

VISTAGE

Perspectives

Issue 6 | Spring 2020

Becoming the

CEO

*Your Business
Needs*

Three Vistage members took their businesses to the next level by evolving their strategies and their leadership. Here's how they did it.

pg 11

*Boosting
Productivity*

pg 5

*Chairing with
Head and Heart*

pg 24

Life after the Sale

pg 30

Vistage member Christine Lavdovsky grew her custom jewelry business to more than \$10 million in revenue.



MOULIN ROUGE

Set design and fabrication for Broadway and TV is hyper-competitive to say the least. You've got to be on top of your game and ahead of the curve at all times.

For Showman Fabricators CEO Robert Usdin, everything came to a head when his business hit a "rough patch" and he was faced with some big decisions.

With a bolt of inspiration from a Vistage speaker — and the support of his new peer advisory group and Chair — Usdin decided to make a huge leap that would change everything.

Read the full story on page 22.

Moulin Rouge on Broadway. Showman worked with scenic designers to fabricate three 50-foot LED-covered "heart portals" that captivate audiences daily.

Photo by Erica Hemminger. Set design by Derek Lane

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Improving the effectiveness and enhancing the lives of CEOs and key executives.

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Through coaching more than 100,000 CEOs and business owners over 60 years, we understand how leaders learn. Growth often starts from a place of comfort. It demands an honest assessment, vision and courage.

Reaching the next stage of the business life cycle typically requires shifts in strategy and the organization. The CEO cannot stay the same either. They must evolve their leadership to bridge where the business is and where it needs to be. And, of course, they find the right peers who can help them think through their toughest decisions in their Vistage groups.

In this issue, we capture lessons from members who've surpassed key inflection points: a Seattle entrepreneur who grew her handmade jewelry business while maintaining quality and the company's unique culture; a nonprofit leader who scaled her organization to help meet the needs of Pittsburgh's aging population; and the CEO of a well-established company who embraced a new generation of sellers and buyers.

We'll also introduce the Vistage Chair from Houston who's earned the highest honor for her approach to helping her members. And we'll share some amazing stories about members who are finding fulfillment after exiting their businesses.

I hope you find stories that inspire you and lessons that spark fresh ideas. Thank you for making this community the very best place for helping executives grow their businesses and develop as leaders. And that's exactly why members come and stay with Vistage.

All the best,

Sam

Sam Reese
CEO, Vistage Worldwide



4 | Mic Drop! Best advice from Vistage Speakers

8 | Case studies examine taking ownership of your company's culture

27 | Top priorities for CEOs facing a crisis

11

Becoming the CEO Your Business Needs

- ➔ GLDN CEO Grows Custom Jewelry Business for the Masses
- ➔ Nonprofit CEO Scales Care for a Booming Population
- ➔ Vector Marketing CEO Embraces New Generations of Sellers and Buyers

Which Vistage Speaker Had the *Biggest Impact*

on Your Business?

Brian Neff

“Competitive Advantage: Is Yours a Hit or a Myth? Arm Your Sales People for Stronger Profitability”

I came out of the meeting with a clear picture of how to market what our company does and how to separate ourselves from other vendors that a prospect might be considering. We have revamped presentation material, brochures, and just launched a new website that leads with our competitive advantage. The speaker had the most significant change in our marketing strategy in the 20 years of our business. We are now booking more business and closing more proposals.

— **Derek Griffin**

President, Speartek, Inc.
Atlanta, GA
Vistage member since 2016

Robert Teschner

“Debrief to Win: Foundations of Accountable Leadership”

Robert was a retired F-22 squadron commander and his story gave you respect right away! When performance isn't up to par, everyone is so quick to make the excuse “They are just millennials.” Robert put this in perspective by saying they didn't have a choice on who they trained in the Air Force. They had to train them, and if the new recruits didn't do their jobs, they could all die. It was a powerful statement that really made you think about accountability.

— **Monica Varrasso**

Director of Operations, Turn-Key Tunneling, Inc.
Columbus, OH
Vistage member since 2018

David Friedman

“How to Build a High-Performance Culture”

In my opinion, a CEO's top priority should be to create a culture that will attract and retain the top talent required to be a high-performance business. David's methodology has allowed us to create “The CargoTrans Way,” a list of behaviors or “fundamentals” that clearly defines who we are, how we treat all stakeholders and how we differentiate ourselves from our competitors.

Of course, listing these fundamentals and sharing them with the team is fairly simple. However, the key to successfully “hard-wiring” these fundamentals into your organization is to create rituals that focus on one fundamental each week. We're almost through the first round, and the results have been amazing.

— **Nunzio De Filippis**

CEO, CargoTrans, Inc.
Valley Stream, NY
Vistage member since 2017

Sima Dahl

“Social Intelligence: How to Accelerate Sales, Recruit Top Talent, and Transform Every Employee into an Online Brand Ambassador”

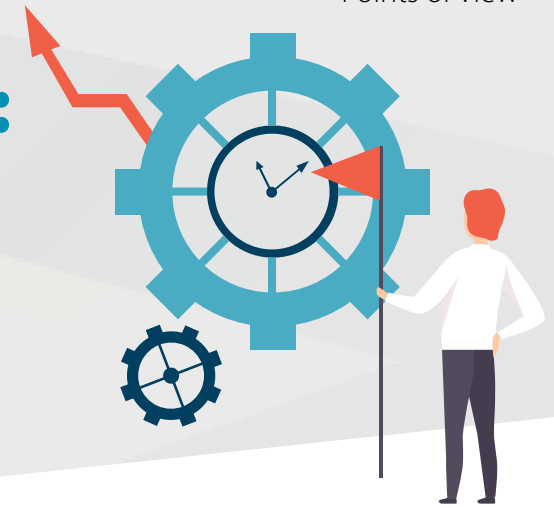
The presentation was fun and engaging because she used members' actual websites and LinkedIn profiles to demonstrate common stumbling blocks to success. Sima's suggestions were not labor-intensive activities. I love when Vistage speakers bring knowledge that I know my members wouldn't get anywhere else.

— **Joni Naugle**

Reading, PA
Vistage Chair since 2010

Boosting Productivity: Getting the Most out of Your Day

Members of the Vistage community are creative, industrious go-getters who have multiple demands on their time. What are their daily tactics for time management, project completion and self-care? We spoke with Vistage member Jesse Mecham in Utah and Master Chair Tom Cuthbert in Texas to gain insight into their productivity habits.



Jesse Mecham is founder and CEO of You Need a Budget, which has a 100% remote workforce and was ranked #4 in Best Small & Medium Workplaces of 2019 in Fortune's Top Places to Work. He is a 2019 Vistage Impact Award winner.



Tom Cuthbert is a three-time winner of the Chair Excellence Award and facilitates six groups with 100 CEOs and business leaders in San Antonio. He has built, bought and sold multiple companies across several industries; Google acquired his most recent company, Adometry.

When did delegating a job result in a significant boost in time?

Mecham: The key activity I delegated (and I wished I had done it years earlier) was to have someone take over my email inbox. Email is a time suck, and if you're running a decently large organization, you shouldn't be in your inbox.

Cuthbert: My friend Jack Daly says each of us can only do three things well. My three things are plan, facilitate and coach. I am constantly asking myself, “What am I doing that someone else could or should be doing?” I have a part-time admin, and we have built specific processes for the recurring tasks that improve my productivity.

Do you have any tips for being productive?

Mecham: I time-block “deep work” in my calendar six weeks in advance so that I get at least two hours per day of uninterrupted, unscheduled time. Every day, I tell Siri to set a timer for 25 minutes so that I can complete concentrated reading. Other than that, I like to leave my to-do list front and center. When those tasks are done, I'm done.

Cuthbert: Spend time planning and building processes that automate the routine parts of your work life. Develop a schedule that builds on behavior drivers to keep you focused. Don't get frustrated when things fall apart, because they will! Trajectory is more important than achievement. Appreciate the progress and begin again.

What do you do to take a break?

