

CIB eSpirit had from its inception been conceived as a quarterly e-zine that should carry inspiring stories of successful business persons who run their enterprise on the clear guiding principle of ethics and values, and still show that it is possible to be competitive and relevant in what they do.

We are delighted to bring to you one such story of a young Malaysian entrepreneur who started a printing business 25 years ago without any qualms of principles; his sole objective was to obtain jobs and orders to make a profit – nothing wrong with that, for isn't that why all businesses are started anyway? However for this zealous entrepreneur the 'how,' did not matter. All this changed when he made a firm decision that he would run his business on ethical principles of honesty and integrity, keeping as his logo the words, “No Lie, No Cheats, No Bribes”.

Today he is the Chairman of a multi-million dollar printing enterprise that does business with clients spread over close to 10 countries, has state-of-the-art machinery, recruits talented professionals, receives accolades and awards from every conceivable department that matters in his line of business, and is successfully competitive; all this while staying true to his principles of honesty and integrity. Meet Tam Wah Fiong of Thumbprints Utd., Malaysia who is making a mark in business and industry that it is possible to be ethical while still remaining competitive.

A brief extract from Jim Collins' award winning book, Good to Great, on an interesting thought where he shares how it is not “what,” but “who,” that matters – has been included in this issue. We think it will make for interesting reading.

CIB eSPIRIT has a new Editor, his first in this position. If the ensuing pages inspires you, I believe the first-stint reward would have been received.

Charles Fernandes

Sustainability Economic Growth Good Business Practice Ethical Values Competitive Meetings Forums Round Tables

CAUX INITIATIVES FOR BUSINESS

Sustainability Economic Growth Good Business Practice Ethical Values Competitive Meetings Forums Round Tables



Making a Mark! A story of Thumbprints Utd., Malaysia

I was fortunate to be introduced to an entrepreneur who has shown by example that running a business enterprise ethically is both rewarding and very satisfying. In an environment where terms like growth and profits scream so loud that the means is brushed aside, making even the wrong seem right; it is very refreshing to hear the story of Tam Wah Fiong, a man who had the courage to stand by his convictions to do what is right. It is a story of how he made a small printing block a very large enterprise that conducts its business in close to 10 countries. He took bold steps to correct what is wrong, before moving from compliance to commitment and finally to consciousness.

Circa 1990

Twenty five years ago Tam Wah Fiong started a printing business with not much capital, one machine and a small rented shop-cum-house. Printing machines were, and still are, very expensive. They had to be imported from Germany or Japan. With one cutting machine that sat on the ground floor, Tam used the first level as his finishing area and office; and the second level as his home

where he stayed with his wife, children, brother and brother in law. All other processes in the printing business he had to out-source.

Prior to him venturing into business, this young man was working as a sales employee in a small company. He worked hard and did well. He was promised a share in the profits. But after waiting 28 months and constantly finding his requests ignored, Tam made up his mind that he would leave and start



his own business. He had no business background, no prior interest in business, just an indomitable spirit that one finds present in most entrepreneurs. “My pleas being ignored in the company I worked in was actually a blessing in disguise,” said Tam. “What I never realized however, was how hard it was to start one's own business.”

Recalling the days of his youth he shared that he came from a very poor family. “My father was a farmer in Malaysia. I would help him before I went to school. After school I would help with the household work. I can say that during school days, I was like a part-time farmer. During the holidays however, I would be helping in the farm through the day. It was almost like being a full-time farmer. It was a tough life but looking back I can say that I am grateful to God for those were enriching days. I learnt a lot in those formative years.”

At the age of 26, Tam's parents gave him the title to two small pieces of land. He mortgaged it to the bank to get an overdraft of Malaysian Ringgits (MYR) 60,000/- which he used as working capital in the business. “Like always,” said Tam, “the working capital is never enough. It was very difficult. We depended on the overdraft facility for a long, long time. For two years we were without salaries. The company would provide us with living quarters, the food and the car for travelling. Other than that there was no salary for us. My brother, brother-in-law, my wife and I worked this way for two years. Our first salary was MYR 800 (approximately USD 250). I handled the sales part and my wife, brother and brother in law managed the production. We worked hand-in-hand to supply

to the customers their printing requirement and would hope that they were satisfied enough to come back to us. We worked 6 days or sometimes 7 days a week from about 8:30 in the morning to 11:00 at night. My wife and my brother worked till 6 or 7 pm but I used to work till 11 pm. I used to miss the time with my family but persevered with the hard work.”

