



PROVIDING SOLUTIONS FOR PEAK PERFORMANCE

Industry Era's 10 Best CEO's of 2019 – Stacy Racca

Stacy Racca, President at Racca Solutions Group (RSG), is a student of leadership. He believes leadership is the foundation and the energizing force that propels all organizations forward. Using the tools and techniques of leadership, he has been able to build a successful consulting company that provides an enormous amount of value for their private equity firms, portfolio companies, and companies directly.

Having served in the United States Army for 14 years, Stacy is an experienced Board Member and has demonstrated history of working in various industries. His ability to understand current market conditions and translate those conditions into future value-added services that will be needed to support the clients keeps RSG in the market leadership position. His experience has allowed him to have visibility into different business sectors and enables him to understand how market conditions are impacting various business segments.

RSG uses a battle-tested method: engage with the people, review the processes, and evaluate the use of technology. Stacy believes everything starts with people. "Understanding a company's remit and ensuring that a company has a strong organizational structure to support that remit is crucial to the company's ability to perform in the market," says Stacy. "From there, you must ensure that the organizational structure is staffed with talented people. Processes must be repeatable and reproducible to ensure and expected result can be obtained." Always striving for continuous process improvement will ensure operational excellence. Finally, ensuring that the proper technology is deployed to serve as a "force multiplier" for an organization's talent and processes is the gateway to long-term sustainment.

By using their three-step process, RSG has culminated into an organization that develops pragmatic solutions...

...that supports solving critical business issues. Step one is the "Compass Check"; a company must know where they are before they can get to where they want to be. According to Stacy, this is the critical stage of solving critical business issues. A "Compass Check" of the people, processes, and technology provides organizations with crucial insight into their strengths and vulnerabilities. Step two is to "Develop the Vision" and pragmatic achievable solutions to the vulnerabilities identified in step one. Step three is to "Empower the Team" to successfully execute the plan. Getting talented team-members involved and providing a knowledge transfer to ensure the leadership team can hold people accountable is important.

In one instance, a services company found themselves in a negative EBITDA situation and with only enough cash to cover one payroll due to a 50% reduction in revenue because of a declining market. RSG was immediately engaged and Stacy was named as interim CEO to perform turnaround services. The goal was to improve cash flow, decrease working capital needs and regain positive EBITDA. Cost savings were identified that would not compromise the day-to-day business by utilizing transactional Lean Six Sigma methodologies, a multi-faceted cost disciplined approach, and organizational cuts. Significant achievements included \$8 million of liquidity, removal of \$10.2 million in costs, \$8 million in total inventory reduction, and renegotiation of bank terms, leases, etc.

Stacy places a high priority on integrity and transparency. His ability to infuse RSG with the principles of leadership has allowed for sustained growth and a sterling market reputation. Because of their standards that they uphold, RSG has become an essential tool in many client's toolboxes and continues to expand services based on their clients' request.