EMBA Grads Gain Traction in Tough but Growing Industry

When Rick Lunsford and John Saruwatari graduated from Sacramento State’s EMBA program in 2011, they landed in the throes of the recession. Though they had both pursued MBAs partly in an effort to improve their value as employees, Lunsford was soon downsized by his large pharmaceutical employer and Saruwatari was hit hard in the home building business. The pair, who met during the program, soon began discussing how they might join forces in a new pursuit. Fortuitously, they discovered they were both thinking in the same direction – home health.

The two decided to launch a home health agency, but they knew very little about the industry at first.

“We had a lot to learn,” said Saruwatari. “But we knew the need was great so we dove in head first and learned everything we could.”

Eighteen months later, Lunsford and Saruwatari launched Blossom Ridge Home Health Agency, a provider of care that includes skilled nursing; physical, occupational and speech therapy; client-care coordinators; and home-health aides.

Blossom Ridge Home Health Agency has grown rapidly since then. In 2012, the first revenue-generating year for Blossom Ridge, the company did about $28,000, Lunsford said. Last year, the company tripled its number of clients and revenues soared to $3.7 million.

Blossom Ridge is now situated in a 2,000-square-foot office in midtown Sacramento, and it recently opened a second location, in Stockton.

“This year, with the add-on of hospice care and the Stockton market, we’re expecting anywhere from a 30 percent to 50 percent increase in our revenue year over year,” Lunsford said.

Lunsford said part of the company’s success can be attributed to their ability to attract and retain some of the best clinicians around.

“It really comes down to our culture,” he said. “Everyone is a team member, not an employee. When people come on board they feel they have a voice and can contribute to the betterment of the company.”

Lunsford said Sac State’s EMBA program was the catalyst that helped him and Saruwatari take a chance at a new business they originally knew little about.

“This industry is incredibly challenging, and we knew that going in” said Lunsford. “The EMBA program gave us the skills and confidence we needed to go out and give it a shot.”