

## Fast Lane

### The writing's on the wall

By Patrick Mayock

Smart Business Los Angeles | September 2008

The walls in Robert Nickell's office are floor-to-ceiling whiteboards. So are the walls of most of the offices at HNP Pharmaceuticals, a 100-employee pharmaceutical compounding laboratory.

"We started off with just a basic whiteboard that you'd buy from Office Depot," the founder, president and CEO says. "It's just not big enough. You can actually go to Home Club and buy the whiteboard material in 8-and-a-half-by-11-foot sheets, and it's just like paneling on your wall."

Now, when Nickell or his employees start brainstorming, they can literally write on the walls. The process has proven invaluable at the rapidly growing company, where revenue has grown from \$3.2 million in 2003 to \$8.6 million in 2007.



**Robert Nickell**  
founder, president and CEO, HNP  
Pharmaceuticals

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Smart Business asked for Nickell's two cents on how to communicate a vision in a fast-growth environment.

#### **Q. How do you communicate your vision to your staff?**

The growth of the company is always due to the vision of the leader. My goal is to always be three steps ahead of my staff as far as vision so that they can understand what I'm trying to do.

Each one of your key staff people will comprehend it in a different way. The way my CFO thinks as opposed to my pharmacist in charge as opposed to my COO as opposed to my operations manager — they all think differently. The job of the CEO is to be able to explain it in their language.

I'm ... writing an entire outline and then including, 'OK, so from an attorney's standpoint, this is what we need to do. From a finance standpoint, this is what we need to do. From an operations standpoint, this is what we need to do. From a software standpoint, this is what we need to do.' It kind of gives them a blueprint.

**Q. What else do you do to make sure your employees understand your vision?**

In some cases, I whiteboard it. It's a teaching technique. We can be in the boardroom or in my office or in a meeting room and somebody can stand up with a marker and we can start drawing out a flowchart.

If your walls are white-boarded, you can draw a huge flowchart. Then what we do is we take a digital image of the wall, and we forward that image, or we save that image. So later on, if we're having a meeting, and we're like, 'Wow, we flowcharted that before,' we're able to pull up the digital image and put it up on the big screen, and we can go back and review it.

**Q. How do you hold people accountable for that vision once they understand it?**

The way I did it was through e-mail. So I'll track e-mails as far as deadlines.

The other thing we have is we have conference calls with action items: We need a new contract for this professional medical corp. Were they done?

If not, why not? Where are they? People know they're going to be accountable, just like they do in school.

**Q. How does that benefit your staff when you follow up?**

It increases their comprehension. My whole goal is continue to push the level of comprehension until they can take it on their own. Once they get it, then they implement it, and it becomes part of their operational maintenance, and I'm off onto something else.

**Q. Once you've successfully communicated the vision, where do you begin to look for new opportunities for growth?**

You're not always right. I try to keep at least 10 things going. Some of them are not profitable at all, and some of them end up being profitable. It's similar to a venture capitalist who's looking to invest in 10 biotech companies knowing that only two of them are going to be successful. I look for which opportunity is throwing out the highest profit structure, and that's the one I'm going to focus on.

You just accept risk as part of the game. You can't mitigate it. There's going to be losses, which is again why you want to be in a high-profit opportunity. If you're a 1 to 2 percent wholesaler, you can't afford risk. But if you're making 200 to 300 percent profit, you can afford risk.

That's my goal. I try to go into businesses that have high profit, so you're allowed to make mistakes.

**Q. What advice do you have for other leaders who are seeking opportunities to spur rapid growth?**

Don't give up. They'll fall, they'll falter, they'll be plain wrong. Everything that can go wrong will go wrong. In fact, that's what I tell my CFO: 'If we're not operating at the brink of disaster, we are not pushing hard enough.' They have to accept that that is the way the business works.

This is what happens in a growth-oriented company. It's very, very difficult. Absolutely do not give up, and when you stop growing is when things will settle down.