

Dennis Zink: Welcome to SCORE Business TV. Our sponsor today is Wells Fargo. In this series, experts share their opinions with business owners on a variety of topics. Today, we are featuring a SCORE client success story and her relationship with her SCORE mentors. Our first SCORE mentor is Stroud Curran, a mentor with our Tampa Chapter. Stroud is a retired CPA with his MBA from Dartmouth, Amos Tuck School of Business. Stroud has been a CFO of several small companies and he was VP of finance for a Fortune 500 company division. He was also a principal in a consulting firm that served long-term care providers including nursing, assisted living, and continuing care communities. Stroud, welcome to the show.

Next is Sarasota SCORE mentor Lloyd Nurick. Lloyd has a BA from Union College and an MA in liberal studies from Wesleyan University. As a certified association executive, Lloyd has had over 50 years of experience in government, healthcare, and trade associations. Lloyd, welcome. Our SCORE client is Alexis Nguyen, owner of three Assisting Hands Home Care franchise units. We will find out more about Alexis during the show. Alexis, welcome.

Dennis Zink: Please tell us about your background and how you came to the United States. I know you originally weren't born here.

Alexis Nguyen: Well, I have a very interesting life indeed. I started out as basically a refugee of the Vietnam War because my family escaped from Vietnam in late 1979. And my professional background is, I've been in healthcare all my life in information technology as well as healthcare insurance. And then on my education side, I have an MBA, master of business administration. And then on top of that, my father was a physician, so I have had a lot of exposure in the healthcare arena.

Dennis Zink: And how did you come to work and own three franchise units with your company?

Alexis Nguyen: Well, we're now actually seven franchise units, so I have seven territories all together. Assisting Hands Home Care is a part of a franchise. We're in multiple states. And how it came about was about six years ago I was in my early 40s, I had a calling from God to serve the senior care area. And then on top of that, I always have had an entrepreneurial spirit about me. So, by owning a business, I have the ability to trade jobs and also make a difference and help those who needs us.

Dennis Zink: Okay. So you said you were in the industry before and as I recall it was in the United Healthcare, is that correct?

Alexis Nguyen: Yes.

Dennis Zink: Okay. What did you do with that?

Alexis Nguyen: For healthcare, it was... my background is working with Medicare and Medicaid systems, so building healthcare insurance systems. And then after that I

oversaw operations for Anthem Blue Cross, Blue Shield. So I had a lot of experience and my specializations is around utilization of benefits, how people go about utilizing the benefits that they need to access medical treatments.

Dennis Zink: Okay. And now I'm assuming that was helpful in your everyday operations, just starting in Assisting Hands.

Alexis Nguyen: It is not only looking at systems as a conduit or solutions for your everyday business and transactions, and also overseeing people. So I have a lot of experience since I was 27 years old to manage people and be able to execute different projects and get them done. So exposure in strategy management, but also in efficiency, running operations, but then on top of that, what's important is the ability to manage other people and motivate them, get them do what they need to do to get the job done.

Dennis Zink: When you came to this country, I'm assuming you didn't speak English?

Alexis Nguyen: I did not. I learned English from scratch and my way of learning English, my third grade teacher assigned me a tutor and I learned English from basically cards, cue cards.

Dennis Zink: Wow, very impressive. So what made you decide to get involved with a franchise?

Alexis Nguyen: So healthcare regulation is very complex based on my experience that the state is regulated, especially in the state of Florida. There's been a lot of fraud in the state of Florida, Texas, California, highest fraudulent rates when it comes to accessing health care and billing Medicare and Medicaid. So the state of Florida is highly regulated when it comes to (Health care) regulations. So what we do, although we're doing non-medical services only, it's still highly regulated. Workers are required to meet certain requirements and policies have to be in place. We have a follow-up policy.

Dennis Zink: So one more question on that. So you do daycare or nursing (services), is that correct?

Alexis Nguyen: I strongly believe that people do well and excel well when they're at home in their most comfortable environment. So what we do is we send employees out to take care of seniors and adults with disabilities in their very comfortable environment, which is their place of residence, so therefore their home.

Dennis Zink: In fact, I read on your website that 90% of seniors that are 65 and older prefer to age in their home.

Alexis Nguyen: That's correct. They don't want to go anywhere else. They do better. There's better infection control. So if they were to go into facility, there's a high chance

that they can get an infection by other residents or other patients around them because they're very vulnerable.