Mecham: I work from my home office out of a detached garage, so if I'm ever feeling foggy or just need to clear my mind, I'll go into my wood shop and dink around for 30 to 40 minutes. It's amazingly re-energizing to do something analog and with my hands.

Cuthbert: Exercise, sleep and recovery are keys to productivity. I track my sleep using the Auto Sleep app on my Apple Watch and plan to get eight hours a night. I take frequent breaks during the day and often conduct “walking” one-to-ones with CEOs. I rarely have lunch meetings, and instead use that time to refresh myself by walking, reading or listening to music.

Developing *Your* People

The No. 1 question on the minds of Vistage CEO members is “How do I develop my people?” For most, retention is only part of the goal. It’s also about achieving results, developing a culture and empowering their staff to lead so they can grow both the business and themselves.

These needs are the driving force behind our portfolio of programs for our CEOs and business owners. Each of the three programs leverages the best elements of the Vistage experience and is customized to the participants’ needs:



Case Study

Dome Construction

Est.: 1969
HQ: Bay Area, CA
Employees: 330
Revenue: \$480M

Accomplishments

- Grew **revenue 4x** in the last 5 years.
- Achieved a 94% **repeat customer** rate.
- Earned the **Best Places to Work** distinction 3 years in a row.
- Attained an enviable **employee retention** rate, especially in Bay Area construction.

Vistage Programs

- ✓ **CE** Chief Executive
- ✓ **KE** Key Executive
- ✓ **VI** Vistage Inside
- ✓ **EL** Emerging Leader

KE Key Executive

Designed for: High-performing C-level executives

Top-level execs need outside perspectives as much as the CEO. This program helps them create alignment between executive leadership and each business unit so strategy is executed flawlessly. That’s especially important if you’re grooming a key executive to be your successor.

VI Vistage Inside

Designed for: Your senior management team

It’s Vistage within the walls of your organization. The program equips your executive team with the skills to manage collaboratively, creates greater alignment, and fosters more effective communication and problem-solving. A Chair challenges the team’s thinking so they can achieve next-level performance.

EL Emerging Leader

Designed for: High-potential managers and individual contributors

This program prepares your rising stars to become your next generation of senior leadership. Participants receive training across 12 leadership competencies that empower them to deliver on company goals. The program helps them advance their careers within your organization, not outside of it.

See how Dome Construction uses a blend of Vistage programs to build leaders at every level.



All photos courtesy of Dome Construction

“To get the maximum benefit from your employees, improve their leadership skills,” says Mark Bley, chairman of Dome Construction, a commercial contractor in the Bay Area.

Bley and CEO Rob Lynch have seen the proof. To reach new levels of growth, they invested in leadership development for employees at every level of the business. It has paid off in revenue growth, repeat business and talent retention. A key part of their strategy: a blend of Vistage programs.

“It’s the responsibility of the company to keep training its people,” Bley adds. “Vistage was a key component of what was necessary to keep growing and training our employees.”

Starting from the top

Bley joined the Vistage Chief Executive Program in 2009 to improve his performance in the C-Suite. “Vistage helped guide me on a journey of being a much better CEO,” Bley says, “and I knew that Rob was going to be the next CEO. I wanted to see him better prepared than I was.”

With that succession plan in mind, Lynch started in the Vistage Key Executive Program. Lynch was skeptical: “I thought, ‘How can these people, in completely different industries, understand the nuance and complexity of the construction industry?’ After a couple of meetings, I was wowed. I realized the value of those objective outside perspectives. Those folks gave us the absolute best advice because they weren’t constrained by an institutional mindset.”

Lynch transitioned to CEO in October 2019 and has taken a seat in Bley’s former CE group. Bley moved to become Dome’s Chairman of the Board.

Accelerating success

Lynch’s Vistage experience also made him realize how valuable it would be to give his employees leadership

tools earlier in their careers. “That way, they can more effectively lead their teams, their projects, and themselves,” he says.

So Bley and Lynch introduced the Vistage Inside Program to the group directors of four business units. With increased responsibilities, Bley and Lynch prioritized giving them proper training, support and resources.

“We have people routinely saying how they’ve seen improvements in their performance, how they navigate challenging situations, and their ability to engage and motivate their teams,” Lynch says.

Dome is seeing the benefits too. It has a 94% customer repeat rate and a high employee retention rate.

Even the group directors are paying it forward. One of them identified an employee who’s early in her career that would benefit from the Vistage Emerging Leader Program.

“Getting exposure to these principles and ideas this early is going to allow her to be tremendously successful, grow faster and alleviate a lot of stress,” says Lynch, who serves as her

mentor in the program. “You see this awareness settling in, after the first few mentoring sessions.”

“I’m grateful that we’re able to pass Vistage on to our next level of leaders within the company,” Lynch says. “It’s improved me. It’s improved our company. It’s improved the people who have been exposed to it.

“Since we’ve been fully invested in Vistage, we’ve grown revenue almost fourfold, earned Best Places to Work three times, and seen strong retention. We would not be the company we are without the help and the development we’ve received through Vistage.”



Take Ownership of Your Culture



By Joe Galvin,
Vistage Chief Research Officer

Research shows that culture is critical to performance. Learn how two Vistage members created theirs.

Executives understand the power of culture, but they often feel unsatisfied by their own. In Vistage's report "Creating a Conscious Culture," input from 1,518 CEOs and business leaders showed that 63% "strongly agree" that culture is critical to their company's success. But only 11% of executives were satisfied with their company culture.

Why does this culture gap exist? Too many executives allow culture to develop organically, leaving it to the whim of strong personalities and office politics. But a good culture can't be left to chance. Companies must hone their mission, vision, purpose and core values as foundational elements of culture. Employees must feel like they're part of something bigger than themselves.

A winning culture includes four fundamentals:

1. Fused by trust
2. Defined by elements such as behavior, rituals and communication
3. Bound by a mission and values
4. Powered by a shared purpose

Two Vistage members — Paul Esch and Julie Mueller — once left their company cultures to chance. They've since built engaging, value-based cultures powered by transparency and a shared mission. Here are their stories.



Case Study: Paul Esch

CEO of Concrete Value Corp., Sacramento, CA

Culture Pays Off for All

Paul Esch created his company's mission and value statements and then made them easy and lucrative for employees to follow.

In 2005, Paul Esch surveyed his employees, vendors and customers. He was concerned by the results. Too many people cited his name rather than the company's, making Esch worry that people saw Concrete Value Corp. (CVC) as a one-man show. For CVC to thrive, people would have to trust the company, not just him.

With the help of a Vistage speaker, Esch created CVC's mission and value statements, both of which fit neatly on the back of every employee's business card. They started with the C-V-C in CVC Holdings, crafting a simple vision statement: "Creating Value for Customers." From there, the mission statement was created: "Identify and provide concrete values that are critical to the success of

our customers." The last step was to form the value statement, which is represented by the acronym VALUES:

- **V**erify the ideal outcome
- **A**nalyze the design and scope to maximize value
- **L**everage our knowledge
- **U**timize our resources
- **E**xceed our customers' expectations
- **S**afety and training employees on processes

Esch says that he has seen vast cultural improvements since making these changes. "This company became incredibly easy to run," he says. "People that work for us look out for each other because they're only successful together."

Coming out of the recession, Esch implemented an incentive program driven by the idea that success comes through collaboration. CVC's Save the Waste program gives equal cash bonuses to managers and laborers as a reward for reducing worksite waste. During the first year of the program, CVC saved enough to give each employee a \$500 bonus. At the end of last year, each of CVC's 870 employees received a bonus check for over \$4,000. The program has also paid off for CVC's business. Esch says that CVC's market share in Northern California grew from 13% to between 22% and 25%.

The incentive program, as well as CVC's culture, can still grow along with the business. But Esch is in no rush. He knows that culture is built slowly, brick by brick, starting at the top of the company and becoming truly successful only when it reaches frontline employees. This will continue to happen over time, he believes.

"Our culture and our incentive programs affirm our values," Esch says. "It isn't that money in itself drives people. It's really a question of whether they have something to work toward. If the company does better, they're going to do better. It creates a win for everybody."

