Slipping, What Must Change Now”

July is the moment leaders recalibrate before the second half of the year decides the outcome.

#### THE THREAD THAT CONNECTS IT ALL

Across these first issues, we’ve moved from establishing clarity (April), to stabilizing operations (May), and now toward resilience (June) and recalibration (July).

Operational excellence isn’t episodic—it’s cumulative.

Each month builds on the last to equip leaders with the discipline, visibility, and foresight to run systems that don’t just survive volatility, but outperform through it.



*Stability is earned.*

*Resilience is engineered.*

*Leadership is intentional.*

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