Dennis Zink: So Stroud, obviously you and Lloyd are here as mentors for Alexis, how'd you meet Alexis to begin with?

Stroud Curran: Our chapter in Tampa twice a year has an event we called clients meet clients, it's a networking event. At the time, Alexis was a member of the Tampa club where we held the event and she and I bumped into each other and started talking. And her background is rather interesting and lo and behold, she got in touch with me. We started talking with each other, she became a SCORE mentor at that time, and it sort of went from there. And that was what? Three and a half, four and a half years ago.

Alexis Nguyen: Almost four years.

Stroud Curran: Four years, yeah.

Dennis Zink: Wow. How about you Lloyd?

Lloyd Nurick: I received a normal reference through our assignment director. And I got an email that said that there was a request for assistance and I was assigned to work with Alexis. So I showed up at her office in, I think it was in Bradenton, wasn't it?

Alexis Nguyen: It was at that time.

Lloyd Nurick: And we started talking and it's worked out ever since then.

Dennis Zink: Right. So Alexis, how was it working with two mentors at the same time?

Alexis Nguyen: Well, as you have shared with the audience about their background, each of them has a very unique background, based on their expertise level. I found great value in having their different perspectives based on the topics because as a business owner and running a business, there's a lot of different perspectives or different pillars in the business that you run. Stroud has a very strong background in finance as well as long-term care. And Lloyd has a background with associations, profit sharing, and incentives. So I see a great value because they both bring something very unique to the table.

Dennis Zink: It's not unusual for two mentors to work together with a client, but it's a little unusual for them to come from different markets. So one from Tampa, one from Sarasota, that's a little unusual. Do you meet in the middle. Where do you meet? Does it vary or do you meet somewhere in the middle?

Alexis Nguyen: We meet monthly now.

Stroud Curran: Right. Monthly.

Alexis Nguyen: And most of them is through virtual, through phone and video conferencing. And then every other three months I think we meet in person.

Stroud Curran: Right.

Alexis Nguyen: Yes.

Dennis Zink: What hasn't come out so far is the size of your business and the success of building it to... what's your current sales this year anticipated?

Alexis Nguyen: We're projecting this year close to \$4.4 million. And **every year since Stroud and Lloyd have been involved, we've been able to grow over a million dollars each year.** And I see the trend continuing.

Dennis Zink: That's fantastic.

Alexis Nguyen: Thank you.

Dennis Zink: And how many employees do you have?

Alexis Nguyen: We have almost 300 employees.

Dennis Zink: Oh my gosh!

Alexis Nguyen: Yes.

Dennis Zink: Wow. And how many locations?

Alexis Nguyen: We have two offices, one in Tampa and then one here in Sarasota.

Dennis Zink: And geographically you said what's it, seven counties you're in?

Alexis Nguyen: Seven counties. We're licensed for seven counties and the nature of the business is we have to make sure the employees are caregiving employees that are close to their clients.

Dennis Zink: So you started with Stroud first and how long was it before Lloyd entered the picture.

Alexis Nguyen: Would you say about two years, Stroud?

Stroud Curran: I'm not entirely sure because you took that action on your own. I didn't suggest it. I didn't even know Lloyd at the time.

