

Taking the Right Road

A former traveling salesman finds his true calling: offering reliable home care to ailing seniors

By Jason Daley

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Hiring reliable home health care to back her up had turned into a nightmare: There was the woman whose boyfriend napped in the driveway while she was inside working; another unlicensed caregiver did well for several months, until she disappeared on the Fourth of July with the family's silverware and a pile of steaks from the freezer. Finding the right help was a long, frustrating, trial-and-error experience and relied heavily on word of mouth.

But it also taught Joe Grubb something he hadn't expected.

"I surprised myself," he says. "Helping out my dad, I found an aptitude for care-giving that I didn't know I had." That passion led the 49-year-old Grubb to a new phase in his life: After 15 years as a traveling salesman with a large printing equipment firm, he launched a Knoxville, Tenn., branch of BrightStar Healthcare, a technology-savvy, home health-care franchise, with headquarters in Gurnee, Ill.

"I'd been looking for a franchise, and when I heard about the home healthcare market, I knew that was what I was meant to do with my life," he recalls. A little over a year after leaving the drudgery of living on the road four days a week, Grubb transformed himself into a self-employed businessman managing a part-time staff of 80 certified nurse's assistants.

Grubb's path to success, though, was hardly free of pitfalls and missteps. In the last year, he has wrestled with cash-flow problems, been frustrated by the financial market and spent restless nights worrying that he wouldn't find enough business to make ends meet. But Grubb's strong competitive drive, perseverance and the ability to take a step back and make necessary changes to his business--and how he personally operated--kept the franchise afloat through the rough patches.

Simply choosing a business he was passionate about was the first key to Grubb's eventual winning formula. When he left his sales job, he knew he wanted to run a

franchise, but he hadn't settled on exactly what industry to tackle.

"I'd reached a point in my life where I said, 'I've made a good salary and I've been smart with money. I have the unique opportunity to ask what I want to do next,' he remembers.

"I thought about franchising and realized this is my vehicle for changing everything. I knew I could use what I knew about sales, and with a good franchise partner, I could take it anywhere."

He investigated eight companies, from cleaning firms to web-based ventures, but none of them clicked. All that research led him to one conclusion: He wanted a company that was bringing a strong IT infrastructure to an industry that was "a little behind the times" in adapting its business model to the digital age.

When he found the 7-year-old BrightStar, he thought it was a perfect fit--a home health-care company that was on the cutting edge of using internet-based applications.

In March 2008, Grubb pulled together his startup cash from his 401(k) and savings and signed the franchise agreement, which required an initial fee of \$35,000 and about 5 percent to 7 percent royalties. He then rented a 240-square-foot office in a suburb of Knoxville, one of more than 40 BrightStar locations across the U.S.

Next was finding qualified staff. During that first month, he interviewed 18 registered nurses before electing an experienced RN, Lisa Depperman, as his branch manager. As he put it: "After I hired Lisa, we sat down across from each other at the table in that little office and said, 'What in the world do we do now?'"

While Depperman began pulling together a roster of certified nursing assistants--specially trained and licensed home health-care professionals--for the company to send to clients, Grubb turned to what he knew best.

He drove down Knoxville's Main Street and went door to door introducing himself and his business to families. It was a slow start, but knock by knock and phone call by phone call, the franchise began grabbing clients.

Grubb also began cultivating referrals from social service agencies, nursing homes and senior centers.

By August, he felt the need to hire a full-time salesperson and he chose Sammye McMahan, a former advertising rep. But it felt like a gamble, especially since his cash flow was erratic. "At that time, we couldn't afford to hire Sammye, but we also couldn't afford not to hire her," he says. "We still needed to drum up business."

After reassessing his strategy and with McMahan on board, Grubb realized it was time for him to change his role.

Splitting his time between house calls and running the operations side of the franchise wasn't working. The company was having money problems. Income from billing, which can take 60 to 90 days to receive, wasn't keeping up with the biweekly payroll. Grubb also realized that selling an industrial scanner was a more black-and-white proposition than convincing social workers, who were skeptical after years of dealing with dozens of fly-by-night companies, that you could provide good home health care. Six months into the business, none of the referrals he'd cultivated had yet come to fruition.

"Referrals, I realized, required a leap of faith," explains Grubb. "You have to go see a client or referral source five times before they remember your name, and a couple times after that before they call. It's the eighth or ninth contact with them when something actually happens."

There were, however, other factors to blame for his slow start--unexpected hurdles getting the right business permits delayed his launch, for example. But he also points the finger squarely at himself: "For a while in the beginning, I enjoyed playing business owner too much. I wasn't making enough sales calls or putting in the hours in the first few months--later I was concentrating on sales too much and neglecting the big picture."

After visiting a CPA--Grubb was still keeping his accounts on a plain spreadsheet--to tune up the way he handled his finances and after dedicating more time to the administrative side of his business, Grubb felt the ship start to slowly turn around. But he still wasn't satisfied with his progress and worried that his franchise wasn't measuring up. During his training he'd met another BrightStar franchisee named John Graham, who opened a Little Rock, Ark., branch, and the two became close friends--and competitors.

"We opened our doors on the exact same day, and we challenged each other," Grubb says.

"John took off like a rocket and blew past that goal pretty quickly. I was watching cash fly out of my door, wondering what I was going to do."

Back home, he started putting in extra hours, and the referrals he'd cultivated six months earlier began to blossom. At one point, sitting in his office, he noticed that the phone never stopped ringing, all day, every day, and Grubb knew he'd made the right choice--his franchise was finally on solid ground and moving in the right direction.

In fact, after examining his books with a consultant, Grubb was ready to enlarge his operation and hire more care providers so that he could cover a larger swath of Knoxville. He spent weeks preparing a business plan for his local bank, but after a 40-minute presentation to the bank's head honchos, Grubb's loan was denied. He was irked, but he had other options. He cashed in stocks and pulled more from his 401(k).

"My wife Phylis and I decided to dig deeper rather than limit growth," he says. The business expanded steadily and by March 2009, he had contracts with 80 certified

nursing assistants throughout Knoxville.

Now, Grubb is thinking about expanding again, this time into KidCare, a separate BrightStar service that provides in-home child care. On the other hand, he's also willing to temper his ambitions for a while and simply enjoy his success.

"I had my doubts that this would work," he says, but he trusted his gut, and after a brief taste of business ownership, he knows he's found his place. "Now I need to catch my breath."

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