Any Which Way You Can

“Malaysian business culture and society at large believes that if you are ethical, you cannot make a profit. Only if you are unethical can you survive. There is a Chinese proverb that said, 'If you are straight, forever you will be begging.' This saying has been going around for years and has contributed to the influence in our thinking and the way we conduct our business.”

“People are brought up believing that it is the norm to be unethical in business. Yes! It takes two to tango. One gives and the other takes. So for my business, it therefore became natural for us too to use these unethical methods. We would cheat on the material and lie on the deliveries. We would justify this by telling ourselves that it is a white lie. It won't kill anybody nor will it burn anyone's house down. It became something natural for us and we were okay with it. We never even blinked when we negotiated while competing in pricing. We would compromise in the quality and material and deliver false promises to customers. The failure rate was as high as 50%. Even if we could not do it, we would say we can. We never would think twice about whether we would be disappointing the customer.”

“The other thing was that when we were doing business we did not follow any of the laws. In this



aspect I bring to task the authorities responsible for registration of companies. I now tell them that there should be some sort of training or course from different departments that certifies you before one can open a business. We need to be like developed countries that train you in the norms and requirements before they give you permission. When people like us start a business, we know nothing about environmental laws, labour laws,



safety and health laws or building laws. We look at what our neighbor is doing and follow suit.”

“For example, we would throw ink into the toilet bowl or in the drain at the back because we never thought it was wrong. We were ignorant and non-compliant. There was a total disregard for these laws. The company started with eight people and then we grew to be about 130. Yet, we continued with the same methods of unethical practices. When anyone from the authorities came, be it the local authorities or any other department we just paid. Even if customers would ask for a kick-back we gave. All we wanted was the business and so we did not see it as a problem. It was a win-win situation and everyone was happy.”

Turning Point

“The turning point was when I became a believer of Christ. This was in 1997, about seven years after I started the business. I am often asked if it is only religion that can change a person. My answer is that I find it hard to do what is good when I want to. It is easier to do what is wrong. It is convenient to just move along with the norm of society. Going against the norm is costly. In the past I would always

considering the cost versus the benefit. But when I came to Christ, He gave me strength, unexplainable strength, strength that is within me and cannot be described. With Christ, the cost and benefit model doesn't work. It is all about doing what is right.”

“This is why when I came to this point, I started to read laws and regulation and books on environment, fire safety and health, building, etc. In the beginning, I was a little fearful when authorities would come. When we stopped giving bribes we were issued notices, sometimes a long list. So we took it. We told them that we know we are in the wrong and requested them to please give us time to make it right. We used the time to do what was necessary. We did our best to ensure that we were compliant and did whatever we could afford. The authorities would come again and issue more notices. However as time went by, the notices received became increasingly less. It all started with not giving bribes. It took us about four or five years to reach this place.”

Now our efforts are to be better than the law. We live by the voice of our conscience and see what else we can do to make things better, fair and right. For example in our business we need a lot of paper so we see how we can promote paper material purchased



from managed forests. We are conscious of depleting forests. We would search for organizations that specialize in a particular field. We would ask them for help. They would come over, do our audit and certify us after we had all our systems in place. Transparency International helped us with the fellowship by providing us a

moral compass.”

To a query on how did the authorities now take to this change in conducting business this Chinese Malaysian entrepreneur replied, “The authorities at first got a shock when they saw that we didn't want to pay bribes. For them it was not normal. When we asked for grace periods to comply with all the laws, they were so shocked, they would usually agree.”

Leading from the Front

How did they cope with the additional costs that they would now have had to incur in order to comply?

“There was an internal struggle within the people managing the company. I wanted to comply with the law and be righteous but not everyone wanted to. However because I was the founder and the MD at that time and had larger shares, I wielded my authority and told them that we need to do what is right even if it incurred costs. For example, there was some land at the back and side of the building. The landlord had built an extension which was illegal and we were using it conveniently to store our goods. When the fire department would come for inspection, this time however, I told them that I wanted to make things right. They were shocked. It

meant that I would need to tear down the illegal extension of the building to comply to fire safety standards. This subsequently would result in 6000 square feet less area. When I brought this to my team they thought I was crazy. Our first objective was to scout around for a place to make up for the area we were to lose. We found one which was 500 meters away. We rented this new place but it was so inconvenient. Besides we also had to pay MYR 6000 per month. In addition, we had to get lorries and fork-lifts to transport our material. It would have been more convenient if I had just paid the Fire Inspector. But I wanted to do what was right. We took about 3 months to shift our office. We had to keep shuffling things between our new site and the legal part of our old site.”