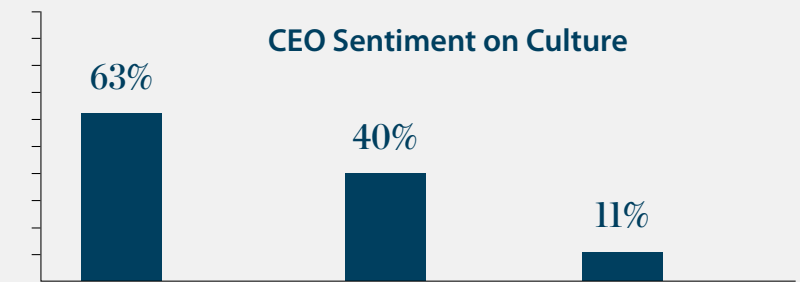


Photo courtesy of CVC

↑
2019 Vistage Lifetime Award winner Paul Esch presents at an annual event where employee bonuses were distributed.



Source: Q3 2019 Vistage CEO Confidence Index



Culture is critical to our company's performance and success.

The development and promotion of our organizational culture is a priority.

I'm satisfied with the strength of our organizational culture.



Case Study:
Julie Mueller

CEO of Custom Design Benefits, Cincinnati, OH

An Intentional Change in Culture

To set her company apart, Julie Mueller created a culture dedicated to extraordinary client service.

Despite receiving top workplace awards over the years, **Julie Mueller** noticed something was off with the culture at Custom Design Benefits. She detected a growing us-versus-them mentality that was driving employee disengagement at some levels.

The path forward became clear when Mueller saw David Friedman, CEO of High Performing Culture, speak at a Vistage meeting. After listening to Friedman's presentation, she realized she needed to define her company's culture to reflect her values.

Mueller brought in Friedman to help her redefine her company's culture and steer it back to one built on open communication, trust and clear expectations. After months of work, she implemented 23 behaviors for employees, naming them "The Custom Way." The fundamentals include honoring commitments, listening generously and speaking openly. The Custom Way also describes what Custom Design Benefits is, how employees do their work, and how they treat clients, partners and each other. In late 2018, Mueller held company-wide meetings with employees over 2 1/2 days, to help them adopt The Custom Way.

Mueller has seen a more trusting and positive culture emerge, a culture



Photo courtesy of Custom Design Benefits

she has intentionally created. Each week, the company focuses on one fundamental behavior and promotes how it drives success. Employees commend each other when they see these behaviors, while management evaluates and recognizes employees each quarter on these areas. It paid off: One of the 23 fundamentals is "own it," and Mueller has noticed more people taking on tasks that aren't necessarily their own. She hears employees say, "Let me take care of that."

Mueller says that she leads and builds trust through transparency. She shares the results of both employee and client satisfaction surveys with her team so they know where the company stands. Business leaders use The Custom Way to provide feedback and recognition. And while employees live the culture, Mueller knows that she has to be deliberate in how she sets the



Custom Design Benefits employees celebrate Wear Red Day for the American Heart Association.

tone. "It has to be from the CEO," she says.

In this year's "Best Places to Work Survey," five months after The Custom Way was implemented, Mueller was excited by how many employees gave engaged, laudatory responses about the new culture in the survey results. This led to Custom Design Benefits being once again named one of Cincinnati's Top Workplaces.

"Our employees are owning the culture," Mueller says. "It's got to come from the top, but now it's living and breathing in all of our employees. And that is the ultimate goal." ■



Download the report at:
vistage.com/culture-report

Becoming the CEO Your Business Needs

Bringing an organization to the next stage of the business life cycle frequently requires a transformation. Often hard. Usually messy. But oh-so-rewarding.

Meet three Vistage members navigating those changes. Despite being at different stages in their companies' development — as well as their own leadership journey — each one had to develop new skills, move out of their comfort zone and broaden their vision to drive the business forward.

As you'll read, their road to success was never only about meeting the numbers — but about becoming the leaders that their businesses needed.



Navigating the Growth Stage

GLDN CEO grows custom jewelry business for the masses

GLDN CEO **Christine Lavdovsky** remembers her days as a money market analyst for Goldman Sachs. While the role fed her competitive spirit, she didn't find it fulfilling. She wanted to do something that also brought joy and had meaning. "I've always loved to work with my hands, to make tangible things I could share with people," Lavdovsky says. "At Goldman, I felt this creative void."

She ultimately left Goldman and eventually started a storefront on Etsy, where she sold a variety of goods — from clothes to furniture. "Working from the heart made me completely shift gears. I had so much passion for creating products that helped people connect with what they loved and wanted to figure out a way to do handmade, personal jewelry at scale."

And she did. In just a few years, Lavdovsky became Etsy's No. 1 "handmade" seller. Seeing the success of her jewelry, in particular, she launched a standalone venture: GLDN. GLDN creates stylish handcrafted jewelry that is personal and affordable.

GLDN CEO Christine Lavdovsky completes an order while her cat, Obi-san, remains uninterested.

All photos by Ashley and Zachary Vemwell



A jeweler puts the finishing touches on a new piece.

Lavdovsky had another success. Within five years, GLDN hit \$10 million in revenue. This trajectory, however, was not sustainable in her eyes.

Tension: Handcrafted vs. large-scale production

Lavdovsky decided to throttle growth rather than expand faster. She wanted a deliberate approach to scaling operations. She focused on putting a solid foundation in place with proper systems, processes and talent, while preserving the culture and quality of her products.

While it would have been easier to expand the company's first workshop in a small town in Washington state, Lavdovsky opted instead to open a satellite in neighboring Bellingham. She explains, "I want our shops to stay small, so everyone can interact as individuals and people know that they matter. I never want GLDN to feel like an impersonal factory."

The Bellingham shop is a prototype for future satellites. A central challenge to the business is coordinating the intricate assembly of handmade pieces across multiple sites. "One approach is to customize our enterprise resource planning (ERP) system to attach 'recipes' to orders so that they could be fulfilled by a team of people located pretty much anywhere."

Bellingham also represents the next big step in advancing Lavdovsky's vision of "empowering people through craft." GLDN's second satellite shop will likely open in rural eastern Washington, where good jobs are scarce, especially for working mothers. She says the decision is inspired, in large part, by her mother, who raised three children on her own. Lavdovsky calls her "the hardest-working woman I've ever known."

Empowering others is a central theme in GLDN's give-back program, too. The company donates 10% of its annual profits to nonprofits that are creating positive change. Past recipients include the Malala Fund, Washington Trafficking Prevention and Minds Matter LA.

Tapping talent at all levels

GLDN's expansion hinges on sourcing the right talent. "I can only design so many complex pieces for our inventory, because at any given time, we may not have enough metalworkers sufficiently trained to do the intricate work," Lavdovsky says.

As part of her talent strategy, GLDN has engineered an interview process that identifies people who have a lot of potential but no formal training in a craft and could use more flexibility than traditional 9-to-5 jobs. It begins with a dexterity

! Situation

Meet the growing demand for handcrafted, affordable jewelry.

🎯 Challenge to the business

Grow a pool of talent that can mass-produce intricate, quality products with limited oversight, while retaining a culture that values the individual.

👤 Leadership growth

Adapting her own leadership style as CEO and embracing the power and necessity of delegation.

📊 Results

- Reached \$10M in revenue in 5 years
- Grew to 100 employees within 6 years
- Created give-back program that donates 10% of annual profits to charitable organizations creating positive change

test that tasks applicants with manipulating fine components. Applicants then complete a paid day of work under close observation. "We really value aptitude over previous experience," Lavdovsky emphasizes.

She also looks for personalities with the right traits to assume leadership roles.

Lavdovsky points to her current leadership team as proof. "Our head of HR, for example, started as an assembler. I found she had the highest EQ of anyone I knew, complemented by a direct style of communication," she says. "Another woman started polishing, but showed an interest in documenting processes and is now overseeing the rollout of our ERP."

