

# John Boffa

## Managing Complexity

In 1999, John Boffa was sitting with his accountant, going through the tax returns of his Washington, D.C.-based public relations and marketing company, Boffa and Associates. At one point during this meeting, the accountant informed John very politely that he could own more than one company. "One of his clients was ready to sell her business," John reminisces today. "Her company, Woodward Communications, was growing faster than she wanted. In that way, her situation was the opposite of mine."

John's accountant told him that there was theoretically no limit to how many companies he could own; that it was a matter of delegation. Woodward was a full-service communications firm that served government agencies, primarily the U.S. Department of Transportation (DOT), and John had been a transportation policy analyst going back to the 1980s, when he had worked under Governor Mario Cuomo in Albany. Further, his accountant advised him to the economic reality that, even during recessions, government spending continues. Clearly, if John were planning to stay in Washington, it would behoove him to take on contracts with federal agencies. "So in 2000," he reports, "I bought Woodward Communications. Less than ten years later came the recession, and today we're doing great."

After purchasing Woodward, John began to grow the company by securing larger and longer-lasting contracts with the DOT and Veterans Affairs. This required growing the small office of a few employees into something that could handle the escalating demand that Woodward's former owner had struggled with. "This involved renting more real estate, and my accountant emerged again as a key adviser," John says.

With this guidance, John soon realized that, for the amount he was spending on renting

office space, he could be paying a mortgage on property he owned. He foresaw further growth in his business and an accompanying need for more office space, and if he would be investing in commercial real estate for Woodward, why not incorporate another entity to take this investment to a greater scale? "With that, I went for a walk," John explains figuratively. "There was a section of Washington near Thomas Circle that, ten years ago, was a bit sketchy."

To most, this was not a wise place to invest. But John had a keen eye for recognizing latent value, and he noticed certain things, such as a Whole Foods that was under construction nearby. He inferred that the neighborhood was staged for a turnaround. He found a mixed-use building with condos on the upper floors and commercial space on the first floor, and bought the commercial space for about \$175 per square foot. Ten years later, the same square footage is selling for closer to \$500.

A second investment came in a neighboring property in 2005, and John found himself the owner of no fewer than four separate LLCs. "So it's true that you can have more than one business," he concedes now. "You can have as many as you want. It's just a matter of managing complexity."

John asserts that one need not work a hundred hours a week in order to manage the complexity of four separate companies. What it requires instead is proper delegation, and with the same eye that could recognize the innate value of given properties, John can just as acutely recognize the same innate value in key employees and delegates.

"If you try to focus your energy on every single task that's put in front of you when you own multiple businesses, that degree of attention will be your demise," he avows. "The most successful





business owners in the world are not working ridiculous hours. Instead, they're using their time efficiently, and they're delegating intelligently to people whom they trust. That is the key."

For how well he manages multiple enterprises, one might assume that John took a straight and narrow path to business administration. However, it was his skill in writing, and more generally in communicating ideas, that gave him his start and ultimately brought him to business ownership. He obtained his bachelor's degree in English literature at Kenyon College, a major figure in literature and the home of the Kenyon Review, a prestigious literary journal. Then, John followed his childhood dream to become a newspaper reporter, working for an improbable female newspaper owner named Mary Louise Sprague. "I had been struggling with the decision of whether to go straight to graduate school after Kenyon, or to first go out into the working world," John recalls.

John had interned for Mrs. Sprague while in high school, and after taking a job with her as a reporter, she became a mentor to him. She immediately cast him into sophisticated coverage of very complex areas such as zoning hearings, city council meetings, and court reporting. This was a tremendous experience for John, but also a source of great anxiety. "I was never quite sure if I was getting things right," he remarks. "At first, a few stories of mine were rewritten completely. I felt bad, but I think it's what she expected. Sometimes you have to go in way over your head in order to learn something."

After fulfilling his desire to experience the working world, John went to graduate school, getting his master's in public communications at the Newhouse School in Syracuse, New York. Then, after working as managing editor at the monthly publication, Empire State Report, for two years, John was hired by Governor Mario Cuomo's press secretary, where he got his experience in transportation issues. There, he served as a political appointee for five years, working on the nation's first mandatory seat belt law, as well as various issues related to the growing elderly driving population and on several initiatives to reduce drunk driving.

"We needed the support of the media to get these things through," John says. "And if you look at the percentage of fatalities that are alcohol related, you'll find that the percentage today is

much lower. We made a lot of progress in that area."

