

# SMART BUSINESS

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## SMART LEADERS

How Nicholas Saraniti keeps Commcare Pharmacy feeling small despite 776 percent annual revenue growth

## TIPS FROM THE TOP

Michael Feuer: Do you work to live or live to work?

# Engineering an empire

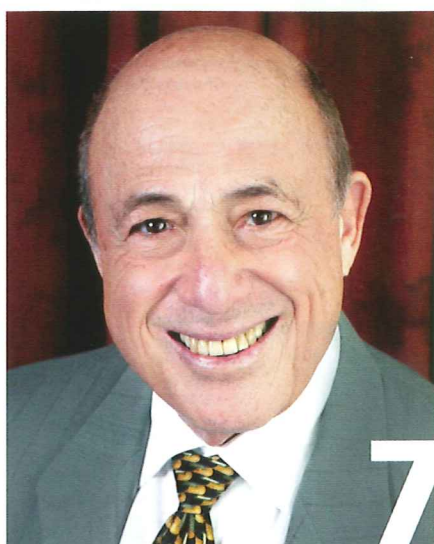
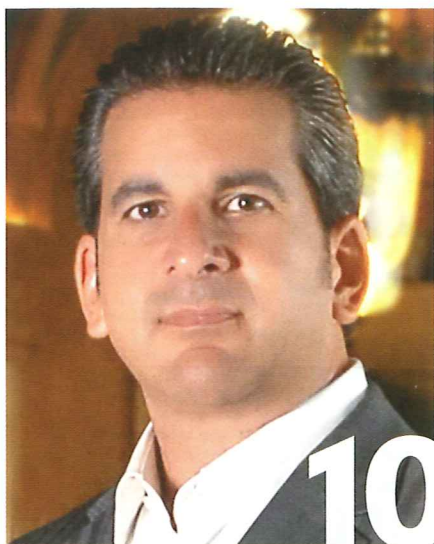
**HOW DAVID ALFONSO BUILDS  
EMPLOYEE CONFIDENCE TO  
KEEP EMPIRE INVESTMENT  
HOLDINGS GROWING**

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Do you work to live or live to work?

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# Balancing big and small

## HOW TO GROW WITHOUT ALIENATING CUSTOMERS

Interviewed by BROOKE BATES

**Y**ou could say Nicholas Saraniti's company has split personalities. From the inside, it looks like a growing corporation with high-tech systems and structures. But looking in on Commcare Pharmacy from a customer's perspective, it seems like the same small company it's always been.

That balance is intentional, and Saraniti's challenge as CEO is maintaining it so customers can't see the difference between 2005 revenue of \$7.3 million and 2008 revenue of \$56.7 million.



"It does you no good to bring on an extra couple million dollars' worth of business if you can't continue to provide service at the same level you do today," says Saraniti, who leads 60 employees at the pharmacy. "You will hurt yourselves in the long run by not providing the high level of service that your clients have come to depend upon."

*Smart Business* spoke to Saraniti about balancing the internal structures that growth brings with the personal service only a small company can provide.

**Serve like a small company.** From your clients' perspective, they tend to like that small mom-and-pop, family-owned business feel. They think they get better service. People know their names; they put a face on the business. Maintaining that as you grow and expand is probably the most difficult thing we do.

So internally, you've added all these controls and you have policy and procedure and regulation that govern how you do certain things. But from the outside, you don't want it to look like that. You don't want to look like a big corporate Microsoft. You want to look like the family drugstore on the corner to your customers.

First of all, we give them a dedicated internal contact here. So they have a troubleshooter that works for them inside the pharmacy and they help them navigate the entire process from beginning to end.

Anytime I have a meeting with my staff, I always remind them that in our personal lives, we've all been on the other side of health care, and it was horrible, and we were treated like children and nobody told us anything that was going on. We don't ever want one of our customers leaving here feeling that way, and we reinforce that continuously.

It means maybe making your (corporation) more transparent so your customers aren't involved in any of the bureaucracy that comes along with that. Here we use a lot of technology to make that happen.

So maybe up on their computer screen when [employees] type in a patient's name, it pops up all the communication that's occurred from anybody within our organization and that client within the last couple of months. If their birthday was last month, they could see that immediately and mention that to them. Keeping all that information readily available in one place enables my employees to build those

personal relationships.

But one of the things we haven't done — and we won't do — is automate our phone system. You never call our business and get some sort of automated voice response attendant. I hate those. Everybody hates those. People use those because they don't want to talk to their customers.

... We've chosen, instead of doing that, to hire more expensive and more employees to answer the phones by hand and physically take those phone calls. From a customer's perspective, that's a great thing because they get to talk to another human and explain their problems to another human, not leave it on a voice mail or have to press 16 digits every time they call us.

**Improve internal structures.**

Employees like structure. Typically, they do better if they know

let you print a shipping label for this yet because there's no proof in the system that you've talked to this patient yet today."

We involve our employees in the process as much as we can in the decision-making process. When they ask questions, give them truthful answers. Don't just tell them to do this and do that. Take the extra time to explain to them, "This is why we're going to do things this way now. This is what we're hoping to accomplish. Become part of the team and let's do it together."

**Limit changes.** When we're planning our growth, we look at not only how our process works today but how it would work if we had twice as much business. So we're not constantly having to go back and redo policy or work flow over and over and over again with employees.

**"Make your (corporation) more transparent so your customers aren't involved in any of the bureaucracy."**

exactly what's expected and exactly what to do. I find that involving them in the process of why the changes are happening makes things go much, much easier, not just delegating these changes to them.

We also use that same kind of technology whenever we have a change in our work flow. We'll obviously meet with the employees. We'll explain to them, "This is the change; most importantly, this is why we're making this change." And on top of that, we will put some check in place technologywise to ensure that those changes are actually occurring. Maybe it's as simple as a reminder just saying, "Hey, did you put a customer care survey in this box?" Or maybe it's something more serious, along the lines of, "We're not even going to

Going from one physical business to two locations was a huge jump for us, and we made lots of changes to accommodate for a second location. When we made lots of those changes, we didn't account for ever needing a third location. So we basically had to go back and redo everything we had just done. So when we added that third one then, we made sure that as we added future ones on, the systems were in place so that they wouldn't have to be redesigned.

Just [take] a couple extra days or a couple extra weeks, a little extra thought before you actually implement something. Look at how it would work if you had twice as much business as you do today or twice as many locations as you do today, and take that into account. <<

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