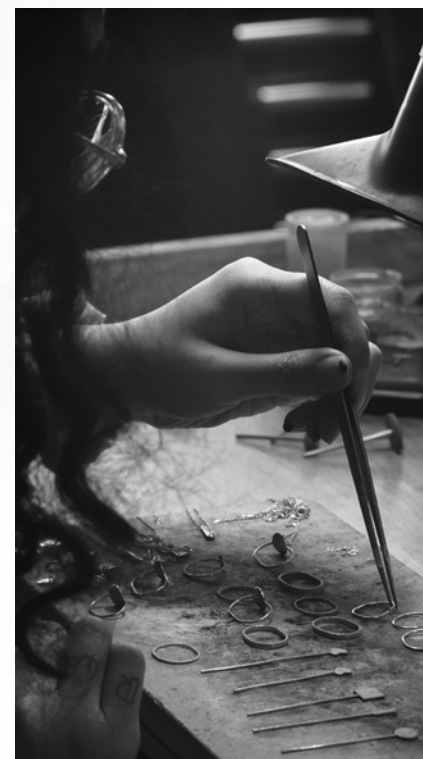
This process of hiring based on ability and personality has served to make talent a core asset for GLDN, Lavdovsky says.

“My group reminded me that every CEO is different. It’s about me forming a leadership team that fills in the gaps where I’m not strong and allows me to lean into my strengths.”

— Christine Lavdovsky, Vistage member

Identifying a blind spot

At one point, Lavdovsky considered replacing herself. Despite efforts to stay hands-on with the jewelry, she had found herself mired in bureaucracy and number-crunching, the kind of abstract work she'd wanted to leave behind at Goldman.

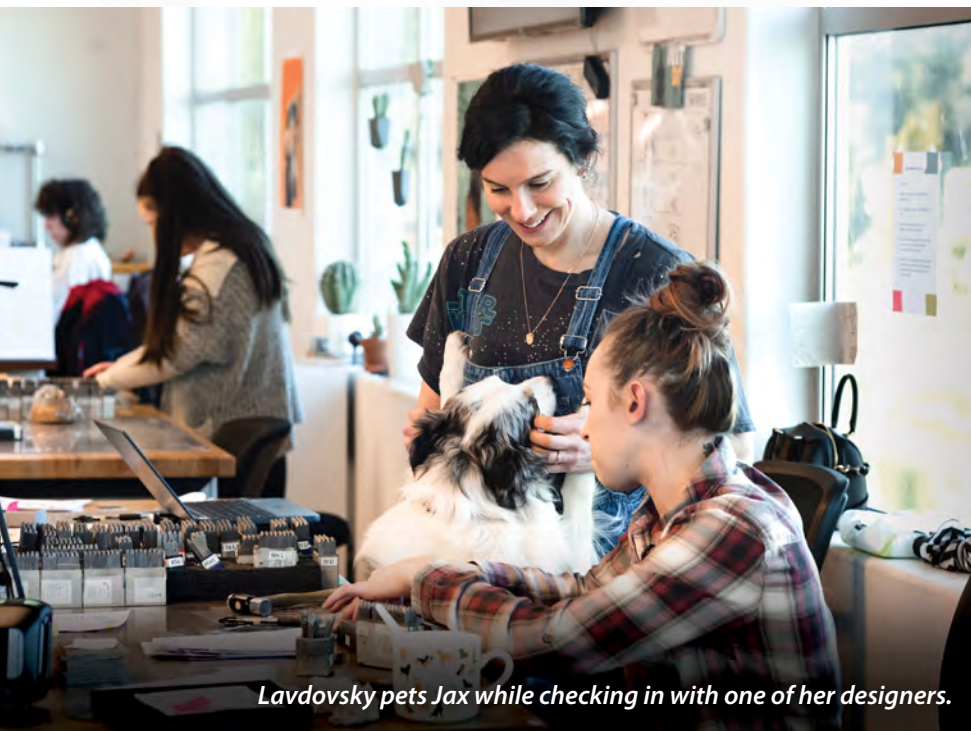


"I approached my Vistage group, prepared to tell them I was going to find a replacement," she recalls. "It was a charged moment. My group reminded me that every CEO is different. It's about me forming a leadership team that fills in the gaps where I'm not strong and allows me to lean into my strengths. That's what convinced me to stay. My group helped me see my blind spots."

Lavdovsky rounded out her team with more seasoned business leadership, including a new COO. "Without him, we wouldn't have been able to grow like we have or scale like we're planning."

It can be difficult for any entrepreneur to relinquish control and delegate, acknowledges Kevin McKeown, Lavdovsky's Vistage Chair. "But leading through others is critical to achieve results."

Lavdovsky's results speak for themselves. She has surpassed the notorious \$10M revenue hurdle and grown her talent pool of one to 100 in six years, and finds fulfillment in her business and mission. ■



Lavdovsky pets Jax while checking in with one of her designers.

Rebuilt to Scale



Nonprofit CEO scales care for a booming population

"A few years ago, I saw something unprecedented: empty nursing home beds," says **Deborah Winn-Horvitz**, CEO of the Jewish Association on Aging (JAA) in Pittsburgh.

Using big data, insurers had been able to justify reducing coverage for short-term stays, such as rehab after surgery. This was a radical change that blindsided all nursing facilities, including the 115-year-old JAA nursing home. Empty beds translate to losses, a difficult situation for a nonprofit already grappling with regulatory changes and Medicaid reimbursements that have remained flat for five years.

JAA serves people of all faiths and all income levels. And it has more demands than ever. Pittsburgh sits in Allegheny County, home to one of the oldest populations in the U.S., second only to the residents of Miami-Dade.

Winn-Horvitz saw the need to diversify JAA's services and radically reorient its growth strategy. "Although it was obvious we had to move in a new direction," Winn-Horvitz says, "it wasn't a trivial decision."

Setting the foundation for transformation

Thankfully, when Winn-Horvitz joined the JAA in 2012, she started projects that would enable JAA to not just pivot from nursing homes but to grow while doing it. One of her first moves was to create a development department that could run sustained fundraising. JAA proceeded to launch a first-ever capital campaign in support of a new strategic plan. It has raised \$14 million over three years — the most of any individual Jewish service organization in Pittsburgh's

Winn-Horvitz, a 2019 Vistage Leadership Award winner, cuts the ribbon on the new AHAVA Memory Care Center of Excellence.

All photos courtesy of JAA

! Situation

Nonprofit needs to serve a rapidly growing population of seniors while grappling with regulatory and reimbursement changes.

🎯 Challenge to the business

Launch a transformational strategic plan that diversifies and scales offerings to serve seniors while maintaining quality care.

👤 Leadership growth

Managing large-scale change through a board of directors and a 500-person staff.

📈 Results

- Increased lines of business from 6 to 10
- 38% patient growth
- 25% growth in operating budget



↑ **Winn-Horvitz breaks ground on The New Riverview renovation in May 2019.**



→ **Winn-Horvitz with her dog Cookie and a JAA resident**

history. The money funded AHAVA Memory Care Center of Excellence, Pittsburgh's first new center in 20 years dedicated to the treatment of Alzheimer's disease and other forms of dementia, as well as beginning a much-needed endowment.

"As responsible stewards of this money, we made the strategic decision to retrofit existing nursing home space for the memory care center, rather than start new construction," Winn-Horvitz says. The center opened in 2017, and has since earned accolades and operated at capacity. The residence is necessary, not just because of the high rates of Alzheimer's, but because patients with the disease will almost inevitably require assisted living.

Shifting from on-site to at-home care

Winn-Horvitz has managed the transition from predominantly on-site care to at-home care, meeting the preference of baby boomers who prefer to age in their own homes. This effort required her to digitally transform key services, implement new care programs and acquire senior living facilities. She has overseen the transition to an electronic medical records system that provides consistent tracking of patients in and outside of JAA's facilities. To expedite nursing visits, JAA collaborated with Carnegie Mellon University to pilot a wireless call bell system that gives the nurse succinct information about a patient's location and needs. JAA also has introduced remote doctor's visits through telemedicine.