By 1991, after five years of working for Cuomo, John could sense that the governor was not going to pursue the presidency. John had always wanted to end up in Washington, so he set off on a job hunt there. After a very driven two-week period in which he participated in three interviews a day, he was eventually offered a one-year contract with the Association of American Railroads. Seizing the opportunity, he moved to DC and used this contract to finance the founding of his first company, Boffa and Associates, with the American Railroads as his first client.

"At the time," John says, "the railroad companies were fighting a fierce and vitally important battle with the trucking industry over truck size and weight limit that figured intimately into labor costs." If the trucking companies were successful in lobbying for relaxing the regulations that limited double- and triple-tractor trailers, they would be able to place significantly larger cargoes of freight behind a single employee. As coordinator for the northeast states, John helped the railroads win this battle while simultaneously developing Boffa and Associates by building up a considerable client base in Washington. Nine years later, he would purchase Woodward Communications.

John had long known that he did well running things, and that he enjoyed the autonomy that came with it. While in preparatory school, he was the features editor for his school newspaper, and at Kenyon he was the general manager of the radio station, WKCO. This entrepreneurial inclination stems perhaps from his father, who owned several medical testing laboratories that he later sold to American pharmaceutical giants.

"My father didn't explicitly discuss business matters with me," John says. "But I paid attention, and I noticed things. Watching his leadership and success had a strong impact on me, and I came to understand how business ownership had the potential to create wealth. My father was very industrious, and watching him honed those traits in myself as well."

John's mother, too, contributed to John's business savvy, though in a very different way. "She was a psychologist, and there is a lot of psychology in business," he points out. "Everyone understands this. Listening to my mother talk about different situations equipped me with a deeper understanding of the dynamics of people



and how they think and interact.”

According to John, this ability to understand people and how to delegate to them is one of the most essential ingredients to successful business ownership in that it allows for a skilled and nuanced management of complexities at every level, whether it's the very individual and personal dynamics at play within an employee that might influence his or her behavior, or the broader and external complexities of society that act upon those individuals. At Woodward Communications, for example, John has a single COO working directly under him. This allows him to delegate operations, which in turn allows him to focus on marketing. Abstaining entirely from micromanagement, John finds himself outside of the office as much as in the office. He believes that far more important than having his hand in every detail of operations is his ability to hire and manage the right people. “I'm not impressed by people who boast about how many hours they work each week,” John says. “It's not the number of hours, it's how intelligently you use them.”

In addition to direct marketing campaigns, John also carries out a more strategic approach to business and personal development. He takes lunches at the University Club, not only for the intellectually stimulating interactions with peers, but also for the opportunity to discuss common business problems and to cultivate relationships. This staunch commitment to intellectual physique is matched by a parallel commitment to athletic fitness, which is maintained by swimming laps every day after lunch. “I think there are other parts of life that are just as important as running your business,” he points out. “You must have things you enjoy doing outside of work that are enriching, and that aren't about making money.” In the spirit of this point, John collects antiques and pursues his interest in history while also making a point to travel and to write. “You won't see me sweating in an office all the time,” he admits, “but I think that's probably true of most successful business owners.”

However, one must not mistake his renaissance interests and skills as a departure from the entrepreneurial engine that has propelled his success to this point. At 57 years of age, John feels he still has a long way to go, and he continues to

develop his various enterprises with great focus. Most remarkable is the way these enterprises tie him not only to his clients, but even more so to his employees, whose lives are indelibly transformed through the singular experience lent through his leadership style. By providing a stimulating work environment punctuated with good insights at critical life turning points, John understands that work must be more than simply a “job” in order to be truly fulfilling; rather, it must be a career in which one's professional and personal growth are cultivated and celebrated. “I feel good knowing I have a hand in this,” he explains. “For me, it's one of the best things about being a business owner.”

One final aspect of business ownership that continues to inspire John today is the fact that there is always more to learn, whether from personal experience or from others at the University Club who have gone down this road several decades before John. “I think as a business owner, it's imperative to continue to be active with your business because it's what drives you,” he affirms. In this sense, he maintains a lifelong commitment to mastering the management of complexity that has gotten him to where he is today. By pursuing this mastery and blazing a trail so that others might achieve it as well, John continues to make a difference in the way we perceive the world and our ability to succeed in it.

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