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Kindness to workers Farley's key to success

By STEVE BRAYTON

YOU can't expect good work if you don't treat your workers right, says Bill Farley.

Farley, 42, practices what he preaches in his own company, Chicago-based Farley Industries, one of the largest privately-owned businesses in the U.S. In nine years, Farley has built a diversified group of manufacturing companies with \$750 million in sales

"The major problems of American business, such as lagging productivity, poor quality, and poor labor-management relations, are clearly the fault of management," Farley said in an interview last week.



BILL FARLEY
\$750 million in sales.

Correcting these problems means treating employees with respect and keeping them happy on the job, he said.

Farley spends money

to please his employees. When Farley Industries acquires a company, plant employees are asked what recreational or other facilities they want. "We have put in facilities like jogging tracks, softball fields, and cafeterias," Farley said.

"We do it regardless of how the employees act. We tell them that if they're lazy, we will still do it, because we think it is the right thing to do."

"We try to provide something for everyone. But even if we don't, people understand that we're trying."

Farley Industries hasn't had any serious labor problems in se-

ven years, he said.

Farley stopped at Boston College Law School in Newton last week to meet with recipients of the scholarships which he funds annually. He graduated from the law school in 1969.

"I told them that to be successful, you don't have to graduate first in your class. People skills are important as academic skills."

A Pawtucket, R.I., native, Farley is the son of a mail carrier. After working in industry and investment banking, he began putting together Farley Industries in 1976.

He has acquired most of his companies through leveraged

buyouts. In a leveraged buyout deal, the assets of the company being acquired are put up as collateral for loans to make the acquisition.

Farley has reduced the layers of top-level management at his companies. "Between the workers and me, there are no more than four management layers, including the foreman," he said.

Farley might sell parts of his company in stock offerings someday. Some companies will need a lot of money to finance growth, he said.

Personal gain might also move Farley to cash in on part of his 90 percent ownership of Farley Industries.