To improve quality of care, Winn-Horvitz has spearheaded several new services to help seniors

navigate the complexities of late-life care. She established a new role whose sole responsibility is to help seniors choose the right care options. The White House invited her to speak on JAA's HomeMeds Medication Management program, which sends a medical professional to review a senior's medications and his or her home for potential hazards. "Complications from prescription medicine are one of the most common causes of emergency room visits and hospital stays. About half of our reviews turn up one red flag. Patients will receive a generic from the hospital and a name brand from their doctor, and won't realize they're taking the same thing twice," explains Winn-Horvitz.

To bridge JAA and seniors who will require more involved care in the near future, Winn-Horvitz has acquired a large block of senior living apartments. "We can start to build relationships with the residents of The New Riverview. And when they need care, JAA's campus is just a few steps away." JAA is also finalizing plans to construct a state-of-the-art independent living facility on its campus, an "apartment for life" concept for seniors to age in place.

Leadership growth

To manage her numerous strategic initiatives, Winn-Horvitz has made significant internal changes at JAA. "My Vistage group reminded me that you need the right people in place to implement the right processes," Winn-Horvitz says. "Within the last three years, I've put in place a new CFO, COO, HR director, development director and marketing/PR director."

The new leadership has been effective. Despite severe regulatory challenges, JAA has successfully increased lines of business from six to 10. This has resulted in patient growth of 38%, to 4,000 patients per year, and a growth of 25% in the operating budget to \$40 million.

Although it was obvious we had to move in a new direction, it wasn't a trivial decision.

— Deborah Winn-Horvitz, Vistage member

While scaling the organization, Winn-Horvitz has grown in her leadership. Reporting to a board of directors was a first in her career, and she had to take them through the decision-making path so they understood and supported the plan. She also had to communicate the plan to 500 staff members, who worried how the changes might impact their future. Note: JAA was able to retain all positions and move every employee to another area of the business.

Winn-Horvitz says she believes JAA's next growth phase will almost certainly involve partnering with similarly sized faith-based providers. "It's becoming impossible for even midsize healthcare firms to survive. At the same time, we don't want to compromise our mission and values," she says. "By partnering with similar organizations, we'll have far more leverage negotiating prices with our vendors and payers, and gain operational efficiencies."

Looking to the future, Winn-Horvitz acknowledges that the healthcare industry is hard to predict, especially senior care, which ranks near nuclear energy as one of the most heavily regulated in the country. "It's possible that in a decade we'll start to see seniors return to nursing homes. Really, the only way we can exert control over our future is to find ways to continue to scale." ■



Sharpening Strategy and Leadership

Vector Marketing CEO Albert DiLeonardo embraces new generations of sellers and buyers

Many CEOs can claim they run a mature company, but only a few can say they've matured along with it.

Today, **Albert DiLeonardo** is ranked as one of the "Best CEOs," by Comparably ahead of both Jeff Bezos and Tim Cook. Plus, Vector Marketing posted the most successful year in the company's 40-year history. He is also a devoted husband, the father to four adult children and a man whom friends describe as dependable and high-quality — kind of like the knives his company sells.

"He's had to have very nimble leadership in the face of changing online retail efforts and the changing millennial population," says William Anderson, who serves as DiLeonardo's Vistage CEO peer advisory group Chair. "He's stayed ahead of it because he's a lifelong learner and he's very intellectually curious and humble. He's willing to listen. That's a wonderful trait in a senior executive."

Vector Marketing is the marketing and sales arm of Cutco Cutlery, a 70-year-old company known as much for its sales force of college students as it is for its wares. The company trains young adults to present and sell Cutco products

Vector Marketing's Albert DiLeonardo went from selling knives to being named one of Comparably's "Best CEOs in the Nation."

All photos courtesy of Vector Marketing



DiLeonardo's staff at his New Jersey headquarters

both in-homes and through virtual demonstrations. In an age of one-click shopping and fleeting eye contact, DiLeonardo says his young sales force remains the heart of the company.

"We have a foundation of high expectations. We talk about personal growth, about developing into the best possible version of yourself," he says. "It is exciting to impact young people's lives."

And by investing in its people, DiLeonardo says his company has been able to not just evolve but excel.

While some mature companies have had a difficult time navigating changes in distribution channels, social media, and millennial and Generation Z workforces, DiLeonardo says Vector Marketing has been able to leverage these shifts to its advantage. In 2019, the company reported \$273.8 million in sales, a 1.6% increase over the previous year and the best year in the company's history.

Innovating in a changing landscape

While direct sales and personal connections are still the driving forces behind Vector Marketing, DiLeonardo acknowledges that we live in a digital world. That is why the company created a technology center, through which students who wish to become Cutco sales representatives can now apply.

"The students also now have the ability to interview and train virtually," he says. "We also have a virtual presentation, so if you have an

"We have a foundation of high expectations. We talk about personal growth, about developing into the best possible version of yourself."

— Albert DiLeonardo, Vistage member

! Situation

A decades-old direct sales leader needed to adjust to shifts in workforce expectations and modern distribution channels.

🎯 Challenge to the business

Launch a technology center that matches how millennials learn and connect, while staying true to the foundational values of the company.

👤 Leadership growth

Innovating to adapt to new preferences and the habits of a different generation of salespeople and customers.

📊 Results

- #27 on USA Today's list of Best CEOs 2019
- #23 on Comparably's Top 50 Best Large Company Cultures 2019
- \$273.8 million in sales in 2019, best year in Cutco history



aunt in another state, you can show them the products through the virtual presentation."

DiLeonardo says presentations are also shorter, in a nod to society's diminished attention spans.

Underscoring strengths

In addition to working with students during the summer and school year, the company has built a team of career sales professionals who represent Cutco in a variety of alternate channels, DiLeonardo says, including home shows, fairs and food-related events.

These sales professionals also engage with soldiers and their families on federal military bases. They also work with realtors to provide meaningful "closing gifts" to celebrate a successful home purchase. In fact, DiLeonardo says providing gifting solutions for business owners in any industry is a team priority.

In-person presentations leverage the drive and enthusiasm of the sales team, DiLeonardo says, while showcasing well-known products in a new and intriguing way. "In an age of impersonal sales, this high touch approach is a key differentiator," he adds.

Valuing the entire team

DiLeonardo outright rejects the stereotype of millennials and Generation Z as entitled and unwilling to work. Every day, he marvels at a workforce that is just as eager and enthusiastic as those who came before them.

But there is a difference in today's young adults that DiLeonardo says his predecessors could never have predicted.

"When I was in college, I was basically told, 'Sit in a corner for 10 years, and then tell us what you think,'" he says. "We never had the ability to email the CEO of a

company and tell them how their business should be run. But today, all those barriers are gone, and they're not afraid to question things."

A less confident CEO might bristle at the new brashness, but DiLeonardo welcomes it. As a result, Vector Marketing remains a desirable place for young adults to work. The company was ranked #23 on the Forbes "Best Companies for Corporate Culture" list.

"I love that they share their opinions. They are very thoughtful and come up with good ideas," he says. "You can get a lot of good ideas from people that are a year into the business. In our business, young people matter, so we treat them like they matter."

"They are the soul of our company," he says. "We demand excellence in our people, and they really respond."

The necessity of an Asset Protection plan

Author: Ariel R. Enisman, Esq., is an attorney for The Presser Law Firm, P.A.

The beauty of the U.S. legal system is that it allows everyday Americans an opportunity to seek justice. The ugly truth is that the legal system is routinely abused.

If there is money to be won, there is no shortage of lawyers willing to take frivolous cases on a contingency basis. This turns the thousands of ordinary people working to build financial security for themselves and their families into targets of predatory lawyers and lawsuit-obsessed citizens.

Don't be the low-hanging fruit without an Asset Protection plan

One lawsuit could destroy everything. Even if you're innocent, you could rack up a bill in the tens of thousands of dollars to defend a suit. In the U.S. alone, hundreds of millions of dollars is spent fighting frivolous lawsuits every year.

