

CEO View: Business Leaders Face Challenges Ahead

What obstacles will fast-growing companies face in the coming year?

In conjunction with the Alliance of Chief Executives in Walnut Creek, the Business Times regularly meets with CEOs to discuss the state of business in the East Bay. Here are excerpts from those roundtable discussions.



Randy Wheeler
CEO
Valley Oak Systems
San Ramon

"I think in the coming year – but actually in the past five years – it's a continued challenge. I don't think it's going to change. It's just finding the good people.

"You really have to have 'A' people in every position because they move up and they have to be the managers and leaders in upcoming years.

"In the Bay Area, there's development talent but we have other business opportunities and we're going into. . . Sacramento because there's more talent there. But we're still staying within California."



Matthew Clementz
Chairman
First Renovations
San Leandro

"I think there are three essentials for a company like us that's growing fast to stay focused

on and we're trying to do that the best we can.

"The first is to continue to focus on your target markets and your strategic plan. New product opportunities may come up and the temptation is there to go and launch a quick venture into an area that may not be part of your core competency, not part of your initial key strategic plan.

"The second thing is a sense of organizational consistency as you grow and you have more and more people involved in your organization. It gets increasingly complicated to keep a single story, to keep a single set of procedures and policies and messages that are communicated to your customers and suppliers.

"The last one that I'm particularly mindful of is one that we really have very little control over, the environmental and regulatory environment that we're existing in, especially here in California.

"Concerns about workers' comp reform and how much progress is going to be made there, medical reform, those are costs as you grow. And certainly as you get past 50 employees, a hundred employees, more and more trigger points are activated that you have to be subject to as an employer and it gets increasingly costly and increasingly difficult to run an organization when you have to be mindful of these regulations that are affecting you.



Alex Hehmeyer
President
AMH Ventures
Lafayette

"I agree that the excessive regulation is an obstacle, especially true in California. In the East Bay and in the Bay Area in general, affordability of housing is an issue.

"The results of excessive regulation can be seen in Europe now where Germany and France and others have 12 percent plus unemployment. You talk to companies and a lot of it is due to the fact that there are too many benefits. We all want to be aligned and give the right benefits, but there has to be some ability to conduct business.

"There is a lot of money now available. Venture capitalists and angel investors are doing more deals. That's not as big an issue as it was a couple of years ago."