

Meet Dennis and Roseann Drew

The Sunshine House

Mt. Pleasant, South Carolina

In 1973, the path to The Sunshine House was being paved as a young couple moved to Greenwood, South Carolina from life aboard base at Camp Lejeune, North Carolina. He was a Marine Corps Captain and Vietnam veteran and she was a primary school teacher. They were new parents and planning to further pursue careers in education. She had nurtured a dream to enter the world of educating very young children. New research was then emerging about early brain development. The idea that so much learning occurs in the years before age five was compelling to her.

Miraculously, everything fell into place. By January 1974, a class of four pre-school children was in place in a home-made environment. By the next school year, growth was great and land was purchased for the first center. The original name of Small World Preschool was transformed to The Sunshine House in 1975, and the newly built preschool learning center opened in 1976. The curriculum was developed and active learning ensued.

Slow growth occurred for the first 20 years, with centers being built or purchased in new areas. Then in 1994, the big leap occurred when the company with a dozen centers burst forth into a company of 30 as a result of an acquisition of 18 centers from a major provider exiting the South Carolina market. Another leap the following year added ten more in North Carolina; and in the latter part of the 1990s, centers were added in Georgia. One company was literally acquired on a wing and a prayer

as The Sunshine House stepped in to make payroll and take over operations from a rapidly sinking provider group.

Having burst forth in the new millennium with growth into other states and in an afterschool division, The Quest Zone™, this educating company now operates 150 sites. Following the Jim Collins' "Good to Great" hedgehog concept of being the best at growing and empowering its people, The Sunshine House recently became an Employee Stock Ownership Plan (ESOP) company. Thirty percent of the company was given to employees as part of a retirement plan. Going forward, this enables employees with five or more years of tenure to become owners. Employees truly have a vested interest in increasing the success of their individual classroom, their center, and their company.

Here are other important factors shared by Roseann Drew, founder and Vice-President for The Sunshine House's success strategy:

■ Joining and participating in professional state and national associations allows the company to grow our people and make the contacts to grow our organization.

■ Growing leaders at all levels. This requires attention to the immediate and long range needs of our teachers and directors. A culture of basic appreciation sets the stage for able people desiring to grow with us. At the center level, the presence of a quality leadership-oriented director allows for the development of

the dynamic teaching team. These directors are organized into regions led by professionals who empower through training, guidance, and enhanced expectation of high standards. In turn, these Regional Directors are led by Operations Team Leaders who share goals and expectations shaped by the company leaders in collaboration with the team.

■ Director and Assistant Director Conferences are a mainstay in leadership growth. The model followed requires pre-conference study prior to the conference lecture and follow-up activities which relate the topic to activities in the workplace. The Marine Corps training mentality is followed. Although it is not exactly boot camp, principles of leadership and task orientation to get the job done are integrated into the fabric of the company.

■ Seeking out the best banking terms and rates and a willingness to change banking institutions when prudent financially has allowed for more investment resources.

■ Keeping owner-operators who stay on board after an acquisition and continue to do what they have been doing, while at the same time adapting to changes inherent in becoming part of a larger operation. When these individuals successfully make the transition, they redirect their entrepreneurial energy to growing greater with the new company.

■ Restructuring management as needed to support operations. Sometimes when something is not working properly, it is essential to change it up a bit. "Good to

Great" philosophy stresses getting people in the right seat on the bus. Best results are achieved all around when teams are structured with this strategy.

■ **Making prudent business decisions.**

This involves researching options for achieving the best results. Growing companies outgrow existing systems. Planning early to upgrade, replace, or outsource systems requires anticipating future needs.

■ **Investing in financial audits annually.**

For many reasons, this is prudent for the small growing company as well as the larger one. It provides the necessary actual detail to see where you have been so you know where you can plan to go, facilitating the budgeting process. Yes, budgeting is another essential tool for growth, for obvious reasons.

■ **Strength through adversity.** Extreme challenges have occurred that put us to the test. You just have to take a lesson and move on. When the going gets tough the tough get growing, both personally and professionally.

■ **By the numbers.** The analysis of a potential acquisition involves both common sense and due diligence. Past experience provides a fairly accurate measuring device to gauge what is possible going forward in most cases. On the scale, many factors are weighed according to a performance based on what we know from the past.

■ **Assuming debt is acceptable if the correct cash flow will be there to cover before too long.** This requires growing the enrollment of the center in order to raise the revenue to service the debt.

■ **Normally our costs of operating a new acquisition increase, due to such factors as increased employee benefits, upgrading of facilities for basic licensing, achieving stars or accreditation.**

■ **Turn-Arounds are a niche that works well if we already have a strong market**

presence. Our ideal situation is a cluster of centers with the name recognition and respect in a growing market. This synergy allows for the addition of new centers either by building or acquiring.

■ **By the People.** Oftentimes the announcement of a sale is accompanied by emotion all around. Demonstrating to the acquired teacher the advantages going forward in this situation is essential to retaining them and earning their loyalty. We desire excellence in the workplace setting, where employees feel valued, and even conveying this good news in the midst of the sale, can be a challenge. Now with ESOP, they have the added benefit of becoming owners through their own sustained efforts to be the best.

■ **Strategic Planning.** Every few years we bring in an outside wizard to lead us in the process. We engage employees from all areas in this endeavor, and really zero in on their thoughts and ideas. We just found out many things, including that they want to grow!

Ultimately it is about the children and the families who need the caring and educating presence we provide whether the center is in Dallas, Georgia or Dallas, Texas. We grow because our people believe, just as we did over three decades ago, that we can fulfill this God-given mission.