

# Prepared for anything

How Sue Burnett grew Burnett Staffing Specialists after revenue plummeted 41 percent in two years **By Kristy J. O'Hara**

In 2000, Sue Burnett lost a \$16 million client. Then came the Sept. 11 terrorist attacks, and the economic fallout resonated with her business well through 2002.

As president of Burnett Staffing Specialists, Burnett could have freaked out when her business plummeted from \$63 million in revenue in 2000 to \$37 million in both 2002 and 2003. But she was used to this, it was just another dip in the road.

She manages with the mindset that a recession could hit any day. By closing offices, cutting staff and watching expenses, she remained profitable during those difficult years, and revenue grew to \$58 million last year, a 57 percent increase over 2003.

*Smart Business* spoke with Burnett about how she manages her business so it can grow but still stay afloat when encountering murky economic waters.

## Q: How do you manage growth?

We run our company debt-free, and we want to make sure that that's important.

We run our company fairly lean from the standpoint of we try to run it as though there's a recession around the corner. We're not frivolous with our money, and we keep a lot of money in the company. We finance our own payroll. We don't borrow any money.

Business owners sometimes overexpend and they start borrowing money, and then a recession comes along, and then they're in real trouble. I've seen so many of my competitors have to sell because they hit the limit on their line of credit, and they can't borrow any more money.

## Q: How do you stay debt-free?

If you're going to grow, you need to be able to pay for your growth. We never open an office and borrow money to do it. We've always had enough money to afford to pay the rent on another office.

If you go into debt to pay for an office,

and the office doesn't work and you've borrowed the money to do it, then you have a double problem—you have a failure of an office, and then you have debt on top of it.

Watch expenses. I look at that American Express bill every month and every item. My staff knows that I'm going to do that because there are people that will take advantage of corporate credit cards. I look at the phone bills to make sure that we're not having excessive long



distance. I've had people in the past who've called all their relatives during the daytime.

We watch expenses. That's very important.

Good times won't last forever. People forget it. When the good times start rolling, they say, 'Hey, this is going to last forever,' and it is not.

This is a rollercoaster. People have to understand that.

## Q: How do you correct those people problems when they arise?

Let them go as soon as possible. One of the biggest problems that business owners have is hanging on to mistakes for too long. When you know that you've made a serious hiring mistake, first you have to analyze, why is this person not doing well?

Is it a training issue? Or the office they're in? Or the manager they're working with? Or is there a personality conflict? What is that problem?

If you determine that the person simply is not the right person for the job because of their work habits or attitudes or whatever, then cut your losses and move on. One of the biggest mistakes I've made as a business owner is keeping people way too long and hoping that they will get better. Then the staff says when you let them go, 'What took you so long?'

The staff sees that this person is not cutting it. They have more respect for a management that lets mistakes go versus letting that mis take continue to sit there.

One bad apple spoils the whole bunch; therefore, you have one bad person in the office, it kind of spoils everybody.

## Q: What inhibits a company from growing?

One of the things that keeps a company from growing is when your staff doesn't think that the management is working as hard or as smart as they are. We've always led by example. We're first in, last out.

They know that I'm out there selling the company constantly. I make about 120 company visits a year to clients. I make speeches. I'm out there publicizing the company constantly. They know that I'm out there working as hard as I can.

For business owners, when things start going well, they start playing golf and they start coming in late and leaving early. Your staff notices those things, and they think, 'Well, why am I working so hard if they're not willing to work so hard?'

I never ask them to do something that I'm not willing to do.

HOW TO REACH: Burnett Staffing Specialists, [www.burnettsps.com](http://www.burnettsps.com)