

Georgia's Business #409

Guest: Sharon Burton President and CEO, The Robart Companies

Richard Warner:

Welcome I'm Richard Warner and this week on Georgia's Business she is a successful business owner, entrepreneur, in a mission critical industry that is dominated by men. The industry is transportation and logistic and the entrepreneur is our guest Sharon Burton. Her firm is called the Robart Companies. We'll find out about the companies in a minute but how is business?

Sharon Burton:

Business is challenging right now, very, very definitely challenging. We have been in business for 28 years providing these services and it's one of the most unprecedented times I've seen.

Richard Warner:

We've always said that your industry logistics and transportation, trucking, getting things from place to place is a leading economic indicator. And the economy then for the next six months does not look like it's headed up?

Sharon Burton:

No it does not. As a matter of fact our indicators would predict in trucking and transportation domestically and internationally now are about six to nine months out. We lead in and we lead out. And our numbers would indicate second half of 09.

Richard Warner:

Well let's hope for second half of 09.

Sharon Burton:

Let's hope...

Richard Warner:

We're even hearing 10 at this point. Ok, woman, CEO, own the company in a male dominated industry. How did you get into this business to begin with? Was it something you were always passionate about?

Sharon Burton:

No, not at all. I was working for a chemical company years ago, began talking to transportation carriers, routing freight, took a job with a very large transportation company as a sales trainee and worked my way up into a very very great career with ABF Freight Systems, finally took an operations job as a terminal manager which means probably nothing to anybody...

Richard Warner:

Ok, so you're going from sales to ops...

Sharon Burton:

Yes...

Richard Warner:

Sales I would presume would have the financial incentive, the more you sale the more you make...

Sharon Burton:

It does...

Richard Warner:

But you go into operations with a longer term goal in mind...

Sharon Burton:

I was told I had to.

Richard Warner:

Oh, because you weren't selling or what?

Sharon Burton:

No it was part of my career. I had to have the operations background as well as the sales. So I began running a transport terminal with 100 teamsters.

Richard Warner:

100 men...

Sharon Burton:

100 men...

Richard Warner:

Oh man...

Sharon Burton:

And a teamster contract. And it was a life experience for all of us.

Richard Warner:

This sounds like a sitcom almost where you walk in the door as the woman in the I don't know dress who's taking on guys smoking cigars.

Sharon Burton:

I was challenged to walk the dock every morning. And you walk up and down the dock to check the trailers and the loading and what have you. And I walked into a trailer in heels one morning and I had a driver standing at the end of the trailer and he watched me

walk into the trailer and I walked back out and he said God didn't mean for no woman to be in my trailer with high heels on. And that was one of the many stories I could tell you.

Richard Warner:

Ok, so how did you garner their respect?

Sharon Burton:

I was fair. I was honest with them. I didn't use the contract unfairly. And I respected them.

Richard Warner:

Did they respect you? How long until they did?

Sharon Burton:

Yes. It took about 6 months and I left ABF to come into partnership at Robart in '89 and I still have some of the drivers that come by to see me.

Richard Warner:

Yea, I want to go back to that beginning though when you're trying to coral these people to your vision and your goals and your style. You know teamsters contracts are entirely different than trying to motivate a right to work workforce.

Sharon Burton:

Totally.

Richard Warner:

How do you motivate them?

Sharon Burton:

Well I think you need to be where you are and with the people that you're leading. And I think you need to understand their viewpoint. You can't take a teamster contract and use it to manipulate. You have to be able to say we're working together for a common goal. It is more difficult.

Richard Warner:

You said be where you are, what does that mean, transparent?

Sharon Burton:

Yes, very transparent and I think that you have to really care about the people that are working for you. And I think that if they see that you in fact do it is transparent. And they respect that. You reach them on an emotional level as well as an intellectual level. And I think that's the way I have chosen to lead and it has been successful to me.

Richard Warner:

MBWA, management by walking around...

Sharon Burton:

Yes, absolutely into trailers where they don't want me as a matter of fact or didn't want me. But yes absolutely and I still do that. I still do that.

Richard Warner:

Alright so you're six months into it, you're running a warehouse with 100 teamster drivers, things are starting to look around and look up and now what?

Sharon Burton:

I was there for almost 5 years. We took the terminal and turned it into the most successful terminal in the south east. We had the best routes, the best drivers. We won award after award and I had an opportunity in the latter part of '88 to go into partnership at the Robart Company.

Richard Warner:

So you make the switch, you're changing gears so to speak. You're going from a big company in management ranks and now you're going to jump off the cliff into a smaller a much smaller company and go the entrepreneurial route.

Sharon Burton:

Yes, very frightening.

Richard Warner:

And why?

