

In business

The Tao of success

Like a frog in a well seeing the sky, the great men of Farrelly Facilities grasped that it is a fool who picks up a sesame seed but loses sight of the watermelon.

Victoria Madine finds out how Chinese wisdom translates into happy workers and a great fortune. Illustration by Fiona Hewitt



...THE RULER OF RIVERS AND ... because it rules from beneath. The ... his students best by allowing them ... "These words, taken from the ... work the *Tao Te Ching* written in ... more than 2000 years ago, sound more like ... you would find written on a packet of ... sits than a useful business ... But the directors of heat installer ... Facilities and Engineering have used them ... their Sutton Coldfield-based ... a touchy-feely zone – with results ... management consultant KPMG to ... in search of enlightenment.

The engineering firm, which installs heating, ... and air-conditioning systems, started ... Taoist principles into its business ... three years ago. Now, the firm's directors, ... and John Farrelly, actually insist on ... 10 employees achieving a work-life balance. ... the office is banned, ... they socialise at the ... and, amazingly, if an ... to set up their own company, ... Farrelly's directors for support. ... have a group hug once a ... as far as to pat each other ...

A new struggle

The first sign of this change was the Farrelly's ... awareness that their employees saw ... as a grim, dogged struggle. "Before ... visit, people in this office used ... like: 'If I'm going to war, I'll be ... ammunition!' I realised they were ... for work because they had to," ... Farrelly, director of training. ... the workings of his firm as he ... Investor In People accreditation ... employees were not a happy ... books, including one by ... guru James Aury called *The Tao of Ching* to suit a business environment. ... that you need management from ... says Farrelly. "If there's a problem ... it will be at the top with the ..."

... realised that the problem of the staff's ... approach to work was the result of his ... style, Farrelly took a year out from ... company to consider his strategy. ... I'd been working in the old style. ... you had to be aggressive to ... or else people would take

Tao for beginners

Written around 400 BC, the *Tao Te Ching* – literally "the classic of the path of virtue" – is attributed to Lao Tzu. It teaches, in a highly poetic way, that there is a dynamic cosmic structure underlying everything. People need to discover that the way is prevalent in all aspects of the world, not a rule imposed from without; and we need to fit into it by letting things take their course, rather than by trying to bend things to our will.

He decided, in consultation with staff, that the way forward was to give employees – from receptionists to site operatives – more control over their work. "Instilling a sense of ownership in a person's tasks makes people more motivated to complete them well. It doesn't help to have someone checking up on you. People don't need to be managed," he says.

Farrelly emerged from his year out clutching a radically revised company procedures and policy document and set about implementing the changes he felt necessary (see "Farrelly's 10 steps towards enlightenment", below).

The bottom line

The result of implementing the new philosophy were dramatic: in three years, turnover doubled and profit tripled, according to Rob Carter, senior contracts manager at the firm. He has been with the company since 1995 and says the changes have created a happier workforce and a focus on planning has reduced stress levels dramatically. "Four years ago we worked long hours and were constantly stressed, because we weren't planning properly. Now I plan today what I need to sort tomorrow. Also, there is better communication, so we have fewer problems anyway," he says.

Melvyn Jones, a heating and plumbing engineer and Farrelly's longest serving site-based worker,

says he was sceptical when the company announced in 1999 that it would have a more inclusive approach towards its engineers. But he agrees that the company has changed for the better. "Every three months we meet the directors to put forward our views," he says. "For example we said we wanted to be paid weekly and from 1 April that has happened."

At the outset, Farrelly informed his clients – among them Six Continents, Hilton Hotels, and pub group JD Wetherspoon – that big changes were in train. He was confident of a positive response because he believes clients want to deal with people who are happy. "Clients aren't fooled by what may seem a good price," he says. "They want to deal with a company that is in tune with their needs. Last November we won an important contract by explaining our work culture. The world is full of look-alike businesses, so you've got to differentiate yourself."

One of Farrelly's most dramatic proposals was to help staff set up their own businesses. According to Farrelly, this will not pose a threat to his firm. "I really don't think they would take our clients. Competition is healthy and can only be a good thing. I'd never slip off the competition – being positive helps instil confidence in your business."

Another departure from conventional wisdom is that for Farrelly, employees are more important than clients, and good workers should be cherished. "We would never blame an employee for a mistake just to get a client off our back. The important thing is to make sure the client can see you putting it right," he says.

Farrelly does come out with the occasional naff cliché and the prints on his office walls contain such maxims as "Opportunity: Don't wait for your ship to come in ... swim out to it". But his employees seem to have forgiven him his aphorisms. And if you must have an apposite proverb, how about this: If you want one year of prosperity, grow grain. If you want 10 years of prosperity, grow trees. If you want 100 years of prosperity, grow people.

Farrelly's 10 steps to enlightenment

- Shorter working day. All employees to leave by 5.30pm and no weekend work to be undertaken.
- All employees should enjoy full autonomy. No "telling off" as there must be a blame-free culture.
- Dress down. Employees should decide for themselves how to dress to suit their working day.
- Brighten up the office. Allow employees to bring in plants, photos and other personal items.
- Introduce courtesy. Employees should always say please and thank you.
- Socialise. Employees should be treated to a night out once a month, and more weekends away.
- Training and support. All employees have access to a personal career development coach.
- Employees get their birthday off and extra days at Christmas, plus a turkey and a bottle of wine.
- Company bonus scheme. Employees can earn up to two months of their annual salary as a bonus.
- Advice and support to those wanting to set up their own business.