“Before tearing down the extension we approached the landlord. He was so angry with us. He refused us permission. I had to ask my lawyer to write a letter to the landlord saying that this is illegal and that we give him a two-week notice period. After that, we would do so at our own costs. He did not comply so we tore down the extension. When the fire department came they saw our work and were shocked. Not only did they certify us safe by fire and safety standards, they gave us a commendation





letter.”

“A few years later I got a call from one of my employees to tell me that there is a fire in a factory two blocks away from us. They were storing lubricants. The fire rose so high that it spread to the neighboring factory. However I told my employees that the fire would never come to us because we did not have the extension. Following this incident when we had our Heads of Department meeting, I explained to those present that laws were written by very wise people. It was therefore important for our own sakes, to read them and abide by them.”

“All these things did cost us a lot of money. Yes! It was challenging. However I was never worried about the money or where we would get the cash from. It is what I call the foolish boldness of an entrepreneur who merely follows his vision without worrying about anything else. This kind of a risk-taking spirit is difficult to find in the managers or employers.”

Admitting that the additional expense did affect them Tam shared that the business was not efficient; productivity was not that good. “However, a year later we made a record profit. I attribute this to the Lord. He is a righteous God. When you follow His laws and command, He will make a way for you. And it was the biggest profit we ever made. In the year 2000, we made a profit of about MYR 4.2 million, which at that time was approximately USD 1.5 million. Even though we've grown double the size now, we have not seen this kind of profit. This is not audited profit but cash flow profit and it is because of righteousness.”

“I look at the governments of various countries. There are many different ways in which each country is governed, be it India or China. But for me, the good way of governance is found in Singapore. Singapore is a righteous, authoritarian democracy. They will have democracy first. They will sit down, take your view and discuss. They will look at the best models from different countries. But then their leader will take an authoritative decision based on what is right for the country. He will stand by the decision no matter how many people go against him, because he chooses what is righteous. The man at the top takes a decision based on what is good and right for the country and not for his selfish gain. In our company we try to be like this. We listen to the views of others in the company and take the best examples around us but it is the leader that has to make a decision. He has to make righteous decisions not just based on the company's profits but also taking into account other stakeholders like the community, the society and the customers we serve.”

Creating a Culture

“Habit is of an individual but culture is when a habit becomes a norm of society. Bribery is part of our culture. So to make a change in our society I knew that the first step I needed to take was to educate my employees. In 1998 I took up teaching people about honesty and integrity. I told them that it should be our logo. I told my employees that even if anyone calls, they should not lie. I said, 'I know it may be a normal thing to do in your daily life, but on the job, you are not to lie about anything.' The same goes



with cheating too. If we have promised a customer to use paper of 120 gsm then we need to be true to our commitment. I repeatedly warn them that if anyone is caught lying or doing something wrong such a person would be issued a warning letter.”

“At meetings, the Heads of Department would keep asking me all sorts of questions. They would ask how the company could prosper by doing this. They felt it was bad for business. 'Oursales will go down,' they said. So I told them that this was my decision. 'I am the MD and what I say is final.' They still had so many questions. One day I said to them, 'If you want to bribe then pay out of your own money.' They complained that they are just employees and that they could not afford it. And then they would keep quiet. I had made my point.”

“One day my employee, a truck driver who had been working with me for over eight years came to me and said, 'Are you crazy? Today I am going to the transport authority to have the lorry tested. If I do not give them the money, the vehicle will surely fail the test. What would you do then, spend MYR 80 every day to hire a vehicle?' ” (All commercial vehicles are to be sent for passing twice a year. The standard practice is that you have to put MYR 50 in the middle seat and they pass your vehicle.) As expected the lorry failed the test and the driver stormed into Tam's office fuming. “I simply asked him to take the list of faults, issued by the transport office, to the workshop and have the vehicle set right,” continued the bespectacled MD whose quiet, pleasant demeanour underplayed the steely resolve that lay beneath. “The next day when he returned to the transport authority, they passed the lorry



without any problem and without any bribe.”

“We have since moved our factory's location several times until we finally came to this current place. This man completed 19 years of service. One day he was walking to the reception area and I stopped him and asked how he was. He told me that he had just sent another lorry for testing. So I asked him if he remembered to put the MYR 50 between the seats. He said, 'Boss! Are you crazy? Who is driving the lorry? You or me?' This is because when he stormed into my office 9 years ago. I asked him the same question. At that time I made him understand that if his brake failed and the authorities didn't check the truck because we paid a bribe and if the truck went down the ravine, 'Who will die?' Nine years later this man asks me the same question when I jokingly asked if he remembered to put the money between the seats. He asked, 'Who will die? Will you die or will I? Why should I pay them? They are expected to check my lorry.' I was so happy to see this culture change. Though he has retired now, I still tell the story to others because it is what I wanted.”