Sharon Burton:

Because I thought it was the only time in my life I'd get the opportunity to do something for myself...

Richard Warner:

And I apologize, how old were you?

Sharon Burton:

I was old enough to know better.

Richard Warner:

Or not know better...

Sharon Burton:

Or not know better. And I had I felt that if I didn't do it then that I wouldn't do it.

Richard Warner:

Did you have kids or a responsibility...

Sharon Burton:

Grown, grown and I had a thought process at that time that if you work for someone else you'll do well but if you have an opportunity to work for yourself then you should set your own limits. And I thought that my limits would be much higher working for myself then they would be working for someone else. And I gave notice and they kept me for six months hoping I would change my mind. And I started at the Robart Companies in '89 and I've been there ever since.

Richard Warner:

Well I assume that you're going from a fairly highly compensated job into something that was it as highly compensated was their much more risk right from the get go?

Sharon Burton:

Oh, no, not at all. It was certainly, when I went into partnership I went in with no salary what so ever and worked for 6 months, one to make sure that I wanted to do this and have the opportunity to move forward or go back. And I wanted to make sure that I could do the job in a somewhat different facet of the industry and do so and move into ownership. It was frightening. It's scary.

Richard Warner:

So people don't realize how good you have to be at a bunch of different things. Not that management in a big company is easy, but management in an entrepreneurial venture means that you have to be a good sales person, marketer, operations person, you got to do it all. And did you?

Sharon Burton:

Well I don't think any of us do it all everyday, but I think that entrepreneurs are wired a bit differently. I think our problem is we want to do it all. I think the most difficult job that any of us has is delegation.

Richard Warner:

Nobody can do it as well as you can.

Sharon Burton:

Absolutely. And so many businesses fail and it was a very difficult lesson for me to learn and probably for a lot of people to learn is that there are those around you that can do things a lot better than you can. And you need to let them do it. But I think we want to control and keep it all on a pile and that's not necessarily the best thing for me or for you or for the business itself. I have been very fortunate to surround myself with good people.

Richard Warner:

Get tot hat in a minute. You get to this company, it's husband and wife. So you've got all types of dynamics in addition to just entrepreneurial. How'd that go?

Sharon Burton:

It went well for the first three or four years. And they brought me in to grow the company and we did. And it was a great success. And then it got a little bit for one of the partners and she stepped away.

Richard Warner:

A little big in what way?

Sharon Burton:

With more complicated, more finance, it wasn't a mom and pop. It was just way more than she wanted to deal with at the time.

Richard Warner:

So she departs and it's you and Ro.

Sharon Burton:

The husband. Arthur. The Bart part of, the back part of it ye.

Richard Warner:

So it's Robart and that's a combination of the names of the husband and wife. Okay so Robin leaves you and Arthur and you know the direction you want to go which I presume is to buy the company and how do you begin putting the foundation in place for that to happen?

Sharon Burton:

Well when robin left, I became majority stock holder in the company. That was the agreement that Arthur and I had and so at that point I had fifty one percent of the company assumed the presidents role and a lot of the direction of the company. He conversely was administrative and back office type. And it worked well for us for a number of years.

Richard Warner:

And was his goal ultimately to leave?

Sharon Burton:

Prior to me, yes. And finally in 2003 2004, we were looking internationally. We were going in to new service offerings and it was time. He felt a bit overwhelmed and so I bought him out in September of 2004 and became the sole owner.

Richard Warner:

Alright sole owner 2004, what kind of revenue are we talking about?

Sharon Burton:

Twenty million.

Richard Warner:

well twenty million dollars is a big company. You have to be really good at a bunch of different than when you first entered the company. How did you learn? You said you didn't have a lot of mentors. It's not an industry where a lot mentors exist for women. How did you learn what you had to know. How did you learn what you didn't know to make a successful twenty million dollar company grow?

Sharon Burton:

You know that's interesting that you say that because we use the adage, a wise man knows what he doesn't know. And a stupid man never learns. But I think that, I had no mentor simply because there were no women in the business when I started. And I spend time now mentoring young women business owners simply for that fact. And it's extremely important for me, it's a passion of mine that I take these women through some waters that they may not be able to navigate on their own. But I love the business, I love what I do. It's interesting, it's different. I've watched our services literally save companies form chapter eleven. I've watched what we do transform middle managers into top managers. We have portable relationships where people come back to us and I also make it a habit to learn from everyone I come in contact with. And if you are open to saying, I don't know but I'll find out, I don't know but can you help me learn, you become wise after a while.

Richard Warner:

You probably learn a lot from customers. That's going to be the core of a successful business is the marketplace talking to you and you aggressively listening to it. Did you have a board? Did you have any others who could help you over come the rocks when you started to approach them?