- Alexis Nguyen: I would say maybe about right. About a year and a half.
- Dennis Zink: How have you helped Alexis from the beginning when you first met her and you started working with her to now? How has that relationship changed?
- Stroud Curran: Well, that's an interesting thing. I've always viewed this as, I'm an advisor, nothing more. And from the very beginning felt that Alexis knows her business much better than I. So my role was to give advice, to listen, to listen a lot, to suggest a different emphasis from time to time, to not be overly excited if she followed it to the letter or not, to deal with the problem of the month. And the problems have been really all over the map from a dispute with her franchisor. That was I think the first big issue that we were to trying to help her evaluate the worth of her business, to employee issues, to financial issues.
- Dennis Zink: And Lloyd, same question for you. So you've been working with Alexis for maybe what? Three or four years?
- Lloyd Nurick: Three.
- Dennis Zink: And from the three years ago to now, has that relationship changed?
- Lloyd Nurick: I think so. Initially it was very formal, across the table type of relationship, and we've grown close. Alexis is one of a number of clients that I have, but she's the only one that gives me a hug on the way out. So it's become a special relationship. And Alexis, as you can tell from what she's already said, she is particularly bright, and communicative, and she absorbs suggestions that we make, whether she follows them is up to her, but she understands very quickly. So she's a pleasure to work with. You don't have to pound her head with information on details. She can pick up broad ideas and expand on those things. But as Stroud also said, our job is initially to listen, to hear what she has to say, what she has to ask, and then respond because we have to understand her, our client, much better than even a consultant who does the work. We don't do the work. We make suggestions.
- Dennis Zink: Well, Alexis, do you listen to them?
- Alexis Nguyen: Yes. I do. They're my sounding board. There are times, my ideas are off the chart. And there are moments they have the reel me in say, "let's focus on what's now." Being an entrepreneur you tend to have a lot of ideas. And they're great to work with. I wouldn't trade them for the world. They're classy men. They have my best interests in mind, sound advice based on their experience and background. And I think we've become really like friends. We're able to talk about sometimes funny things, jokes, telling stories. So it's not always about business all the time.
- Dennis Zink: Sure. And I know Lloyd personally, he's in our chapter and our treasurer and he has clients that he's worked with for years and they treat him like family. I

mean, one fellow had a physical issue and Lloyd was in charge if anything happened to them to run the business. That's how good their relationship is. So Lloyd's a great guy. I don't know Stroud as well, but I hear up in Tampa, he's quite an excellent mentor there as well.

Lloyd Nurick: Can I add one thing?

Alexis Nguyen: Yes.

Dennis Zink: Sure.

Lloyd Nurick: I'll give you an example of how we have worked. One meeting within the last year, Alexis came into the meeting with me and said, "I'm interested in creating some sort of structure of payments for my employees that go beyond wages." And we sat there and talked about it and between the two of us, we developed a system. I came up with a few ideas. She went back and came up with a detailed proposal and we worked it through.

Dennis Zink: Alexis, I understand that you've watched some of our SCORE Business TV shows.

Alexis Nguyen: I have.

Dennis Zink: What'd you think of them?

Alexis Nguyen: I have. Very nicely done. I was able to... and I listened to over and over because every time you listened to it, you gain something from it. There's a piece of element that I missed the first time I listened to it. And Stroud and Lloyd, they do a good job of looping it in as far as resources available from SCORE.

Dennis Zink: Okay. And how about our podcast, or our Business SCORE Card (column in the Herald-Tribune), or the workshops, do you get involved in any of that learning?

Alexis Nguyen: I have. I commute from Tampa down to Sarasota since we have two offices and I listen to the podcasts based on the subject that I need. And I have attended the workshops here as well. There was one around digital marketing that was valuable for me to understand better as far as today's marketing, how important it is to also integrate digital marketing into your marketing plan.

Dennis Zink: I imagine our mentors have given you good advice over the years. And I'm going to ask them, put them on the spot and say, "Stroud, what was maybe the best advice you've given Alexis in the years you've been working with her?"

Stroud Curran: Oh, well, at the risk of being self-serving here a bit, we are currently working on tightening up her financial controls to better identify her margins across all of her revenue sources and I think this is going to be a very important juncture in her business profitability as she continues to grow.

Dennis Zink: And the same for you Lloyd.

Lloyd Nurick: Well, it was one incident, one moment in time, a couple of years ago, I just out of the blue asked her what her debt was and where it was. And she told me she had credit cards, bank loans, family loans, and I quickly suggested that she look at consolidating. Within a month she had done the consolidation and if I remember correctly, you were saving something like \$3,000 a month.

Alexis Nguyen: That's correct.

Lloyd Nurick: ... which of course is income.

Alexis Nguyen: Yeah.

Lloyd Nurick: So I'm really proud of that one.

Dennis Zink: It's great. Did Lloyd get his dividend?

Alexis Nguyen: He didn't.

Dennis Zink: Goals. Do you have goals?

Alexis Nguyen: We have to, especially with a growing business, if you don't have goals, you would be losing or have oversights.

Dennis Zink: What are some of your goals?

Alexis Nguyen: We discussed key performance indicators. So the ongoing goal in this business is hours. Instead of counting widgets, we're counting hours.

Dennis Zink: Hours worked.