The Great Temptation

“Temptation is always a problem. We moved into this present factory in 2005. We took many loans and spent millions to buy machinery. In 2009





recession hit world-wide. Now we have many customers in America, Europe and Australia. So when recession hit, we were badly affected. 50% of our sales come from overseas so 50% of our business went down.”

“At that time a request came from a Malaysian company that operates in Africa. They undertook infrastructure projects – roads, schools, other development and agriculture in some African countries. This company was very close to the government and they asked my company to print books – education text books. This was going to be funded by United Nations. They chose us because we were in compliance with all the standards of the UN; environmental management systems, labour laws, forest laws, etc. We gave them a quote close to MYR 1.5 million. They asked us to muck up the figure to 1.9 million. They tried to convince me that that this is not a bribe and that it is for logistic and project management. I asked if they wanted half a million for project management? Not convinced, I went to their head office in Malaysia. They were more forthright and said they had to pay the politician and the ministers, etc. But they also tried to convince me that this was not a bribe. 'It is a gift.' They also told me that they would give me invoices for each expense head.”

“I was tempted. My company could use this extra money because I have to pay each month, close to MYR 1 million as salaries and other expenses. So I told him, 'Let me go back and pray about this.' In the three days I sat debating this proposal I could not get peace. My conscience made me restless. So I called their Director, the one who was negotiating with me, and told him that I could not take the job. He

asked, 'Why not? I told you it is all above the table there is no bribery.' I told him the difference was too big. He said, 'This is a gift.' I said, 'Yes! Gift and bribery are the same thing.' I also told him that this was an abuse of public money. He asked, 'How is it an abuse of public fund? I told you it was a project of the UN.' I retorted that the UN had no money of its own and was funded by developed countries that get its money from tax payers and that is the root. He said, 'You are not a businessman.' I said, 'You can find other printers to do the job.' He said that in Malaysia I was the only one who was compliant to the United Nations guidelines. I asked, 'What can I do? I'm sorry I can't help you.'”

“They called my sales people and scolded them. My sales people tried to put pressure on me. They said, 'Why can't you take this job? We will be out of our financial trouble.' I said that I would rather suffer and not do the business than do something wrong. Two weeks later I get a call saying, 'Mr Tam do you remember me?' I said, 'Yes! Of course I remember you. You are the buyer from Hong Kong. You are the only customer who came and audited us three times. You audited us with some Americans. You asked for a quotation and then gave us a project for a test run. You are also the only people in my business history who paid us for a test run. We passed the test run. We negotiated a price and even brought our price down but you told us we are No. 2 and that you gave the contract to a Chinese printer. Yes! Of course I remember you.' He said, 'Now I'm giving you the job.' I was startled. I asked, 'Can you give me the job at my price? (This was USD 90,000 more expensive than the Chinese). He said, 'Yes! I'm





giving you the job. I'm coming next Monday.' I told him that I was not going to be there as I was taking my family for a holiday. He said, 'It's okay. Just instruct the people in charge that I will be coming and would brief them about the project.'"

"We got the job of MYR 1.2 million to be shipped to the US. Initially I thought that since this person was such a good negotiator we may not make a profit. However after doing a post-audit we found that we did not lose money but made a profit instead. From 2009 till today I am still doing business with them."

Explaining why he got the contract even though the Chinese company initially was selected Tam shared that the committee had first chosen about 20 International printing companies. This was then shortlisted to four. "Finally it was between the Chinese company and mine. The Chinese printer wanted them to pay the money upfront to buy the material. When they inspected the premises they did not see the material so they guessed that these printers must have been in some financial trouble. Rather than suffer further loss and run the risk of no delivery they pulled the plug. This buyer from Hong Kong is a very experienced buyer. He did not want to take a risk so he gave the job to us."

"As a Christian, I believe that this was a test if I would take that job and be tempted or if I would stand firm to do what was right. Because I did not compromise, God rewarded me in such an impossible situation. We beat companies from Indonesia, Thailand, Singapore and Australia. But to beat a Chinese printer is very difficult."

"To survive the Chinese we have to be creative and

innovative. We have to be good at what we do. The customers in America, the Germans and some of the British, by and large have high standards of integrity. They won't take your artwork and give it to the Chinese and say copy this design. I cannot confidently say that of the others. We have had a situation once when one of our designs were copied. When we confronted the client they said that it was not exactly the same as ours. So while there are situations like this, by and large, we find that we can work on the basis of trust."