Sharon Burton:

Yes I have several people I work with. I have a business consultant by the name of Tim Fulton. He's also a Vistage chair and I'm sure that you're familiar with Vistage.

Richard Warner:

This is the second show in a row where someone's talking about Vistage. This is a CEO organization and you get eight or ten CEO's as a group, they are not competitors, you can't do business with them, and your job is to undress and get their feedback collectively of the problems that you face. Fair?

Sharon Burton:

She did a great job of explaining it to you. Yes it's very true. And it used to be called Tech. And it is an organization that becomes your advisory board. Tim Fulton is one of the chairs of Vistage and I work with him collectively and individually in my business. He asks the tough questions. And you know what you don't know very quickly. And if your cash flow, your business plan, your strategic planning, any of those things are lacking, he's not there to make you feel good about yourself.

Richard Warner:

As your employees tend to do. As your reports, direct reports, tend to do for whatever reason to want to compliment you, play up to you, even if you don't want that.

Sharon Burton:

Yes. And I don't want that. I am always wanting to hear the voice in the corner that says, I don't think that's such a good idea. And why. We have in our company what we call drill-downs and we bring in project managers and we bring in dispatchers from operations and our directors, and we all sit in a room and we go at a problem from totally different points of view. And it's amazing what we come up with.

Richard Warner:

When you go through the Vistage process, or when you go through internal transparency, what sort of things have you learned from being beaten up?

Sharon Burton:

Personally I've learned that I lack discipline. and I am sales and marketing. That I need more focus. That I need to work on the business whether than in the business. Things that we all have to learn.

Richard Warner:

In googling Sharon Burton, not much comes up. How did you manage to get all that stuff off the internet? There is one thing that comes up, it's an organization called Clear Momentum. and the purpose of this group, which I've never heard of until researching you, was work life balance. Why'd you go to them?

Sharon Burton:

Well I think work life balance, clear Momentum and there are several other organizations. Women more so than men have a difficult time with work life balance. Many times we have a bit more responsibility or a bit more spread out and it's very difficult for us to feel that we're giving a good portion, proportionately speaking, to each part of our lives. And I think that both with Clear Momentum, another organization is WBENC, that is the national certifying agency for women owned businesses. Through WBENC I have found tremendous support. A wonderful board of directors, and women business owners all over the country that have helped me as I help them do better at what they do everyday

Richard Warner:

To what extent are women's business challenges different than men's business challenges?

Sharon Burton:

I think that women have a more difficult time switching from one role to another. I think the women that I know may be in and out of the office 30 hours a week but they're working 80 hours a week. And they're doing so while caring for parents, many while still rearing children, some are still trying to be soccer moms. They're going for dental appointments then running to a board meeting and not to say certainly that men don't

share some of the same responsibilities but I think women have and continue to bear the bread of those responsibilities.

Richard Warner:

I'm trying to think how to phrase it because this has come up before. Were men either not wired to where they are as apt to do those soccer mom, dental appointments, school volunteer kinds of things so they don't. They focus on the business and gender roles say that's okay. That's changing you know it's different now than it was in the fifties but what you're saying is that women have not been as often to be able to slice it and dice it so that they both work.

Sharon Burton:

That's true. That's correct. And we multi task well. And that's what makes us good employees and generally good entrepreneurs because an entrepreneur, as you know yourself, building a business and running a business must so many things at one time. But that same multi tasking overwhelms us occasionally.

Richard Warner:

How do you find the people you can assign these roles to? How did you find the people you had enough confidence in to hand it off?

Sharon Burton:

I have two directors that have been with me for sixteen years. One is my operations director the others my logistics director. And they're younger, they're smart, they're sharp, and I trust them implicitly. And it allows me to fill the role in a more strategic manner and them to be more tactical. And it's worked well for the company. It's worked well. We're at the point right now though where we're probably looking for another person and I'm not quite sure what that persons going to look like yet.

Richard Warner:

Ten years ago your son died of cancer.

Sharon Burton:

My son lost his battle with cancer in October of nineteen ninety eight. His wife had just given birth to their son. They had waited ten years to have the baby. He was always going to get well and give hope. And he didn't make it. So we started the Herring Foundation of Hope. And this foundation delivers what we could never find as a family. It's full of information on doctors, care giving, what to do when you're diagnosed. Everything that we struggled with so badly when Jeff was ill. And it's now a big hope kit. We deliver it for shipping and handling and we've delivered over twenty five hundred in the last ten years.

Richard Warner:

You were talking about multi tasking and how entrepreneurs have to somehow keep all the plates spinning and they have to be successful and all of these elements because so

much rides on it. When that terrible dynamic becomes a part of your life, how did you manage to keep all the plates spinning?

