

How to Fix a Broken Company

What would you do with a manufacturing company that displayed the following symptoms?

- high error rate (poor quality control)
- chronic equipment failures
- low production level
- failure to ship products in a timely manner
- declining sales
- low morale (high turnover, poor work ethic among employees, excessive tardiness)

These resulted in unsatisfied customers who didn't pay their bills, which caused the company difficulty in paying its vendors. The company was on the verge of bankruptcy. Such was the state of Biox de Mexico in the year 2000.

Raul Gomez Sr., a physician, started the company in 1978, when he recognized the need for quality food supplements, such as vitamins, minerals, and protein, for his patients. The company started slowly and remained small for the first fifteen years of its existence. Then in 1994 Raul Sr. had to stop work to undergo treatment for hepatitis, a disease that ultimately would take his life seven years later.

Unable to manage his company, Raul turned to his eldest son, Raul Jr., who assumed the duties of managing the company. In 1998, the younger sons, Oscar and Jorge, joined their older brother in the business. All three sons were college-trained in business. Raul's expertise was marketing, so he directed sales and marketing. Oscar was an accountant; he assumed responsibility for production. And Jorge was trained in industrial management; his role was to oversee administration. With this leadership team, it appeared that the three basic functions of business—get work, do work, and keep score—were well covered by qualified trained managers. Hence, expectations of success for Biox de Mexico were high. Success, however, did not follow.

From 1994—when Raul Sr. was forced to stop managing the company because of his illness—until 2000, the company steadily declined. The trio of brothers was unable to lead the company forward. New product initiatives didn't work well. Sales were hampered by poor product quality and late delivery to customers. Production was challenged as morale sank. And administration was faced with a growing cash flow problem.

The brothers turned to trusted company advisors who were knowledgeable in management theory. Various efforts were made to turn the situation around, but nothing worked.

As their father was on his deathbed, the brothers realized they had destroyed their father's company. Everything they had tried failed. Morale was at a low point. Foul language, violence, theft, tardiness, absenteeism, and a poor work ethic were the norm. Employee turnover became epidemic as workers looked for any way possible to escape the sinking ship.

In the early 1990s either immediately before his illness, or possibly because of the illness, Raul Sr. had reached a point of conviction. He had concluded that his faith in Christ should not be a private matter between the Lord and himself, as it had been. Instead, he needed to share his faith with his workers, most of whom were Roman Catholic. Hence, he recommended to Raul Jr. that a Bible study be started.

At that time the company was still small, both in its product offering and number of employees. Raul Jr. could not see any value to the business in starting a Bible study, so he resisted his father's admonition. Raul Jr. did not see the truth that spiritual reality is the prime reality and physical reality is simply a manifestation of spiritual reality. An illustration of this truth can be found in Hosea 4:1-3:

Hear the word of the LORD, you Israelites, because the LORD has a charge to bring against you who live in the land: "There is no faithfulness, no love, no acknowledgment of God in the land. There is only cursing, lying and murder, stealing and adultery; they break all bounds, and bloodshed follows bloodshed. Because of this the land mourns, and all who live in it waste away; the beasts of the field and the birds of the air and the fish of the sea are dying." (NIV)

In verse 1, the Lord issues a charge against Israel that the Israelites have rejected God and are living without Him. This is the spiritual reality. The next two verses explain the results that one can expect in the physical reality when the spiritual reality is the rejection of God. The results are that people mistreat each other and business activities die. In other words, without God there is no moral standard to define right and wrong, which releases sin to destroy the people. Furthermore, business cannot be conducted in an orderly and predictable manner without a moral standard. Raul Sr. came to understand this reality. For years he had wrongly assumed that God had nothing to do with business and Raul had kept his faith as a private matter. But now he realized the error of his way. He repented and began to share his faith with his employees. He knew they needed Christ if they were to live a blessed life.

Through the 1990s, Raul Sr. urged his son to start a Bible study, but Raul Jr. saw no relevance in a Bible study to business. With each fatherly admonition, Raul Jr. offered a variety of excuses as to why it wouldn't work at this time. Even the company advisors saw no value in a Bible study; they believed that sound management theory was inconsistent with biblical principles.

Raul Jr. was not totally insensitive to his father. He did continue the practice of weekly tithing based on the company's revenues. Raul Jr. assumed that Biox de Mexico could become a "Christian company"—whatever that means—without activities such as Bible studies.

From 1994, when Raul Sr. was no longer able to manage the company, to 2000, Raul Jr. and eventually his two brothers led the company to the precipice of bankruptcy. Despite all efforts by the sons, the company was dying and they were out of ideas as to what to do to save it. Finally, they decided they had to tell their dying father that they had destroyed his company.

As they approached their invalid father with the news, Raul Sr. graciously and attentively listened to them. He then renewed his request that they begin a company

Bible study. Out of ideas and without hope, the brothers decided to heed their father's advice, after all, at this point, they had nothing to lose.