Expanding beyond Malaysian Borders

"In 2003 I thought to myself that because we were practicing zero corruption the Malaysian market made it difficult to grow. Also, in Malaysia if we want to do big business, it is not very easy to penetrate into this market. I thought that if we needed to expand, we would have to do so overseas. So I took a roof in the London Book Fair and exhibited our products there. It was not very successful. However my sister who is married to an Englishman and a resident in the UK agreed to be our representative in England. As she was not employed elsewhere she helped us to open the export market there. When we started, our export business was very small but after about four years the overseas business became a significant contribution to the company. I attribute this to 1998

I attribute this to 1998 when we started to change from an unethical company to a full integrity company. When you do not pay bribes or indulge in corruption, you must compete on price, quality and service.

when we started to change from an unethical company to a full integrity company. When you do not pay bribes or indulge in corruption, you must compete on price, quality and service. Because we did not bribe we had to improve the quality of our products tremendously. This meant investing in new and superior machinery. Customer service was another important area that we had to be particular of. This meant that time and money had to be spent

on training our employees and all the time we had to ensure that we kept our prices competitive. Though our costs increased we had to be competitive with companies all over the world. We however found it easier to do business with those who themselves had a zero-tolerance for corruption. And though competitive pricing will always be a factor, we have still managed to be ethical, find customers as well as make a profit. At one point, word went around that one should not go to that client where Thumbprints is because one would not only not make a profit, but even lose money. We have found that when we manage our business well, if we are thrifty in our expenses, it is possible to be competitive and still be profitable.”

“We now have customers in about 10 countries including the US, Australia, France, Germany, UK, Belgium, Singapore and Russia.”

A Community Enterprise

“Currently we have 310 staff compared to the eight that we first began with. However we now run our

company very differently from the way we ran it in the beginning. We have converted our company into a community enterprise. This means that the profit is for the company and not for shareholders. 50% of the profit goes to the staff by way of performance incentives and evaluating their personal performance key indexes. There is also the quarterly hit-profit-target incentive and there is the six-monthly profit sharing for all the staff. In addition we give a one-month bonus contractual at the end of each year. And then there is the management profit sharing for the people in-charge, such as the Heads of Departments.

25% goes for renewal of machinery and maintenance of the building and for expansion. The other 25% goes for cash flow. We have been striving to be better and better and desire to go beyond what is good.”

What made them take this step?

“One of the main reasons to change from a shareholder driven company to a community





enterprise was the Scriptures from the Bible. The book of Ecclesiastes says, 'Naked I come from my mother's womb, naked also will I go.' I know that I will not take anything with me. It is easy to rationalize that I should keep it for my family. But I sense that instead I should train my children the way they should go and not just give them everything readymade. I will give them the basics but I want them to work hard for everything that they want to do. I also believe that the profits should go to those who labour for the company by working hard."

"The Scriptures also says that we should not acquire wealth for ourselves when we see another suffering or in need. 'Where is the love of Christ in you?' So I said that there must be effort to bridge the gap between the rich and the poor. In 2007, before the Minimum Wages Act had been enforced in the country, I told my General Manager that I wanted to raise the minimum wages to about MYR 700. My shareholders said, 'You are crazy. You will make this company go bankrupt because it would increase our costing and prevent us from being competitive. Besides, the shop-floor employees from the neighbouring businesses involved in manufacturing pay only MYR 450.' Again I pulled my authority and told them, 'I am the founder and MD of the company. I also hold the largest shares. If the company goes bankrupt then it will affect me first.' I also told them that if they wanted they could sell their shares to me. I told them that we could give this increment slowly over a period of time, say MYR 50 every six months, on top of the yearly increment. By 2009 we achieved the goal of ensuring that the

minimum wage of any employee is MYR 700. Of course we lost money. We lost MYR 1.7 million. The shareholders came to me and said, 'See I told you.' I pacified them by saying that 1.7 million had not made the company bankrupt but it had improved the quality of our employees' lives. A year later we broke even and I convinced the shareholders that though we did not make a profit at least there was no loss. Not long after this, the Malaysian Government made the minimum wages MYR 900. I rejoiced. I knew now that we could compete and that the playing field was level."

