

Reflections from a Woman Entrepreneur

by Pati Cinkle, Founder & President, Alar Staffing Corp.

When you've been in business for as long as I have (not that I'm that old!), you can't help but reflect on the past and think about what you might have done differently.

I started my company in 1989 at the onset of a multi-year economic slump. At the time, I was an unemployed single mother. I went to several employment agencies but no one seemed to care all that much about helping me find a job. Their main objective was to pay me as little as possible and charge the client as much as possible. I became disillusioned with agencies and decided to find a temp assignment on my own. Armed with only my people skills and administrative talent, I landed a position at IBM Corp. in Costa Mesa.

Soon, the IBM managers were asking me to fill their temporary positions in Costa Mesa, Norwalk, and Los Angeles. They enjoyed working with someone who was genuinely interested in solving their problems. By taking the time to screen applicants well and only sending the ones that fit within their corporate culture, I had inadvertently started my own staffing company.

Because I was so passionate about helping others, my home-based business quickly started to grow! The IBM managers were referring me to their business partners and associates. Within a few years, I had over 200 temps and 40 different clients – and 100% of my business was still coming through referrals. Apparently, I was not alone in my opinion of employment agencies. It became clear that what clients wanted most was a business partner they could trust.

From survival to success mode

Today, Alar Staffing Corp. is a multi-million dollar business doing payroll in 27 different states. Our clients are primarily manufacturing and distribution companies in Orange County and the Inland Empire who utilize a large light industrial workforce. They use us because we still do things like no other agency does, and continually raise the bar. For example, we screen out approximately 65% of our applicants due to illegal work status, criminal backgrounds, and predatory behavior that may indicate litigious tendencies. By never compromising integrity and being dedicated to service, we have earned the trust of our customers. Our oldest client has been a loyal business partner for the past 15 years, and our smallest client gets treated with the exact same esteem.

But things weren't always this smooth. Becoming an entrepreneur had its challenges and the recession of the late 1980s and early 1990s didn't make it any easier. There were obstacles I had to overcome, such as dealing with limited resources. I always felt it was important to stay out of debt, and sometimes this made it difficult to float payroll during times of growth. But keeping the company debt-free also made it possible for me to pass on very competitive rates to my clients...and that was key! I also had to build an unknown brand in an industry swimming with competitors. Our challenge has always been getting prospects to recognize that we aren't like other staffing companies.

Still, the hard times were what made me work a thousand times harder. When you start a business in a recession you sort of train yourself to work in survival mode. You work 60 to 80 hours a week. You put everything into your business...your time, your energy, your heart and soul – because you're never 100% sure your company will live to see another day, month or year. Being in survival mode is great for a business because you're determined, focused and hungry! But it's important to have a clear, long-term vision. Remember your goals and develop strategies to attain them.

Making the right decisions

Looking back on how my business has grown steadily over the years, I guess I can say that I did many things right. Like making the tough decision of transforming Alar into an agency that specialized in light industrial staffing. At first, it was uncomfortable. I wasn't used to doing business this way. I thought I had to be all things to all people. But once I realized that 80% of our revenue was coming from light industrial staffing, yet only 30% of our resources were being spent there, it became obvious where our strength lied. So, I changed our business model and now we devote 90% of our resources to light industrial staffing. That was probably one of the best decisions I ever made.

However, there are also some things that I wish I had done differently, like being overly cautious. I believe in running a lean business. But sometimes I ran my business too lean. I feared hiring staff and not being able to maintain the business to afford them. Because I

hesitated to bring on more employees, I always had too much to do! Most of my time went into managing the day-to-day operations and not enough went into navigating the ship and uncovering new opportunities. Had I staffed appropriately early on, I would've been able to set and reach other milestones for my company sooner.

Running a lean operation was positive when it came to saving money, but it also kept me in the trenches way too long. Now I know that keeping yourself in the trenches can keep you from seeing the bigger picture, and sometimes you need that vision to make those big decisions that can really transform your business.

In hindsight, I should have been more confident and I should have developed a more aggressive sales and marketing plan. I should have been networking and advertising, and not relying solely on referrals.

The right people – in the right jobs

I also realized how important it is to have the right people doing the right jobs. Instead of working on improving the weaknesses of employees, I decided to play to their strengths and put them in positions where they added the most value with their natural abilities. By building this team of key people, I have now developed a system that runs without me being needed in any one particular area.

We also changed who we were hiring. We used to hire for skill and fire for attitude. Now, we hire for attitude and train the skill. We look for employees whose personal values align with our corporate values and empower them to make decisions. My job now is to provide leadership, answer questions, and make decisions on big issues, not small ones.

Identifying new opportunities

Taking a step back and looking at my business through a broader scope allows me to calibrate and plan at a higher level, which is what the company needs from me. It also affords me more time, which I use to explore new opportunities for growth.

In 2008, I formed **Griffin Transit Express**, an employment shuttle service. This company emerged from the need to get people to work on time, every day. We have two buses that cater to workers travelling to remote areas. We cover our expenses by charging passengers \$0-\$25 a week, depending on the client contribution and location. While Griffin isn't expected to make a profit, it sure helps business run smoothly and provides a great service to those who need reliable transportation.

Also in 2008, I started **Candid Research**, a criminal background check company. Obviously, its first customer was Alar. Candid Research provides background checks quickly, with accurate information, and at low cost.

This year, I started **Rincon Risk Management**. Rincon verifies workers' legal status, evaluates litigious behavior and conducts workplace investigations for smaller companies that may not have a Human Resources Department. In a nutshell, we make Alar's employment screening and risk management system available to other organizations.

All of these companies were formed to make Alar more efficient, and to provide a service for other employers.

Words of advice

Despite what others may say, I believe an economic downturn can actually be a good thing for business owners. In tough economic times, businesses are pushed to look at their operations more carefully by monitoring their spending and reevaluating their vendors.

Now is the time to focus on what you do best. Realize what edge you may have over your competitors. Why should customers choose to do business with you over them? Become an expert in what you already do well and let your strengths stand out.

Hone your process. Think about the inefficiencies that got in the way when the economy was kicking but were ignored because you were too busy. Spend some time looking at the way your business is run and make improvements.

Take the time to evaluate your workforce. Replace poor performers and hire workers that are more productive and can handle extra responsibilities. There's a great pool of candidates right now. Some may really add value to your organization.

Set goals. While many are just trying to weather the storm, it's important to never lose sight of the opportunities that exist today. Now is the time to lay the groundwork for future growth.



ALAR
STAFFING
CORP.

Pati Cinkle

Pati Cinkle is the Founder and President of Alar Staffing Corp., a Santa Ana-based provider of light industrial workers.

The company saw an 11% gain in sales in 2008 – a notable increase given how employment agencies are among the first to see cutbacks during a recession.

Last year, Pati was honored with the Orange County Business Journal's Women In Business Award. She was also the recipient of the Excellence in Entrepreneurship Award in 2009.

When she isn't working, Pati enjoys spending time with her husband and four children. Her eldest son is a medical student at the University of Southern California.

Pati is a certified rescue scuba diver and has a blue belt in Karate.

As a survivor of child abuse, Pati serves as a trustee for Olive Crest, a non-profit organization dedicated to the prevention of child abuse. She also speaks to teen moms for organizations like The Girl Scouts of America, and gives hope and guidance to battered women through her work with Human Options.

More information about Pati and Alar Staffing Corp. can be found at www.alarstaffing.com.