The good news: Asset Protection provides a legal, ethical way to safeguard your wealth. With a proper Asset Protection plan, your assets can become protected to the point where a creditor can't recover assets as a matter of law, and won't as a matter of practicality.

How it works: Start small, and add firewalls as needed

Asset Protection plans should start off very simple and relatively inexpensive. It is always better to do less and follow the structure than do a poor job in your attempt to do everything.

Inventory your wealth. Consider everything valuable you have: liquid assets, properties, businesses and the like. There are several others, and once you begin listing them, you will realize you have far more unprotected assets than you realized.

THE PRESSER LAW FIRM, P.A.
ASSET PROTECTION ATTORNEYS

Select your most important asset. That is what an Asset Protection plan should be designed to protect first and foremost. You can always add on to your plan to protect your other assets. Start small and add firewalls and layers as your understanding and assets grow.

Anticipate trouble and plan accordingly

Asset Protection can be viewed as a form of insurance. Just as we have insurance on our houses and cars, Asset Protection is the insurance to protect the rest of our assets.

This is why planning in advance is critical. Just as you don't buy car insurance after an accident, Asset Protection works at its best when implemented before the need arises.

A carefully crafted strategy of titling your savings, property, business and other assets can shield you from lawsuits and provide you and your family with peace of mind before trouble ever strikes.

While many people can make money, few know how to protect it

Having an Asset Protection plan won't guarantee that you won't get sued. It also doesn't mean you won't lose should you face a lawsuit.

What it does mean is that rather than lose everything in a wealth-threatening lawsuit, you can settle for pennies on the dollar. In this way, Asset Protection is a safety net — a legal, ethical way to protect your vulnerable assets and create impediments for your lawsuit-obsessed adversaries.

Protecting yourself will take time, effort and money. But protecting your assets is your best possible investment.

If you would like more information regarding Asset Protection, estate planning or small business management, or are interested in Hillel L. Presser, Esq., MBA, or Ariel R. Enisman, Esq., as your Vistage speaker, email info@assetprotectionattorneys.com or call **561-953-1050**.

Bold Moves *for* Big Growth

Most people don't know the name Showman Fabricators, but they know its work. For a third of a century, Showman has built sets for all the major networks, including an intricate two-story set with a flying LED screen for Fox Studios. If you've ever attended Broadway shows, such as "Moulin Rouge," "Memphis," or "Charlie and the Chocolate Factory," you've seen Showman's sets. The company has also helped create public and commissioned art, themed environments and special events all over the world.

After hitting a rough patch in 2008, Showman's owner, **Robert Usdin**, joined Vistage to grow the business. Soon after, he relocated his company — a move inspired by a Vistage speaker who pushed the idea of creative disruption as a way to revitalize a business.

Although it would mean leaving New York, Showman's home for 29 years, Usdin was confident that moving to a much larger facility in New Jersey — along with implementing a dramatic upgrade in technology — would allow his company to take on bigger, more intricate work.

However, orchestrating the move would not be easy.

So Usdin mobilized his Vistage peer advisory group to help create an action plan. "The group helped him navigate all the moving parts," says Chair Jerry Cahn.

Within just a few months of the big move, Norwegian Cruise Line asked Showman to design and fabricate a laser tag arena to sit atop the first of their newest class of cruise ships. The arena would need to withstand sun, wind and rain. It would be a challenge, but one that they were now equipped to meet. The new facility made it possible for the company to adapt its technology — specifically 3D laser tube cutting and 3D foam carving — to meet the demands of an extremely

tight delivery schedule. Norwegian Cruise Line was so pleased with the results that it ordered two more laser tag arenas.

Custom fabrication is a competitive industry, Usdin says, so it's essential to exceed customer expectations every step of the way. While he has always been passionate about his work — engineering, fabricating and installing scenic elements — he says that Vistage has helped him hone his leadership skills. He now embraces balancing his time between working *in* the business and working *on* the business. He also relishes the team he's assembled and the growth they've seen.

Since joining Vistage, Showman's business has doubled, allowing Usdin to grow his company to over 120 employees while building his executive dream team. Before Vistage, Usdin says he didn't talk with anyone outside of Showman about his business. Showman is so unique he never thought that other business leaders could have similar challenges.

"It's not like any of them have ever built a laser tag arena or Broadway set," he says. "But that's a special part of Vistage. There are common threads that run through every business, and we all learn from each other." ■



Usdin in his new facility in New Jersey

“Over the years, Bob has learned to use data to redefine the core customer focus, adopt technologies for increased quality and efficiency, and implement systems to increase profitability. He challenges assumptions and welcomes new approaches to business development and innovation. The Showman Fabricators that he is building for the future represents a leadership transformation for himself and the company.”

- Jerry Cahn,
Usdin's Vistage Chair

Showman facilitated the design, build and installation of Norwegian Cruise Line's open-air laser tag arena, Atlantis (pictured).

All photos courtesy of Showman Fabricators



With her grandson in hand, Robin Stanaland accepts her Cope Award at ChairWorld 2020.

Chairing with Head and Heart

Chair Robin Stanaland goes the distance for her members.

“True servant leader” is an expression often used to describe Vistage Chair Robin Stanaland. For more than 14 years as a Chair, she’s been known for putting members front and center in everything she does.

There’s the story of when Stanaland who, during a one-to-one session, pushed her member to go visit a doctor when he kept grabbing at his back. After finally getting it tested, he called Stanaland from the hospital asking her to come right away. She arrived to discover he had days to live. She sat at his bedside, and for the next several days, they processed the fact that he was dying, what they

would do, and how they would handle it. She reassured him that she would do everything within her power to make sure his family would be OK, and that his business would be looked after as he wished. And Stanaland did — even creating a tiger team of the member’s advisory group to educate his daughter on how to run the business.

Stanaland and many of the members drove 90 minutes every week to meet with his daughter and teach her what they knew. In the first year, the member’s daughter generated more profit than her father ever had.

“It is a privilege to play on the 50-yard line of their lives. If you care deeply for people, you love the work.”

— Robin Stanaland,
Vistage Chair

And there’s the time that Stanaland’s Vistage group visited New York City together when a member’s business was going public. Over the course of that year, the group helped him process and prepare for the event, and they were present for the ringing of the bell.

“It was exciting and a great bonding experience for us. It also showed members what’s possible,” she says, adding that he became the No. 1 builder in his space in the U.S.

It’s this level of dedication that has won Stanaland just about every high honor Vistage offers. It is also this level of service over time that has earned her Vistage’s highest and most prestigious recognition: the Don Cope Award, given to the Chair who has made the greatest lasting contribution to the Vistage mission and purpose.

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Stanaland’s high-performing group #812 on a member’s company truck, celebrating the business’s 75% growth in 2019

Stanaland first joined Vistage in 1998 as a member when she was responsible for growing and running an IT consulting firm. Within five years the company grew from startup to \$18 million in revenue. The business was then acquired, and the new owners retained Stanaland to oversee the Houston division. Soon after, she started her own merger and acquisition firm, offering intermediary services to midsize companies.

While she was a Vistage member, Stanaland says she always knew that she would be a Chair. “My membership was instrumental in my ability to build a company. I had never done it before. I didn’t know what I didn’t know. I was in a group with members who were really tough on me — and I really needed that. They had navigated the path I was navigating. Being a member was transformational for my business and in my life. It made a huge impact.

“Now I have the privilege to be able to help members transform their lives — to be there to help them through transitions and challenges . . . to be that person who they can go to for anything, whether it’s personal or for their business. It’s an honor to be someone they can trust, be vulnerable with, and who has their back, no matter what,” she says. “They know I will do anything to help them.”