"I then wondered what I could do to bridge this gap further. So when the company became a community enterprise I said that the money given to employees should not be based on the salary alone. I said that we should have an individual performance index. Based on one's performance one must be rewarded. You hit the target, you get some money. If you hit a higher target you get more money. So this got the staff to work harder. We also decided on a 10% profit sharing for the staff. So if we made a profit of MYR 1 million we took 10% of a six month profit and we divided it equally among the people who qualified. If you work hard; don't exceed your leaves; and don't have warning letters; then you qualify. And everyone gets this, whether it is the manager or the shop-floor worker."

After Retirement, then what?

"We are trying to see how we can continue to support our employees by looking at ways where the employee can have something to live on after retirement. Though one has the Employee Provident Fund (EPF), studies have shown that most finish off their savings within the first three



years of their obtaining it.”

What triggered this quest to search of ways to provide for employees' post-retirement was the lorry driver we heard of earlier. “When he retired, we gave him a watch. He turned back and asked, 'Is that all? After 19 years of service, is that all I get?' I asked him if he was due any salary or bonus or any other payment. To each query he said no. So I told him about his EPF. His retort was that it was not enough. Since that time we have been looking for ways where the employees can get money to last them until they die. The current staff is covered with medical and accident insurance.”

Rising from Failure

“There was a situation once where we took it upon ourselves to treat the waste water. As far as our chemical pollutants and lubricants were concerned we were complying with the law. This required us to contain this; keep them in our storage areas until an authorized approved vendor from the environment department came over and collected it so that it could be treated in the proper way. We however wanted to do something more. We thought we would treat the waste water ourselves. We looked at what was available in the market. We looked at vendors in the market and the operation costs. We



found a vendor who was the cheapest. We spent MYR 85,000 and set up a water treatment plant. But it failed. The waste water did not meet the requirements and did not qualify for 'Class A' treatment. We had trouble with the environmental department. At this time we were reluctant to spend



more. We felt that since we were already complying to the basic law and since what we were doing went beyond compliance we decided to scrap the waste water treatment plant. However we were not permitted to. We also then felt in our conscience that we should do our bit for the environment. So after three years we spent another MYR 160,000, making it a total of MYR 245,000. We now have our treated waste water certified as 'Class A'. So here is one example of how we failed, cut our teeth, but got up and kept running.”

“Another area was in the early days. There was this aspect of over-promise. It took two years to get our staff to realize that we must ensure maximum customer satisfaction and not make commitments that we cannot keep. In 2001 we started something called, 'On-time, In-full delivery' to ensure customer satisfaction. This is the most important measurement in the company. We promise our customers that we will deliver on time and full delivery. We started with a target of 96% Over the years we have been doing 94 or 95% but we haven't succeeded to reach our target yet. Last year we came very close, hitting a score of 95.9% Our sales team

comes under pressure when the customers tell them that they can get the job done by our competitor in so and so time. Another factor is that often our projects come all at once. This means that in the manufacturing, the work gets queued up causing a bottleneck. Though we are still trying to keep our target by getting more staff, more machinery and automating some processes, we still end up with projects where we cut a very fine timeline.”

Beyond Thumbprints

“I have recently chosen to step back from the daily running of the business so that I can spend more time with my family. My aim is to have a good bond with my family. My oldest daughter graduated and is now working in Singapore. In the past, my relationship with her was like, 'You are authoritarian. You are like a detective. You are controlling and are always looking into my life.' Now it's more of a friendship. I know that if I could turn the clock I would have liked to spend more time with my children.”

I have recently chosen to step back from the daily running of the business so that I can spend more time with my family.

My aim is to have a good bond with my family.

“My second daughter has also graduated and is now teaching. She has twice the time that my older daughter has so she is very close to us. The youngest daughter is still in college.”

Wednesday I keep for what I call, 'Wife Day'. I try to stay away from my e-mails so that I can spend time with my wife. Other times in the week is spent with counseling and teaching those in the Church, especially the youth.”

“Is there anything that inspires you Tam? Any quote? Any story,” I ask.

