

Dungarvan Transport Ltd.

Tomás Horgan is Managing Director of Waterford's largest transport business, Dungarvan Transport Ltd., which is second generation family owned and run. The business has grown steadily over the last thirty years in terms of turnover and employment, and now specialises in three areas—wood transport, agri products, and pharmaceuticals. Tomás and his brother, Gerard, are both company directors and sole shareholders of the business.



The brothers have a dedicated and long-serving team that includes three non-family managers, drivers and engineers.

Tomás Horgan talks about the benefits of family and non-family management and the means of retaining top talent in his family business....

Q: 'Connect with our company and family reputation' is part of your company mission. How important is the family reputation to the business?

A: The importance of family reputation to business growth and success cannot be underestimated. Even though our customer base is made up of large national, international and semi-state businesses, the quality of service and commitment to customer care are guaranteed by my personal contact with these businesses. Putting the family crest and name on vehicles means we personally guarantee the supervision and compliance of this business.

Q: How does your company maintain a cohesive, talented team of personnel?

A: We have developed a cost competitive compliant business model. Our business has steadily grown, allowing the opportunity to recruit and retain a cohesive workshop, driver, and administrative team. Good work practices, a genuine concern for employee welfare, a compliant business with regard to hours worked, and pride in our fleet results in employees seeing themselves as part of a winning team.

We work in the business along with all employees, and our doors are always open to staff to assist them in their work and involve them in business decisions. As a family business we know each member of staff by name and we can tailor agreements with individuals that will maximise their input to the company.

We see that staff want to be a part of a growing energetic business and we invest heavily in new technology and training so that our business is productive, resourceful and seen as a benchmark for standards in our industry.

Q: Do you believe it's important to have a mix of family and non-family management? Why?

A: We have non-family staff working as managers within the business, which is very successful. This helps me to develop the business further and use the external expertise of consultants to continuously monitor and benchmark my business against the best in our industry.

For the next generation entering the business, a third level qualification is ideal because the business size and complexity has grown substantially, even over the last ten years.

Q: As a family-owned business, how do you incentivise non-family staff without selling equity?

A: We incentivise staff based on their performance in an agreement that recognises the hard work and commitment of management to expand this business. Working in an industry that is highly competitive we need to recruit and retain the best talent, remunerate them accordingly, but retain ownership in the family.



Tomás and Gerard Horgan

Q: In your view, what are the benefits for non-family working in a family business?

A: As a family business in the small to medium size sector, we have the benefit of personal supervision by family with the added advantage of having non-family members working at both management and non-management levels. This allows the business to grow and develop and I can concentrate on strategic management and delegate to employees as required.

Q. Do you have guidelines for employing family members? If so, what are these guidelines?

A: If a family member has a deep interest in the business, we will promote this in every way possible and having a third level qualification, while desirable for the person themselves, is not a prerequisite. We believe it would be beneficial, both for the family member and the business, that they gain some experience of working outside the family business before they take up a position. You have to run your business as a commercial concern and as the business increases in size and specialisation, you must manage it with the head, not the heart.

Of course it's important to pass the business to the next generation and have your family working with you, but, you're in business for three key tasks, namely profit, liquidity and wealth maximisation, and you must run a team that will best deliver the results.