Today Stanaland describes Chairing as “the most rewarding and meaningful” work she’s ever done. “It is a privilege to play on the 50-yard line of their lives. If you care deeply for people, you love the work,” she says. ■



Photo courtesy of Robin Stanaland

3 Easy Steps to Better Leadership

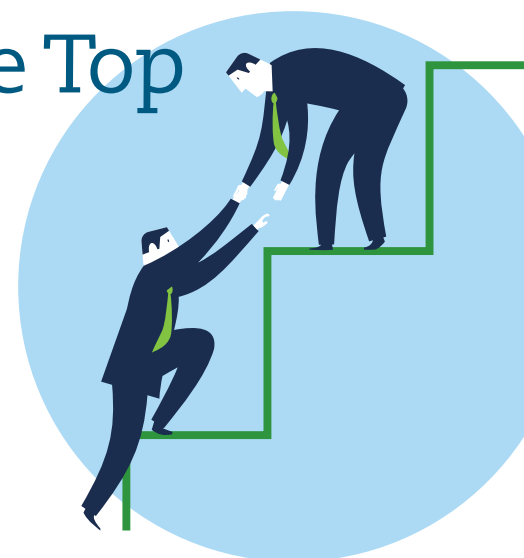
Leadership Starts at the Top

As a business owner, you rely on your leadership team to coach, train and support your workforce to help your company grow and prosper.

An ability to understand individual styles and model your culture will help your leaders be a resource for your employees' personal and professional growth.

It's not easy, but the payoff of an engaged, productive workforce will be worth it.

Here are three areas where your leadership team can get started...



Know Your Culture

If your company culture isn't what you'd anticipated, it's not too late to rescue it. Start by asking:

- 1. How well do your employees enjoy their work?**
Coming to work shouldn't bring feelings of dread.
- 2. Is there a level of accountability and responsibility?**
Taking ownership makes employees feel connected.
- 3. Are your employees engaged?**
Believing what they do matters to the company and its mission leads to committed employees.
- 4. How do you invest in your employees?**
Recognition for a job well done shows that you value your team's work.

Build Relationships

The better you and your leadership know your employees, the better position you'll all be in to help them, and the company, continue to succeed.

How to develop lasting relationships...

- 1** Look at things from their perspective.
- 2** Earn respect and trust by being open and real.
- 3** Be their advocate and help them develop.
- 4** Be open to input from your employees.
- 5** Give them latitude to solve problems.

Foster Independence

Your leadership team can nurture self-guided success by creating a culture of independent thinking and creativity.

- 1** Spell out expectations and guidelines up front, but trust employees to execute their work creatively.
- 2** Expect some failures. They're part of the process.
- 3** Deal with issues individually rather than implementing companywide policies to address a single situation.
- 4** Promote work-life balance.
- 5** Provide opportunities for professional development.

A CEO's Top 5 Priorities During a Crisis



"Chaos Coach" Corinne Hancock on how to respond in moments of upheaval

When it comes to a crisis — whether it's the Dow dropping 1,000 points or a work stoppage decimating your supply chain — the only way to handle it is by embracing the chaos, says Vistage speaker **Corinne Hancock**.

"Chaos is what happens when your reality differs from your expectations," Hancock says. "If you look at it in that way, it gives you a place to work from. You're not a victim of it. You're actually in a place where you can take action."

And while that disruption can range from an inconvenience to a potential company killer, it can also spark innovation and lead the way to greater success down the line, Hancock says. It's just a matter of accepting that chaos comes with the territory.

"You are never going to be chaos-proof, but you can be chaos-ready," says Hancock, an international aid worker who founded The Curiosity Project, which provides health and entrepreneurial opportunities in countries with limited resources. "There are certain things within our organizations and as CEOs that we can do to prepare for the chaos."

Based on her "Chaos Model" system, Hancock outlines five priorities CEOs and business owners should focus on if — and when — they face a crisis.

1. Find clarity of mission. First, figure out how your company is going to respond to this crisis, Hancock says. Start working with your team to find solutions to the immediate issue and put off trying to guess how this will affect your long-term plans.

"It's not about the big picture anymore," Hancock says. "It's bringing that big picture and vision and our big goals into this moment, this next day, this next week."

2. Assess and evaluate. Executives need to quickly assess the impact the crisis is causing, evaluate the resources they have to work with, and determine what they'll need to accomplish their mission.

"You have to do the research and find out what's actually real and what impact this crisis is actually having, not the perceived, potential fears of what could happen," Hancock says.

3. Get creative. This is also an opportunity for executives to get creative in their problem-solving and test out new ideas, Hancock says. And the crisis gives executives an opportunity to block out unnecessary distractions and hone in on the specific challenge.

"It's the time when we create some of our most innovative solutions," she says. "We come up with new processes when people are pushed to try new things they've never tried before."

4. Get alignment versus agreement. Once they've found a possible solution, executives should focus on getting their team on board, Hancock says. Some team members may not agree on whether it will be successful, and their participation is key to implementing.

"You're never going to get your whole team to agree, especially in the midst of chaos," she says. "But you can align on the best solution for this moment to fulfill the mission, to solve the problem at hand."

5. Take action. While implementing the plan seems simple and obvious, many executives hesitate, delaying their response to mull over other possibilities or attempt to project whether their solution will work.

"You don't have time to keep talking about it," Hancock says. "Stop wasting time and just do it. Everyone needs to stay focused on the solution rather than the problem."

By following these steps, Hancock says, executives can not only find a way out of their crisis but come up with some new innovations that can revitalize their businesses.

"I keep saying chaos truly makes you stronger," Hancock says. "When you have the courage to take action, you not only see what you're capable of, you see what is possible, and you continue to get stronger and more innovative." ■

Want more tips on how to get the most out of your team?

Visit insperity.com/vistage or email alliance@insperity.com.



How to Accurately Predict Your Next 12 Months of Financials

By Dennis Najjar, CPA, CGMA
Co-Founder, AccountingDepartment.com

If you want peace of mind, my No. 1 piece of financial management advice for CEOs and business owners is to put a system in place to accurately predict the next 12 months financially, from revenue to hiring to budgets and more.

It seems daunting, but it's actually simple: It starts with accurate financials. It takes work to establish and maintain, but once you have a system in place, forecasting gets much easier.

The abstract is as follows:

1. Determine what your revenue will look like monthly for the next 12 months.
2. Using budgets by department, outline where your expenditures will be.
3. Set up weekly or monthly checkpoint intervals, where you review your revenue and expenses to see how you're tracking against your prediction.
4. Bake into your budgets opportunities to pivot should the numbers perform as, better, or worse than expected — so you don't reach year-end completely off the mark.

It's not rocket science; just commitment to process, procedure and accountability. Let's get started.

How to Accurately Determine Your Revenue Forecast

All sales can be broken into units; some are just easier to identify than others. Products are clearly their own units, but service-based businesses can utilize hours or fixed-fee service delivered, etc., to create their own units to help forecast revenue. If you have multiple lines of sales, be sure to break them apart (but you can group them — don't get lost in the details here) so that you can more accurately pinpoint sources of revenue. If you have past data, your best bet is to leverage common sense (are you expanding marketing? investing in scaling services?) in combination with recent sales history. Your 12-month revenue forecast should be a logical, reasonably justified forecast of what you expect to bring in month to month for the upcoming 12 months. Do you usually have a slow February?

Your sales forecast should reflect that. But if you don't have sales history, you can rely on market indicators and your best judgment to create a projection. Remember, the goal is to create something to track against — not predict the future with 100% accuracy.

Outline Your Expenditures

There are two general buckets for your expenditures: the cost of goods or services, and all other business expenses. You'll want to create a budget for every expense, allocated by department, and then track them on a weekly or monthly basis. This is in part where accurate financials start to play in immediately. It may sound obvious, but failing to track or reconcile your expenses can be the beginning of a major problem in financial management. If revenue projections aren't met, you can curtail spending or change expense allocations to shore up cash flow issues if you're tracking correctly. By identifying areas in advance where you can make immediate changes, you can pivot quickly when your projections aren't in line with reality.

Identify Opportunities to Pivot

Sales going better than forecasted? In a seemingly better-than-anticipated scenario, you may be outpacing your revenue projections. If that means your hiring plan for positions supporting service delivery isn't sufficient, tracking against the influx of new clients will enable your HR department to scale on time instead of playing catch-up after the fact. Similarly, if you find that certain marketing expenditures are driving rapid growth for a new product line, you can scale your expenses in real time instead of missing an opportunity by waiting to track and report six months later. Sales team overspending on business trips? The faster you notice that expenses are out of projection, the faster you can regroup and reign in employee spending behaviors.