Alexis Nguyen: That's how we measure, hours. Yes, hours worked. Hours we picked up from clients, hours we work. It is a service industry, so we have to focus on getting the right workers on board to go out and provide services to our clients. And quality of care is important to us and we want to make sure, again that clients do not decline. They either maintain the level of independence. And sometimes we're able to improve their health. We've seen that quite a bit and that's given me great satisfaction when we are able to do that.

Dennis Zink: And that's why you got into the business in the first place.

Alexis Nguyen: That's correct. Yes.

Lloyd Nurick: On the issue of key performance indicators, I also remember back when we started talking about what you measure. Do you measure time spent? Do you

measure dollars? What is the real key to the organization? And it was that back and forth that gave Alexis the decision-making ability to use time. That's the key performance indicator, the single key performance indicator.

Dennis Zink: So when we look at the hours and obviously your employees are spending time in the field with clients, with patients, and more is better than less, do you look at the value of the hour in terms of getting more revenue per hour or decreasing costs per hour?

Alexis Nguyen: We do that, especially right now based on what Stroud shared earlier.

Stroud Curran: Yeah, of course.

Alexis Nguyen: ... regarding making sure cash flows are there, making sure that we improve on revenue, but also improve on rates. So we're looking at pricing structures related to overall financials.

Stroud Curran: Yeah, another issue that I think we're going to look at is whether or not the overhead allocation should be uniform to all revenue sources or whether it would vary a little bit. A lot of Alexis' business is very, very competitive, lower than you would hope for price points. And so the issue of refining those net margin calculations will ultimately be very important to her profitability as she grows.

Dennis Zink: Now, Lloyd has experience in association management. And Lloyd, how have you helped the Alexis in that area?

Lloyd Nurick: Well, one of the things that Alexis is really interested in because most of her business comes from government sources, a variety of government sources, is making those government connections. And in my background, that was my primary focus, was dealing with governmental entities. And so I would coach her on who to talk to, how to approach people. She asked me one day, "Should I belong to the State Association of Aging Organizations?" And yeah, we figured out this would be really good connections and the ability to influence public policy, which of course turns policy into money and clients.

Alexis Nguyen: Yeah. So let me, if I may, add to that. If it wasn't for Lloyd to bring up the priority around that, as far as getting involved with association, I wouldn't have made a trip to meet with the executive director of the Florida council on Aging in Florida. And what came about is the opportunity is now I'm on the board of the Florida Council on Aging. So the ability to get involved at that level of working with other board members, advocating for seniors program in the state of Florida. So now it's becoming a public policy, is becoming something a lot greater. The other thing is that Lloyd also encouraged me to reach out to the senators, which I was able to do. We have some challenges around receiving timely payment from the VA and Lloyd encouraged me to reach out to the

senators. I went and did that. So I met with Senator Rubio Office and they were able to move some issues forward for me.

Dennis Zink: Wow, that's great.

Stroud Curran: Yeah. So an interesting point here is that I was sort of looking on this from afar, but it took Alexis about a very short period of time to get onto this. I mean, one of her strengths is that when she gets focused on something, it gets done.

Dennis Zink: That's great.

Stroud Curran: Yeah.

Dennis Zink: And they're here to help you focus. So the combination is a little Nguyen-Nguyen combination. So, in addition to that, what are some of the challenges that you see and then we'll just go down the line and see what Lloyd and Stroud say.

Alexis Nguyen: So as a business owner, I focus on strategy, moving away from the details, day to day operations. And that's where Stroud and Lloyd comes in. They help me focus on the strategy part, the initiative and the priorities to move and propel the business forward because we're groNgyeng at a very rapid rate for a small business. And I want to make sure that whatever and where we are, we have to have the ability to catch up. So once you grow, you Nguyen contracts or awarded contracts and then you have to make sure all your operations and all your folks follow suit. So where Lloyd and Stroud bring value is making sure that I focus on the strategy part and the initiative part.

Dennis Zink: Right.

Alexis Nguyen: Yes.

Dennis Zink: And Lloyd, what do you see as the biggest challenges that lie ahead?

Lloyd Nurick: Well, as far as Alexis goes, it's increasing her profitability, increasing her territory, making sure that she and her franchisor are on the same wavelength because I think that at times she may be groNgyeng faster than the franchisor. And as a mentor, that's great. I'm not sure that that's the right way to go, but for Alexis and me, that's great.

Dennis Zink: How many franchise units are there total? I mean, [inaudible 00:24:49] or owners like you?