In January of 2000, approximately one year before their father's death, the sons instituted a daily Bible reading and prayer time. An announcement was made that there would be daily prayer and Bible reading in the production department. Attendance was voluntary. Initially, Oscar led the event. He read out of a children's Bible for fifteen minutes and then prayed. After a few weeks, workers' hearts were touched and attendance began to increase. Soon the Bible reading became a Bible study and was expanded company-wide. Workers asked for copies of the children's Bible for their own personal use. The brothers happily accommodated their requests. Over time, the Bible study was expanded to one hour each day. Soon they developed a pace that allowed them to cover the entire Bible in one year.

In addition to the Bible study, employees received personal prayer from the sons, who assumed pastoral roles in many cases. As employees experienced genuine concern, they responded with increasing transparency. (The brothers demonstrated their concern by paying the workers to attend the Bible study and prayer time.) Without coercion the three men built relationships with the employees many of whom received Christ.

After a few weeks, foul language, violence, thievery, and tardiness had stopped. Worker turnover declined. Production and quality improved. The machines worked more reliably. Orders were delivered timely. Customer satisfaction increased, which improved collections. Within a year the company was totally changed, and instead of facing bankruptcy, the company began to thrive. For the first time ever, the employees received bonuses.

The sons realized that the problems that they had been trying to alleviate were simply symptoms of the spiritual state of the workers. Most of the employees, though Roman Catholic, had rejected God in their hearts, which opened the door for sin in their lives. Sin tormented the workers and the company because sin is "sand in the gears of life," as Dennis Peacocke says. As the workers' hearts were touched by the truth of the Word of God, they began to repent, which led to a changed work ethic and a healthy company.

Contrary to the perspectives of the sons and of the company advisors, conventional management theory proved to be inadequate as it failed to deal with the root issues that were destroying the company. The company was clearly saved from doom by the power of Christ, as revealed in the Bible and prayer, to bring about change in the hearts of the workers.

Today the company continues to thrive. The daily Bible study and prayer time continues. Company morale is excellent. Production and product quality are excellent, and product shipments are timely. Customers are satisfied and the company is growing profitably.

The company prospers because its workers are spiritually healthy. To express their gratitude to the Lord for His favor, the sons have adopted six key operating practices. The following is a summary of Biox de Mexico's practices from page thirty-one in the book *Kingdom Companies* by Knoblauch and Opprecht.

What do the Gomez Fernández brothers and Biox de México S.A. de C.V. do in order to communicate the Gospel in the world of business?

- They teach the Bible in daily meetings in study group sessions that last for up to one hour. These gatherings take place during working hours, with employees being paid for the time spent in these meetings.
- The brothers view themselves as pastors of their company, including all aspects of that calling, both within and outside of the company.
- Upon request, they will present every co-worker with a Bible. If the employee asks for it, they will also provide a study Bible.
- They pray for their co-workers daily. Within one year, the company emerged out of extreme difficulties that threatened to close its doors and developed into a strong, fully functional business.
- Every week on Wednesday, the owners tithe based on revenues of their company from the previous week.
- Working within a strong traditional and ritualistic church tradition, they teach Jesus Christ as the only redeeming individual.

In addition to the operating practices, there are several other key lessons to learn. Consider the following:

1. Always remember that spiritual reality is the prime reality. Physical reality is simply an outward manifestation of spiritual reality. No individual or organization will obtain lasting success without building that success on the rock of Jesus Christ as expressed by a genuine faith in God as revealed in the Bible.

For I command you today to love the LORD your God, to walk in his ways, and to keep his commands, decrees and laws; then you will live and increase, and the LORD your God will bless you in the land you are entering to possess. (Deuteronomy 30:16 NIV)

2. Good management requires good pastoral care—change occurs from the inside out. The role of management is to call each worker into his or her destiny. A key element of this work is to remove the sin that impedes the worker.

Jesus replied, "I tell you the truth, everyone who sins is a slave to sin." (John 8:34 NIV)

3. Remember and honor the role of founder. Every organization is ordained by God. Whoever is anointed to start an organization needs to be revered and respected. The advice and direction of the founder should always be carefully considered by management.

For every house is built by someone, but God is the builder of everything.
(Hebrews 3:4 NIV)

4. There is great power in an equally yoked leadership team. Once the three sons undergirded themselves with sound spiritual reality, they wonderfully complemented each other and pictured the power of a threefold cord that is not easily broken.

Though one may be overpowered, two can defend themselves. A cord of three strands is not quickly broken. (Ecclesiastes 4:12 NIV)

So how does one fix a broken company? Look first at the underlying spiritual reality that is driving the worldview of management and the workers. Make sure that this worldview is aligned with the Bible.

The solution of Biox de Mexico is a great approach. Offer the employees the Word of God. Lovingly invite them to receive Christ as their Savior and Redeemer, and pastor them. Then watch the transforming power of the Word of God change the workers and the company!

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