

THE SUNDAY Interview

PJ Timmins and Allen Fishman aim to help business people focus on the key factors for success



Philip Connolly

In late 2011, PJ Timmins was fighting to save an Irish business icon. As the chief executive of the department store Clerys, Timmins was in the middle of a perfect storm – a combination of legacy debt and a contracting market threatened to cripple the O'Connell Street store. A historic fixture of the Dublin's main thoroughfare, Clerys was in real danger of disappearing at the cost of more than 150 jobs.

There was, however, some light at the end of the tunnel. Boston-based investment firm Gordon Brothers had entered the picture, and Timmins was in the stressful and precarious position of trying to keep an ailing company operational, while also trying to sell it.

In the end, a deal was done, courtesy of a pre-pack receivership. For €14 million, the US fund snatched up the grand old institution of Irish retail. The deal saved almost all of the store's 150 jobs, though now some have been temporarily laid off.

One man whose job would not be saved was Timmins' himself.

It is a fate which befalls many chief executives in a distressed corporate buyout: they work to save the company knowing full well that they will likely be replaced.

For almost a year, Timmins knew this would be his fate, as he fought tooth and nail to keep a company alive despite knowing that regardless of the outcome he had no future in it.

"About a year or so before the takeover, the Gordon Brothers were very straight about it," says Timmins. "My answer to them was that it was not a problem. It was about doing the right thing."

After two decades in Clerys, Timmins stepped away quietly. There was no bitterness, just the quiet satisfaction of a job well done.

But it posed a big question – what next?

Having just turned 50, Timmins was looking for something different. He looked around, scouring the market for a suitable international franchise that he could import to Ireland. Along the way, he found a kindred spirit across the Atlantic in Allen Fishman.

A renowned speaker and writer on entrepreneurship, Fishman built his reputation on a rare feat of corporate alchemy. Fishman took over US electronics firm Tipton Centres in 1980 just as the company was about to go under after losing its \$2 million line of credit.

After stepping into the company as a co-owner, Fishman had a transformative influence and within six years the company was trading on the Nasdaq. The following year it was bought by British retail giant Dixons.

Fishman was not a man comfortable with fading into the background of semi-retirement and being an author and speaker wasn't enough – he needed to be back in the cut and thrust of business.

His new company, The Alternative Board (TAB), puts him back exactly where he wants to be – meeting and helping business people.

Having come across a number of informal peer groups and business networks at



Allen Fishman (left) and PJ Timmins
FÉARCÉL WARD

People who own a business don't know how to strategically lead

PJ Timmins CV
Role: managing director of The Alternative Board Ireland
Age: 50-51
Lives: Clonskeagh, Dublin
Hobbies: sailing, cycling

Allen Fishman CV
Role: executive chairman of The Alternative Board of Ireland
Age: 72
Lives: Colorado, US
Hobbies: hiking and skiing

"For us, it is about finding the right person with the right kind of experience," says Fishman. "We need someone who understands the culture of where they are working. Based on that, we set out to try to find the right candidate to adapt our system rather than us calling the shots from the US."

In Ireland, that man is Timmins. Speaking from TAB's new office in Dundrum on his first trip to Ireland, Fishman seems happy with his choice.

After two decades with Clerys, the role suited Timmins perfectly. "To come to a position where I could utilise everything I've done before hand to help business owners is something I knew I would get incredible enjoyment out of," he says.

moved from the nitty-gritty of a business. It is that objectiveness and accountability that TAB aims to provide.

The firm assembles a peer advisory group that brings together small and medium business owners from non-competing companies to share their collective wisdom and act as a professional way to bounce ideas around.

"Our boards are not about how to make a widget, they are about how to run a business," says Fishman. "One of the reasons why firms don't grow is that the people who own a business don't know how to strategically lead a business, they are too busy putting out fires. It is rare for a small business to plan and look at where they need to be in three years."

For Fishman, one of the key questions for any business owner is what success might actually look like.

"In a privately-owned business, everything should be about their vision of success," he says. "Often the biggest issue is not about the business, it is about getting the entrepreneur to decide what they really want out of life and what they want from the business, not in a month but in a decade. You own the business, you should be getting something out of it. Most business owners will spend more time figuring out what car they want rather than their vision for a business."

For small business owners, the service provides a mixture of think-tank and a place where they will be held accountable.

"Most business owners aren't accountable to anyone," says Fishman. "But if they sit in a board meeting and commit they will commit to something, they will be questioned about it next month. For the first time as a business owner there is a level of accountability."

Over the past few months, Timmins has been back and forth to the US to get ex-

People need to be allowed to take risks and, if it does go wrong, they can start again

keep the wolves from the door.

"The most extreme example is from the US, when one of our members came up and told me it saved his life," says Fishman. "This man's daughter had a drug problem and he couldn't focus on his business. He shared it in a meeting and they got him through it."

With Clerys among the most high-profile victims of Ireland's retail slump, Timmins has first hand experience of the consequences and failures of Ireland's property fuelled economy. As many of the pillars of Irish business have faced insolvency, Timmins believes that the Irish business environment has been irrevocably changed.

"Part of the fear of failure in Ireland was due to the archaic legislative environment," says Timmins. "I personally think that the requirements of our financial institutions of personal guarantees negate the whole concept of limited liability."

"People need to be allowed to take risks and, if it does go wrong, they can start again. Realistically, failure in Ireland was a life sentence. That is changing, our society has been changed as the best have failed."

With many in the SME sector struggling not only with their business but also their mortgage, Timmins believes that one of the main advantages of TAB could be as a support network.

"A lot of business owners are punch drunk after what they have had to deal with over the past few years," says Timmins. "They have had to take really difficult decisions, let friends go, and are at the end of their tether. This could be a way for them to reflect, to have support around them. It is in the nature of a lot of business people that they can be very focused on their own business; that is why you need external reviews."

perience of how the concept functions to try to adapt it to an Irish audience.

"There is a frankness about the way people communicate," says Timmins. "I have never witnessed people opening up in that manner before."

The challenge for Timmins will be translating an American concept to a very different Irish market.

There is a darker side to the stresses involved in ploughing the lonely furrow that is building a business.

With finances tight for many business owners, failure in a small business can mean more than losing a job. As the financial safety net that would previously have been available from banks has evaporated, a lot of small business owners are faced with working increasing long hours to

owning and running a business can sometimes be a lonely path. For many entrepreneurs and business owners, it can be difficult to take a step back. Being so involved in the nuts and bolts that are the daily details of running a business, big picture planning can get lost.

When a small business owner needs feedback about expanding or advice on strategy and marketing, the options are limited. You can take the expensive approach and hire an outside consultant, discuss it internally with an employee, or mull it over with family and friends. As sounding boards go, it is either expensive or biased.

"A lot of entrepreneurs can't grow a company on their own," says Fishman. "We don't work with companies who are just getting started, the idea is to help a company grow their success."

There is a reason that big firms have a board that is meant to be objective and re-