Alexis Nguyen: I believe last time was like 140-

Dennis Zink: Okay. So it's fairly, really large. Okay. And many of them have multiple units in terms of geography?

Alexis Nguyen: No, I think only a few are the owners.

Dennis Zink: Is there availability for you to expand within near your territory, contiguous territories from where you are now or they are all taken up?

Alexis Nguyen: Yes, they are. We still have a lot of opportunities, so not only grow the territory that I have, but also expand on by adding territories. The other thing that we talked about is the scope of service. So we're looking at other scope of services that we can expand to. For example, skilled nursing, behavioral health is big now in the state of Florida, hospice, palliative care, also adult daycare. So it's services around senior that we have discussed about.

Dennis Zink: Okay.

Lloyd Nurick: One of the things that I do as a mentor, when I deal with my clients who are small business entrepreneurs, I have to frequently remind them as I did with Alexis and as she just pointed out that while they are dealing with day to day details, they are also CEOs of an organization. And that's important to put their feet up on the desk every day, stare out the window, and dream about strategies for the organization.

Dennis Zink: And Stroud, what are the challenges that you see ahead [crosstalk 00:26:32]?

Stroud Curran: Well, Lloyd covered most of them, but there's one additional one which is that anytime you're working in an industry like healthcare in particular that's heavily regulated, you got to be prepared for the government to change its mind about every three years on how they do things. And some of these changes can be really earth shaking. And that's ahead. You don't know until it happens. Right now the country's involved in this discussion about how to deal with controlling healthcare costs and you can probably bet that there's going to be strong government pressure to keep prices low for a long time, which gets us back to the whole profitability question and the need to be very sharp on managing margins and what have you.

Dennis Zink: And final question, other than general thoughts as far as future plans, you kind of mentioned that, I guess new product, new revenue sources, maybe increasing territory, is there anything else?

Alexis Nguyen: One of the challenge that we are facing in the industry is there is shortage of workers. We hire a lot of certified nursing assistants and home health aides and that I think we're going to experience is this is an emerging business. People are getting older. They're aging. They're going to require our services. And so one of the thing that we're doing internally is create job progressions for these employees. We're constantly think outside the box. We're reaching out to

churches now to help find caregivers. And then we're looking at vocational school internally. How do we get folks in, train them, and then place them out so they can assist seniors and adults with disabilities. So I think that's going to be the next big thing that we have to [crosstalk 00:28:28].

Dennis Zink: Okay. And I understand you have recruiters that actually worked for you that help you attract employees?

Alexis Nguyen: We do. We're a full benefits company and I have four recruiters working for me. They're constantly talking to different potential candidates to join our organization.

Dennis Zink: So a big challenge is the turnover that you have and that's in the industry and that's inherent to the industry. I understand it's like over 100%.

Alexis Nguyen: Well, last year the industry have gone up from 60 something percent to last year to about 81%. So luckily we have not experienced that. We treat our employees very well. We give out turkeys on Thanksgiving, we show our appreciation, we make sure that they are employed. We also have annual trainings, so they can stay employable, if you will, where they can use... and if they choose, they can then get the promotions.

Dennis Zink: Okay. Stroud, any final thoughts?

Stroud Curran: Not really. Stay focused. With my financial hat on, I'm beating the drum for margin analysis because it'll feed the future growth of the company.

Dennis Zink: Lloyd?

Lloyd Nurick: Just that Alexis, like any good entrepreneur, works herself to the bone. I frequently get an email at 1:30 in the morning from her. Of course, I hope I'm asleep at that point. But I read it the next morning.

Dennis Zink: Yeah. So last question, how many hours do you put in a typical week?

Alexis Nguyen: It varies. Sometimes it's quite a lot, 1000 hours a week. Other time I try to scale it down when I don't have a lot of different priorities. So when there's priorities, urgency, I have to address them. When I don't have, then it's scaled down to more like 50 hours a week.

Dennis Zink: Tell your mentors that they need to help you on-

Alexis Nguyen: Managing my hours.

Dennis Zink: Yeah, don't [inaudible 00:30:31] her. Yeah. Anyway I want to thank our guests for appearing on this episode of SCORE Business TV. I'd also like to thank our

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sponsor, Wells Fargo. Please tune in for our next episode. Until then, this is Dennis Zink, thank you and have a great day.