

PUGET SOUND BUSINESS JOURNAL

They'll run your office, and you'll thank them: SBI handles the chores so nonprofits can do their thing

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Benjamin Franklin took the Old World concept of artisan guilds and tweaked it by starting a club for his fellow printers.

That was in 18th century Philadelphia.

Now it's Marlis Korber's turn.

In a nondescript building near Seattle's Northgate mall, Korber's SBI Management Services functions as the nerve center for 28 modern-day professional associations, from psychiatrists to marine insurers.

These nonprofits, most of which have not a single paid staff member, rely on Korber's company to run their websites, stage their annual conventions, update their member lists, do their books, and much more.

"You really submerge yourself in their worlds," Korber said.

Serving as the front office for these groups makes Korber the de facto executive director of, for example, the Washington Psychiatric Association. A title like that makes for "good cocktail conversation," she said. But handling the grunt work for nonprofit groups also proves to be a robust business proposition.

Since Korber purchased SBI Management Services in 2007, she has tripled its client base (to 28) and annual revenue (to \$1.9 million).

Expanding from mostly local and regional trade and professional groups, such as grant writers, speech pathologists and landscape architects, SBI has landed six national associations since 2011, comprising 28 percent of its total revenue.

Those national clients span specialties from the Coastal & Estuarine Research Federation to the Pellet Fuels Institute.

But each group, local or national, has pretty much the same to-do list: put on board meetings, collect dues, file government forms, update member lists and – perhaps most important – organize events in which like-minded professionals can trade knowledge face-to-face.

"When the internet took off, everyone said that travel is dead, membership is dead," Korber said. "In fact, it made the need for people to get together more important than ever."

Professional gatherings do evolve with the times – yesterday's wine function might be today's craft beer tasting. And social media has become an integral component.

However, the basic magic of human interac-



ANTHONY BOLANTE

Marlis Korber (front, standing in green), SBI chief executive, gathers with her staff in the firm's office near Northgate mall.

tion never fades.

"A well-run networking event brings the wallflowers to the center of the room," Korber said.

What has also evolved at SBI is the technology that enables the volunteer organizations to run lean and efficient. While each client has its own web design and member database, the back-end systems are largely cross-client.

Korber, 64, considers herself a serial entrepreneur, having run a pizzeria and garden center before taking over SBI when she was in her 50s. All that experience has helped her make moves that led to SBI's steady expansion.

When the company hit \$1 million a few years ago, Korber decided to reorganize with the help of a \$300,000 SBA loan and an outside organizational development firm.

SBI last year also bought out a competitor, ERGA Management Services, and folded in its clients and some staff. ERGA's Andrew Estep had seen SBI at work at a joint training event for clients – and was so impressed that he is now part of SBI.

"What kept me was the efficient systems and processes," Estep said. "I love that we are so efficient, and that I can focus on the parts of the job that I love."

Under the retooled company, an executive team now focuses on SBI's operations and systems. Client service teams include a dedicated

"association executive" to manage a block of clients. Another department focuses on marketing on clients' behalf. This infrastructure, Korber said, can easily accommodate growth to \$5 million in annual revenue.

And if Ben Franklin were to come back and see how professional organizations run today?

"He would really love the efficiencies," Korber said.

A closer look: SBI Management Services

Founded: 1981

Acquired: 2007

2015 revenue: \$1.9 million

Employees: 24

Clients: 28

Lessons learned

I was taught that the customer is king. I have learned that it is actually my staff that reigns. In order to make clients happy, my staff needs to be happy.

I don't expect that everyone who comes here will remain here all their lives. Some people will outgrow what we have to offer and move on. That is good news.

When trouble arises, my first position is that we are at least half the problem. First, we need to understand what missteps we may have taken, and listen fully and openly to all sides of the story. Only then do we have a chance of gaining a full perspective.