Budgets and forecasts are only as good as the processes and procedures that develop and maintain them. For all the work companies put into creating these plans, the first misstep is often in the lack of attention paid to their functional capacity as living, evolving financial management tools. Resolve to have an accurate view of your 12-month forecast and gain better control of your company's financial future by taking the time to set up and track your complete financial picture at regular intervals.



Are You Tapped into the Power of *Vistage Networks*?

As a Vistage member, you have a powerful resource to turn to anytime you need input. Vistage Networks allow you to post your question, challenge or idea on any one of 22 online discussion boards so that members around the world can weigh in with suggestions, contacts and solutions.

To learn more — or join any one of 22 Vistage Network discussion boards — go to vistage.com/networks.

Case in point: Vistage member David Fitch, president of Fitch Lumber & Hardware, a centuries-old family business out of Carrboro, North Carolina

Fitch regularly participates in two Vistage Networks: **Construction** and **Wholesale and Retail**. He recently posted a request for input regarding the escalating cost of credit card fees, which had become his third-largest business expense.

The response was quick, relevant and comprehensive. Suggestions included building the credit card fees into his prices, offering discounts to those paying in cash or check, renegotiating with his credit card processor, and using different credit card processors. He even received an offer to introduce him to AMEX and PayPal representatives that were able to help another member.

Fitch learned that most businesses in his industry now treat credit card charges as “an adder,” like the built-in fee for the inevitable problem that arises or the random bad piece of lumber.

Fitch also has another advantage. Because many of the members in the Construction Network are general contractors, he gets added insight from his customers' perspective. “GCs' input helps me understand how my clients will react before I implement a change.”

“Getting input from 14 CEOs in my group is an awesome thing, but to also get perspectives from thousands of others around the world within hours is invaluable,” he says. “It's much more relevant than a random internet search for generic solutions. The responses I get are custom-made for my business from people who face the same issues and who are willing to personally help me.” ■



Photo by Heba Salama Photography

“Getting input from 14 CEOs in my group is an awesome thing, but to also get perspectives from thousands of others around the world within hours is invaluable.”

— David Fitch,
Vistage member

Life after the Sale

Like many CEOs and business owners, you may be dreaming of the day you sell your company and your time is yours to do pretty much whatever you want. We asked three Vistage members who recently “rang that bell” what their lives are like now. Here’s a look.



John Heap and his family attending the eighth-grade class graduation of the KEGO Orphanage in Kenya



Dan Prince and his wife in Ahuacpinta, Peru



Kevin Trout's Vistage group meeting hosted by member Ed Killeary, Jr., President of WJ Aviation, at his private jet center

John Heap

Former owner, Colorado Lining International
Joined Vistage: February 2011

My father started Colorado Lining Company in 1978 as a small plant in Franktown, Colorado. It was focused on fabricating and installing geomembranes in water reservoirs, irrigation canals, golf courses, wastewater treatment plants and landfills. When he retired in 1992, I purchased the company and renamed it Colorado Lining International (CLI) to help expand our scope.

Over the years the CLI team was able to grow from just over \$750,000 in sales in 1992 to \$32.5 million in 2016.

When I joined Vistage in 2011, it was a game-changer. Reserving one day a month to work on the business from outside the bubble made all the difference in my ability to see the bigger picture. I began to look at my longer-term plans and how I could set up the business for sale.

In 2017 Raven Industries made an excellent offer to purchase CLI, one that would satisfy our family's financial needs and give employees a strong company with promising growth opportunities. As part of the agreement, I am contracted to work as the Director of Business Development through September 2020.

Prior to that, though, my wife, Suzi, and I began working with the KEGO Orphanage in Kenya, Africa, which was part of a “Give Back” program for an industry group. From that grew Rippling Waters Charity, a 501(c)(3) charity that my family started.

Over the past several years, it has become a passion for us. The charity was able to purchase land adjacent to KEGO, providing the children with a soccer field and water well. Rippling Waters donated the pumps and piping to deliver water to the school and the town of Onjinyo. We have since

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Teachers and eighth-grade students on the way to Homa Bay for a graduation dinner celebration

rebuilt the kitchen and improved the weekly meal plan. Last year we shipped desks, chairs and other supplies to upgrade the classrooms. The longer-term plan is to get KEGO operational with aquaculture and gardens, and to continue to provide clean water and better teaching resources.

The business and life lessons learned in my eight years with Vistage prepared me to lead CLI to a position of strength that was noticed by our industry. Having taken the “chips off the table” has created a new opportunity for our family to travel the world, give back and enjoy the fruits of a 40-year business career. That includes enjoying our new home in Scottsdale, as part of our “winter in the desert” plan.

“If you could have painted this picture when I took over the business at 33 years old, I would have said you were crazy.”

— John Heap,
Vistage alum



Photo courtesy of John Heap

Dan Prince

Former President and CEO, Gibraltar Laboratories
Joined Vistage: 2009

For 28 years, I served as President and CEO of Gibraltar Laboratories, which provides analytical testing services to medical device and pharmaceutical companies.

Through Vistage I learned a great deal about leadership, strategy and succession — all of which helped me prepare for selling my company. I was able to build a strong team and set the business up for a third generation of leadership that, most likely, would have continued to



Photo courtesy of
Dan Prince

run the company very successfully. Instead, with input from my external board and my Vistage group, I decided to sell Gibraltar after splitting off a small division to be operated by my son Derek. I am now overseeing the growth of that company, PRINCE Sterilization Services.

After the sale, I continued my membership under my new company. I am in the same group and I continue to benefit and share the learnings with Derek and his team. I'm also able to share the experience of selling to a large private equity firm with my peer advisory group.

Selling the company has been a huge adjustment, mostly because I did not feel qualified to manage the new wealth that the sale brought. My Chair, Jeannette Hobson, was a great help when I was selecting a wealth management firm that I am now very happy with.

My life now is honestly beyond my wildest dreams. I am able to spend lots of time with my family, help my old company, help my new company, travel around the world, play lots of tennis and live in Florida — which helps me save taxes and avoid the cold winters of New Jersey.

←
Dan Prince in Wuzhen, China

Kevin Trout

Former owner, Grandview Medical Resources
Joined Vistage: 2002

I founded Grandview Medical Resources in 1996 and joined Vistage shortly afterward. It was a high-tech medical equipment distribution company that grew to be a top performer in the industry. In 2011, Sizewise Worldwide acquired it in a strategic sale, which was negotiated for me by a fellow Vistage group member.

I agreed to a five-year employment contract and stayed in my Vistage group throughout that contract. I joked with my group that when the contract expired, I got “paroled,” because it was hard for me to be a corporate employee when I am really an entrepreneur through and through. My group members were dear friends at that point — some were with me in that group from the beginning. Plus, I got such tremendous value from a business standpoint that I didn’t want to give up my group.

During that time, a plan was forming: I knew I loved helping fellow Vistage members with their businesses. I knew I loved developing my own employees. I also knew I’m not someone who is ever fully going to retire. And then I had my Chair encouraging me to consider Chairing.

Being a Vistage Chair not only provided an opportunity to become a mentor and coach, but I get to stoke my entrepreneurial spirit and have the flexibility that I wanted after corporate life.

I launched a Small Business group in June 2019 and now have 17 members. At this writing, I am assembling both a Chief Executive and a Key Executive group. ■

“Owning and successfully selling a business is a great ride that I wouldn’t trade for anything. But now I get to share everything I learned along the way — and that’s pretty fantastic, too.”

— Kevin Trout,
Vistage Chair

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— Will Leahy
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A photograph of two women in a meeting. One woman with dark hair and glasses is seated at a table, looking towards the other woman. The second woman has blonde hair and glasses on her head, leaning over the table and pointing at a document. The background is a blurred office setting with a whiteboard and a lamp.

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