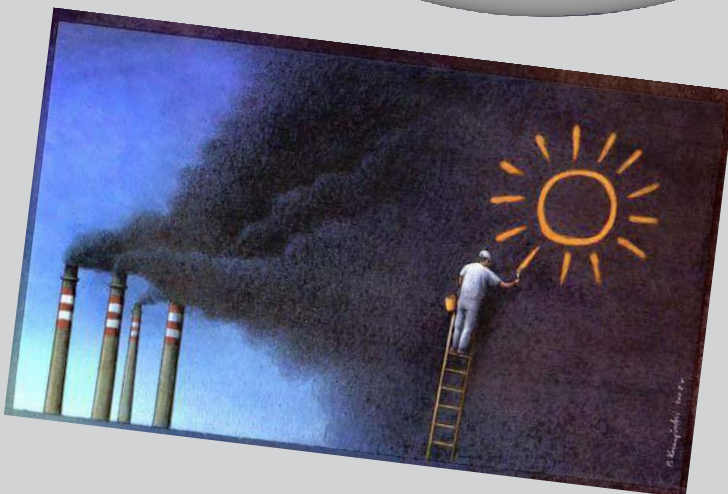
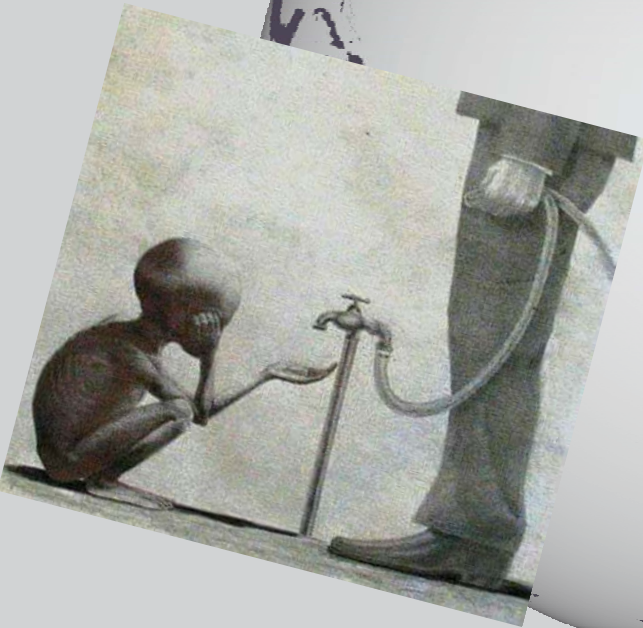
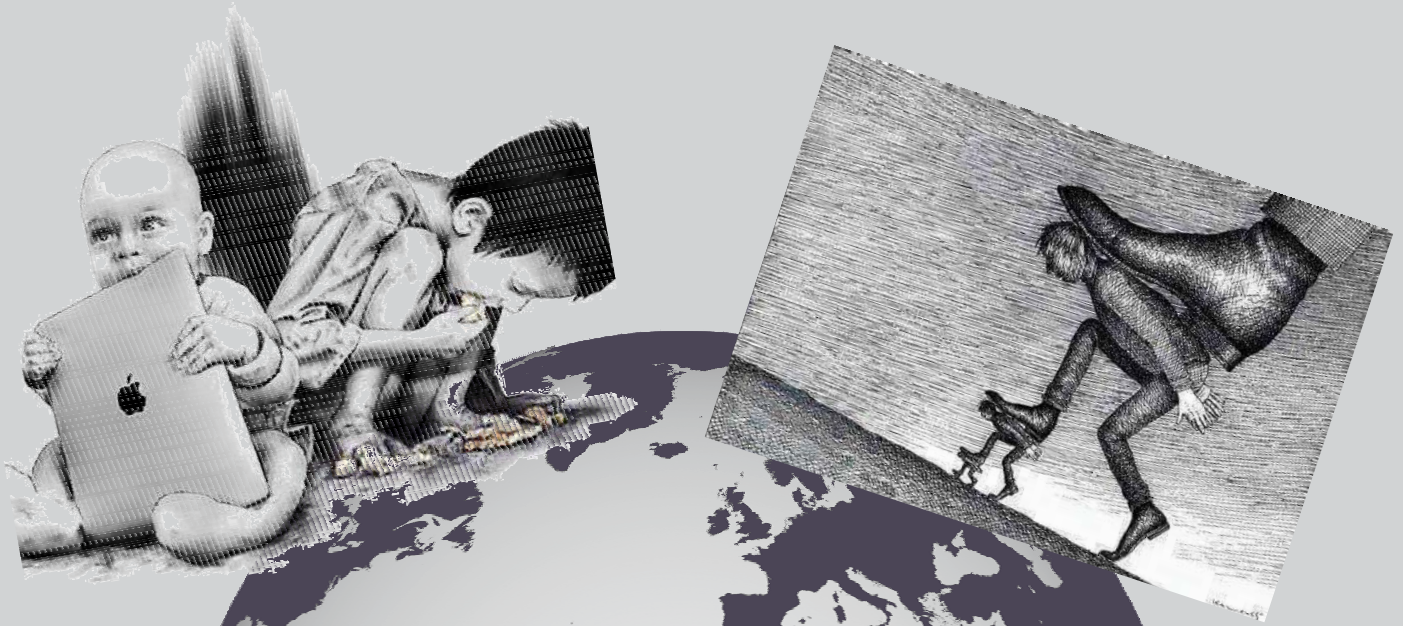
My inspiration is from the Bible and the verse that says, ‘Love your neighbor as you love yourself.’” ■

Written by Charles Fernandes, India



INTERESTING SNIPPETS

Let's Pause and Reflect



First Who... Then What

When we began the research project, we expected to find that the first step in taking a company from good to great would be to set a new direction, a new vision and strategy for the company, and then to get people committed and aligned behind that new direction.

