BLACK | LINE

30 EMPLOYEES	2015 INC 5000 HONOREE	6 YEARS: AVERAGE EMPLOYEE TENURE	HQ: NAPERVILLE, ILLINOIS

The IT Services Firm on a Moonshot Mission

Black Line IT has an audacious goal: to set the gold standard for IT services and create the best workplace for employees.

BLACKLINEIT.COM

Some people buy a red Corvette when they turn 50. Jody Jankovsky, founder and CEO of Black Line IT, reimagined his company instead. "It was 2017, and I'd been in the business for 20-something years. I turned 50 and thought, 'What do I want Black Line's legacy to be? Do we continue on as usual, or do we double down and do something extraordinary?" The business was profitable and growing, but "make money" isn't a mission that rallies the troops, Jankovsky observes. He knew the team was capable of more.

→ **Black Line IT employees celebrate the company's 2024 Inc. Best Workplace recognition with a special breakfast.**

However, the catalyst that truly changed the trajectory of the company was the buy-in, support, and enthusiasm of his team. This sparked Black Line's "Moonshot" mission, composed of three goals: be the best place to work, be the gold standard in IT services for small and midsize businesses (SMBs), and expand Black Line's influence by scaling nationally.

Taking the team along

Employees with a long history at Black Line IT say it feels like a new company. Gone is the hierarchical chain of command. Instead, the leadership team empowers employees to bring their own ideas to the table. To make the Moonshot vision more tangible, Jankovsky broke it into three phases, named for the stages of the NASA moon landing program: Mercury, Gemini, and Apollo. In 2019, during Stage Gemini, Black Line hired its first Team Success leader, Renee Hardesty. Her hybrid role included understanding the team's feelings about the organizational shift. The team's feedback refined the company's mission and values, including feeling happy to come to work, being hungry to excel, and caring about the team and clients.

People before profit

In 2019, Black Line began using Inc. Best Workplaces surveys to obtain anonymous feedback and measure progress. Employee engagement increased from 85 percent in 2019, to 93 percent in 2024, according to survey data. Hardesty says transforming an organization's culture is fun and challenging. "We have a true open-door policy and will enact change based on what our team is telling us. When it comes to our culture, we aren't concerned about things like avocado toast and ping-pong tables," she says. "Instead, we genuinely care for our people, and that's what makes this place special."

Recently, Jankovsky did something he couldn't imagine doing 10 years ago. He ended a seven-figure contract with a client because they were treating his team poorly. The decision has already proved good for business. The sales team made up the lost revenue, and then some. Existing clients commented on how happy the team seems. And there's the Inc. Best Workplaces recognition, which neither Jankovsky nor Hardesty saw coming. The award is a recognition of progress, but by no means an end goal, they say. "We still have so much more that we want to do," Jankovsky explains. "We're seeing this as just the start of some amazing things."

HUMAN RESOURCES

Managing the Future of Work Isn't an Easy Job

Hirings and firings, layoffs and resignations. The workforce is experiencing never-ending upheaval, and HR professionals are pivoting fast. By Sarah Lynch

In the past few years, many of the 184 human resources companies on the Inc. 5000 have had to navigate tremendous turbulence. A wave of pandemic layoffs led to a 14.7 percent unemployment rate in April 2020, which, according to the U.S. Bureau of Labor Statistics, was the "highest rate and the largest over-the-month increase" since it started measuring the data in January 1948.

But when the labor market rebounded by around 2022, companies were cast into a talent war during the Great Resignation as they simultaneously battled high inflation. All the while, new remote and hybrid schedules and regulations were changing the way

ILLUSTRATION BY ANA MIMINOSHVILI

Inc. Best Workplaces

DANIELS FUND	31 EMPLOYEES	94% EMPLOYEE RETENTION	81 EMPLOYEE NET PROMOTER SCORE	HQ: DENVER, COLORADO

A Culture of Impact, in Honor of an American Legend

The Daniels Fund makes a positive difference in American life by embodying the spirit and intention of its founder, cable pioneer Bill Daniels.

