

# The Rak Brothers Share How to Join the \$1 Million Club



Source: [www.TurfMagazine.com](http://www.TurfMagazine.com)

Brothers Jeff and Steve Rak run separate landscape businesses out of the same building located on a busy rural road about 35 minutes southeast of Cleveland, Ohio. Jeff owns and operates [Land Creations Landscaping](#), an award-winning design/build firm he founded in 1991. Steve is president of [Southwest Landscape Management](#), which provides quality landscape maintenance services in and around Cleveland.

Each brother runs his own unique operation. But, as occasion allows, each helps the other by passing along the names of property owners that would benefit from one or the other's specific services. They also partner in their successful consulting firm, [Rak Consulting LLC](#), which they jointly founded more than five years ago. Rak Consulting helps the owners of small landscape companies (companies grossing less than \$1 million) to profitably grow their firms to higher revenue levels.

## **Starting small**

The Raks earned their credentials to help others from the ground up by helping their father when he, after a successful career with United Airlines, began a small maintenance company. When the sons went on their own they worked out of an old airplane hanger not that many miles from Cleveland Hopkins airport.

"When it rained outside, it rained inside," recalled Jeff wryly. "When it snowed outside, it snowed inside." Brother Steve, Jeff's comment causing him to smile, chimed in: "We even had bats flying out of there every evening."

The brothers freely admit to making many of the same mistakes almost all small business owners make. Even though Jeff earned a [degree in landscape architecture](#) from The Ohio State University, and Steve's experience working

in the field for his dad hardly established him as business whiz, the brothers, by following the examples of other successful owners, being active in industry associations and seeking business management help when they realized they needed it (a formula they follow to this day), built profitable companies, both of which bill double digits north of \$1 million annually.

The Raks—through hard work, perseverance and the application of sound business practices—have earned the right to help others to reach the levels of success they, as small business owners, have earned themselves.

## **A little bit better makes big difference**

So, how does a small company build a company toward the \$1 million level? You do it by being better than the other companies in your market. “You don’t have to be that much better than everybody else. By being just a little bit better, you will stand above the crowd,” says Jeff.

But, to become better than your competition, says Steve, you, as an owner, have to:

1. **Become the best leader you can become.** Which means learning about and following the examples of other great leaders, regardless of industry. Steve relates that he is constantly reading books on great leaders and what they did to become great leaders.
2. **Have a clear vision of where you want to take your company, and set goals to take it there.** Share your goals with your family and your employees. Write your goals on paper and place them where you see them often, such as on your desk and on the dashboard of your service vehicle. Regularly ask yourself, “what can I do today to get closer to my goals?”
3. **Surround yourself with competent, reliable people and learn to delegate responsibility to them.** “Great people will help you grow a great company,” shares Steve, adding that the reality is that you usually won’t be able to afford to keep great people until you grow beyond the \$300,000 revenue range.
4. **Implement systems to track and run your business efficiently, and constantly seek to improve your systems.** You will never reach \$1 million in revenue (and still be profitable) without systems that allow you to compete for the plum accounts in your market.
5. **Get help!** Why go it alone when there are so many other people in the industry—colleagues, consultants, association friends, etc.—willing to help you grow and succeed?

## **You have to sell to grow**

But, even if you get a firm handle on these five business basics, you still have one very big challenge to meet in climbing to the next revenue and profit plateau—selling!

"You have to sell to grow," says Steve emphatically. By selling, Rak means controlled, directed selling. For example, for most companies to add an additional \$100,000 revenue, they must put out approximately \$1 million in bids. The ratio is different for all companies, but you get the point. The more you bid, generally the more you sell. Over time, an owner usually can accurately predict just how much they must bid to generate the extra revenue they are seeking. Of course, any owner would be foolish to bid and land more work than they and their team can hope to accomplish in a client-pleasing fashion. It's almost impossible for any company to remove the taint of poor quality service. Word gets around.

Unfortunately, only a handful of contractors at the recent [National Landscape Professionals Association](#) (NALP) LANDSCAPE 2015 Conference took advantage of the two-hour-long roadmap to greater revenues and higher profitability the Rak brothers shared. Blame the location of the conference room at the end of a deadened hallway at the Marriott hotel or its early 9:30 a.m. start time, but barely a dozen contractors benefited from their educational and entertaining presentation.

If you're the owner of a small landscape business and you're serious about moving to the next revenue and profit level, you can't afford to miss the Raks should they come to an event near you.

The brothers shared many other anecdotes about their trials and tribulations in building their small but successful firms—Jeff has 13 employees and Steve 18. And they were equally generous in sharing their "secrets," stressing that what they've done to this point can be done by any owners who have the drive to succeed and the smarts to build their companies on the bedrock of proven business principles and solid, reliable employees.