

## Case Study: Global Tax Network

*In Fall 2011, the Hennepin-Carver Economic Gardening Network initiated a new approach to delivering services to second-stage entrepreneurs: the consolidation of research assistance, monthly roundtables and quarterly forums. One of the early participants was Global Tax Network (GTN), a Maple Grove, Minn.-based firm that specializes in tax services for individuals working outside their home country. Founded in 1998, GTN had 32 employees and revenue of about \$5.8 million when it entered Hennepin-Carver's economic gardening program in late 2011.*

“We’ve been expanding a lot in recent years, primarily from referrals, and we wanted to be more strategic about our growth than just taking orders,” says Stephen Daas, GTN’s chief operating officer, noting the company aims to hit \$40 million in revenue by 2020.

With that in mind, the network’s research team compiled a list of 300 focused leads (complete with contact names, phone numbers, email and snail-mail addresses) for GTN’s six branch offices to follow up on. The research team also evaluated GTN’s website and suggested changes to improve its rankings in search engine listings.

Other assistance provided by the research team included:

- Investigating sales-tracking software applications that could be integrated with Microsoft Dynamics, which GTN uses as its customer relationship management tool.
- Finding studies and examples of employee recognition and incentive programs.
- Identifying plug-in applications that GTN could use with Microsoft Dynamics to improve and track its recruiting process. “Getting to get to \$40 million by 2020 is going to take a lot more people,” Daas observes.

Daas says that working with the economic gardening network’s research team was like having sudden access to additional staff members. “There was a lot of collaborative, back-and-forth dialogue,” he explains. “I believe we achieved better results that way — and obtained the information we really needed. With a consultant’s report, you wonder if it will be truly worth it — and if they really heard you in just one meeting.” In fact, after GTN’s period of county-funded services were over, it paid the research team to do some additional work.

Through Hennepin-Carver’s integrated services, Daas was also able to attend quarterly forums where CEOs of larger companies talked about building their businesses and how they had navigated through second stage. Daas praised the forums, noting that the speakers were not only of high caliber but also relevant. “I heard things I hadn’t heard before, and the information was especially applicable because it was focused on companies of our size,” he says.

Another benefit was an annual membership at no cost in a PeerSpectives roundtable, a peer learning methodology developed by the Edward Lowe Foundation for leaders of second-stage companies.

## Case study: Global Tax Network

Prior to PeerSpectives, Daas has been involved in three other roundtables, but found they did not meet his needs. “In the first one, I was operating at a level way beyond the other participants, many of whom were only making about \$100,000 in revenue,” he explains. “The second roundtable was expensive, and the size of companies differed drastically. Some were only generating \$1 million in revenue while others were at the \$100-million level. The variance in their issues, and the size of the group, made it difficult to focus the group on my business issues. In addition, the full-day format was a significant time commitment.” As for the third roundtable? “It never got off the ground,” Daas says. “Only six or seven people showed up for meetings on a consistent basis, and there wasn’t a lot of momentum.” Daas noted that these roundtables did provide him with connections to other business owners, some of whom he still stays in touch with on a regular basis.

In contrast to these roundtable experiences, Daas gives PeerSpectives rave reviews and plans to continue in the program. About a dozen CEOs attended the monthly roundtables, and all were leaders of second-stage companies. “Not only did they share many of the same issues that I do, but they had recent knowledge of these challenges, rather than it being a case of ‘Oh, we went through that 10 years ago,’ ” he says.

For example, Daas had been wrestling with whether to hire managers for human resources and business development. “We had been delaying making these hires for some time — partly because of costs, but also because we weren’t sure if we really needed these people yet or who we should look for,” he says. “The roundtable really helped clarify these questions. Some of the leaders of other professional services firms in the group were able to discuss at what point they hired HR managers, what they did and what kind of difference it made for them.”

In addition to sharing business challenges, PeerSpectives participants also discussed their experiences with the research team and quarterly forums. “The three were synergistic,” Daas says. “Discussion on how other roundtable members used or planned to use the research techniques or information from the forums helped illustrate how I might possibly use them for my business.”

Indeed, the goal of combining the three educational experiences — research assistance, monthly roundtables and quarterly CEO forums — is to accelerate the value that entrepreneurs receive and make every interaction with them more meaningful, says Steve Quello, managing partner of CEO Nexus and an economic gardening expert who facilitates Daas’ roundtable and helped launch Hennepin-Carver’s integrated approach to services. “The research assistance provides just-in-time information to roadblocks that CEOs are facing or points them to new opportunities,” Quello says. “Yet the roundtables and forums provide networking opportunities and horizontal and vertical peer learning that enable entrepreneurs to better convert that information into action.”

There’s also a reciprocal factor at work. Because roundtable facilitators have deeper understanding of the issues entrepreneurs are facing, they can make introductions to CEOs in other roundtables or at quarterly forums — and recognize when the research team could address an issue. “It’s all about arming entrepreneurs with the right information, resources and referrals so they can make better decisions and grow their businesses faster,” Quello says.



*The Edward Lowe Foundation is a nonprofit organization that supports entrepreneurship through research, recognition and educational programs, which are delivered through entrepreneur support organizations (ESOs).*



*The National Center for Economic Gardening is a partnership between the foundation and Chris Gibbons. NCEG delivers economic gardening services and maintains national standards in training and certification for both regional and state networks. For more info, visit [www.edwardlowe.org](http://www.edwardlowe.org).*