Sharon Burton:

You know, I don't think we know what we're ever made of until we hit a point that's so devastating to us that we only have a choice of going over the edge or not. And you're not supposed to lose your children, they're supposed to bury you. and if I hadn't had faith in God, a great family, wonderful friends, and quite frankly this business to hold on to knowing that they all needed me in various ways, I don't know that I would have survived it. Prayer and faith.

Richard Warner:

And the Herring Foundation which gave you a place to channel that element, that plate, that had to keep spinning.

Sharon Burton:

Yes. For Jeff. We're having our tenth anniversary ball this year. And it's our most aggressive year ever for fundraising and it'll be at the Atlantic Athletic Club on November the eighth. Anyone that wants information on the foundation can go to Herring Hope dot org. Or call me, contact me, anyone on our board, and we'll be happy to give them information. Or if they need a hope kit, we'll be more than happy to send it out.

Richard Warner:

You got to know where you're going. Where are you going?

Sharon Burton:

We are going international with some great partners. We're going to permeate more layers of our clients. We're going to include their board room, their IT people, not only their operations people and transportation people. We're going to provide solutions on a higher basis and we're going to integrate ourselves in our clients success.

Richard Warner:

You are in an industry, as most industries are right now, that is extremely challenged. Lay-offs, even in industries that are relatively healthy are very prevalent right now. How realistic is it to talk growth at a time like this?

Sharon Burton:

It's sort of like real estate. When everybody else is running for the hills, or the stock market, that's probably the time to buy. There's some good people on the streets right now. We're intending to hire. And we're going to market when our competition stops because they don't have the money or the inclination. I think you have to be a bit of a maverick and do some things that other people don't do at the toughest times, at the scariest times.

Richard Warner:

Defying the face of logic?

Sharon Burton:

Absolutely. Sometimes. Yes.

Richard Warner:

And what about you personally? One of the great challenges of a entrepreneur who builds a successful business has is what's it going to be after me? Am I going to give it to my kids, am I going to do an employee buy back. We've had some folks on do an es-ops where the employees become the owners of the company rather than having be acquired which is yet another common exit strategy. Where's your head at?

Sharon Burton:

Well they tell me to do it before you're ready. And I'm certainly not ready. And.

Richard Warner:

Really they tell you that?

Sharon Burton:

Yeah. They do. They say that you must put a succession plan together when you think, why would I be putting a succession plan together. And you do so so that you are ready if you need to do so. And I'm looking at that right now. I have some great advisors with Wilmington Trust. And they're helping me look at it. I do not have children coming into the business. I do have long term employees and certainly that would be one way we would go. And e-sop has been looked at, we're looking at that. My responsibility to my employees is to make sure that they know they'll be okay if I get hit by a bus in the parking lot. And that's always a concern that they should have, and I've taken care of that.

Richard Warner:

Everybody should. That's one of those things that entrepreneurs tend not to give true wait maybe because so many spinning plates or because it's human nature not to.

Sharon Burton:

Or because nothing's ever going to happen to us. Because we're omnipotent. Nothing ever happens to us. But yes I am looking at that and I can't tell you, I can't answer that question for you. Bring me back in two years, and I'll tell you what I've done in that time.

Richard Warner:

You said something before we began this that rang true to me and I suspect rings true to any entrepreneur who has to go through it and that is I don't ever want to work for somebody else. Could you?

Sharon Burton:

That would be one of the last things I would want to do. I don't think I'd be a very good employee. I think we can all do things that we have no idea we can do if we have to, but I have loved nothing more than having my own business. With all the worries, with the banks, with the pressures. The what ifs. I wouldn't trade it for anything in the world.

Richard Warner:

Steve Jobs said that no rational person would do it because it is constant worry.

Sharon Burton:

That's true. It is. When we go to trade shows and we put our booth up and my guys come in all wearing their Robart shirts and whatever, I mean I get tears in my eyes. Look at us you know we're just big kids. And that's what you've got to have a passion. You have to have a passion for what you do and I think that's what entrepreneurs do.

Richard Warner:

And words of advice then for someone watching who's considering making that leap off the clip hoping the net will appear. Should I do it or shouldn't I do it.

Sharon Burton:

Be prepared. Seek wise counsel. Follow your heart, but listen to your banker.

Richard Warner:

Who's going to tell you...un hunh.

Sharon Burton:

This business plan ain't looking too good right now. I mean you have to be able to say, I mean you have seventy percent of entrepreneurs fail. Seventy percent.

Richard Warner:

And a hundred percent of them don't think they will.

Sharon Burton:

That's exactly right. But those seventy percent for the most part don't surround themselves with a good business plan, a good banker. And they take nothing but their passion in and passion should be but is not enough for success.

Richard Warner:

Would you do it again?

Sharon Burton:

Absolutely.