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Transitioning From Consultant To Business Owner

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CONTRIBUTOR
I write about the ROI of culture and engagement.

Ira Sharfin had been a successful, big time consultant for 16 years. He was an expert at change management and even helped with the integration when mega-firms Coopers and Lybrand and Price Waterhouse merged in 1998. In 2005, he had the personal opportunity to buy a majority interest in Continental Office, a workplace solutions company based in Columbus Ohio that was already at $70 million in revenue, and primarily focused on furniture.

Ira was excited to move from advising companies to operating and owning one, and he was confident that he could simply apply all of the structure and processes he mastered while consulting to take Continental Office to the next level.

Not so fast.

Once Ira got behind the wheel and learned how the company operated, he made some sobering observations. First, the company was over 65 years old, so making change wasn't going to come easy or quick. Second, while the company had a strong reputation, they actually had a huge service issue. Sales seemed to be the only focus, and service to existing customers was not a strong point. And they had made the same mistake as the rest of us, taking strong workers and making them managers, but then not giving them the training and support they needed to be real leaders.

Ira’s first actions were to apply the same processes he had learned to implement as a consultant. Process would drive the results they needed. But he wasn’t getting the results he expected.

It was when Ira realized what business they were in that things started to turn. They weren’t really in the furniture business. They were in the people business. And if he listened to his people, involved them in decisions and implemented their ideas, then customer loyalty and financial results would follow.

So he started with a blank slate. Ira built the foundation with a new vision focused on 4 key pillars: The associate (employee) experience; the client experience; the “one team” experience and the community experience – the entire strategy was built around that. The objective became to take this company with a good reputation and move it from a focus on growth to a focus on greatness.

They now boast a 99.7% customer satisfaction rate and have grown to $125 million in revenue.

Much of what Ira learned stemmed from his willingness to be aware of his own strengths and weaknesses. He realized over time that he was more of a visionary and brought in a COO (who is now the company’s President) to run day to day operations. He talked less and listened more. He learned that when you own your own company, you pay less attention to the numbers (that’s just how you keep score) and more attention to the people. If you simply ask your people what is needed to improve, they’ll tell you. Simple structure and process isn’t enough.

Ira’s story is an important reminder for all of us. First, we need to understand who we are and why we are in business. Do you we want to grow for growth’s sake or build a great company? Do we let the numbers drive our decisions, or do we let our people drive the decisions to achieve the numbers? Most importantly, are we patient enough to listen to what our employees have to say?

Let’s all do a little less talking and a little more listening.

Paul Spiegelman is the chief culture officer of Stericycle and the CEO of the Small Giants Community.