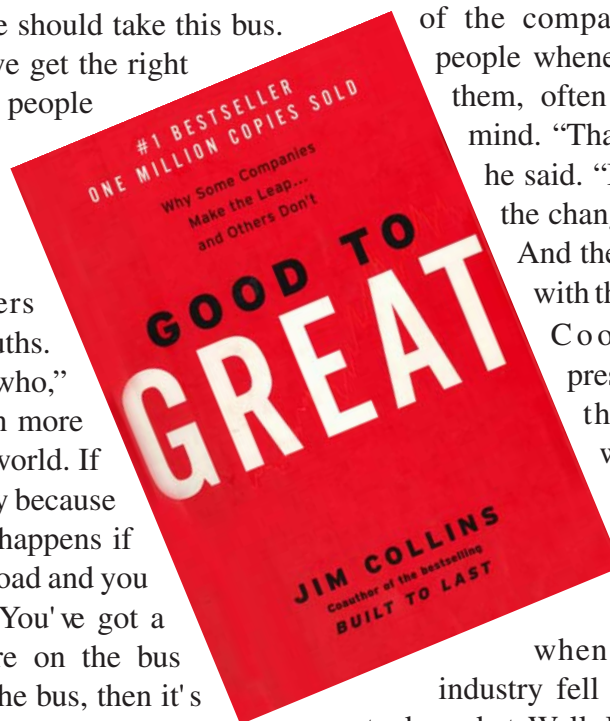
We found something quite the opposite.

The executives who ignited the transformations from good to great did not first figure out where to drive the bus and then get people to take it there. No, they first got the right people on the bus (and the wrong people off the bus) and then figured out where to drive it. They said, in essence, “Look, I don't really know where we should take this bus. But I know this much: If we get the right people on the bus, the right people in the right seats, and the wrong people off the bus, then we'll figure out how to take it some place great.”

The good-to-great leaders understood three simple truths. First, if you begin with “who,” rather than “what,” you can more easily adapt to a changing world. If people join the bus primarily because of where it is going, what happens if you go ten miles down the road and you need to change direction? You've got a problem. But if people are on the bus because of who else is on the bus, then it's much easier to change direction: “Hey, I got on this bus because of who else is on it; if we need to change direction to be more successful, fine with me.”

Second, if you have the right people on the bus, the problem of how to motivate and manage people largely goes away. The right people don't need to be tightly managed or fired up; they are self-motivated by the inner drive to produce the best results and to be part of creating something great.

Third, if you have the wrong people, it doesn't matter whether you discover the right direction; you still won't have a great company. Great vision without great people is irrelevant.



Consider the case of Wells Fargo. Wells Fargo began its fifteen-year stint of spectacular performance in 1983, but the foundation for the shift dates back to the early 1970s, when then-CEO Dick Cooley began building one of the most talented management teams in the industry (the best team, according to investor Warren Buffet). Cooley foresaw that the banking industry would eventually undergo wrenching change, but he did not pretend to know what form that change would take. So, instead of mapping out a strategy for change, he and chairman Ernie Arbuckle focused on “injecting an endless stream of talent” directly into the veins of the company. They hired outstanding people whenever and wherever they found them, often without any specific job in mind. “That's how you build the future,” he said. “If I'm not smart enough to see the changes that are coming, they will. And they'll be flexible enough to deal with them.”

Cooley's approach proved prescient. No one could predict all the changes that would be wrought by banking deregulation. Yet when these changes came, no bank handled these changes better than Wells Fargo. At a time when its sector of the banking industry fell 59percent behind the general stock market, Wells Fargo outperformed the market by over three times.

Carl Reichardt, who became the CEO in 1983, attributed the bank's success largely to the people around him, most of whom he inherited from Cooley. As he listed members of the Wells Fargo executive team that had joined the company during the Cooley-Reichardt era, we were stunned. Nearly every person had gone on to become CEO of a major company. ■

The above is an extract taken from the book, Good to Great by Jim Collins and published by Harper Business, an imprint of HarperCollins Publishers.