DANIELSFUND.ORG

The late Bill Daniels would be proud of what he saw if he walked into the Daniels Fund offices today, believes Hanna Skandera, president and CEO. Daniels established the foundation in 2000 to make life better for the people of Colorado, New Mexico, Utah, and Wyoming—states with personal meaning for him. Since its founding, the not-for-profit has distributed more than $1.1 billion in grants and scholarships.

Daniels's vision and legacy live on within the organization. In addition to preserving his donor intent, board members and employees embody Daniels's values, including ethics and integrity, patriotism, belief in the free enterprise system, and a strong conviction in the power of the individual. Mission and values are part of what makes the organization an Inc. Best Workplace. To employees, "working at the Daniels Fund is more than a job," Skandera explains. "It's a calling."

Steeped in entrepreneurialism

Skandera describes Bill Daniels as the embodiment of the American dream. He grew up in the Great Depression, served in the U.S. Navy, and, in his pursuit to bring cable TV to small towns, became a self-made billionaire. "He was shaped by the belief that grit, perseverance, hard work, and character mattered. He believed in people," Skandera says. The Daniels Fund lives out his vision of making America better, one person at a time, and has awarded more than 5,000 college scholarships to exceptional young people through the Daniels Scholarship Program. Dale, a Daniels Scholar, will attend Princeton University and was also able to attend a Catholic high school with financial support from a Daniels Fund grantee, where he became a four-time wrestling state champion and is now an Olympic hopeful.

In addition to investing in the next generation of leaders, the Fund makes big bets on innovative solutions to tackle complex challenges with the potential to scale. The National Civics Bee, for example, is already in 28 states and on its way to all 50, with a goal to equip one million young people with the strong base of civics knowledge they need to contribute to our democracy. Other big bets include expanding quality education options for 100,000 students so that families can select the best educational model for their children, and making sports more accessible to one million young people.

Investing for impact

With deep roots in the community, the Fund provides grants to highly effective nonprofits to expand their impact. Step Denver is a grantee that helps men overcome addiction and homelessness. "Eighty percent of the men who go through Step Denver's program remain drug- and alcohol-free—a remarkable statistic," Skandera says.

The Fund is committed to ensuring every dollar possible advances the mission of positively impacting American life. "This isn't our money. We're stewards," she explains. "We steward these dollars because we want to bring Bill's vision to life every day."

→ **The Daniels Scholarship Program rewards motivated, ambitious students known as Daniels Scholars.**

many companies operated, in some cases permanently. For an industry dedicated to managing workforces, the whiplash was real.

Jaime Nacach was working six days a week to build a new venture, all the while keeping his marketing business afloat and anticipating the birth of his first child. By the time his daughter was born, in August 2019, he still had fewer than 10 clients for Virtual Latinos (No. 311), a San Diego-based talent agency that connects companies with remote Latin American talent. He believed it needed just a little more time to take off.

The Mexico City native saw several advantages to U.S. companies hiring talent in Latin America rather than elsewhere around the globe. The cultures were similar, the talent was affordable, and the time zones made for easier communication with North American colleagues.

Slowly but surely, more and more clients bought into that vision. Then came March 2020, and as companies scrambled to cut costs, hiring remote talent was no longer so taboo. From 2020 to 2023, North American companies hired 70 percent more remote workers living in South America and 313 percent more living in Central America and the Caribbean, according to a 2023 report from Lightcast and Revelio Labs.

It was both exhilarating and intimidating for Nacach, 39. In the first nine months of the pandemic, the Virtual Latinos revenue grew 371 percent.

Despite the growing industry, Nacach still faces challenges. This past July, six years after launch, the company increased its starting price for virtual assistants, from $8 per hour to $10 per hour, in response to inflation. Meanwhile, new competitors have entered the market, Nacach says, which has made hiring talent "both for our clients and internally" more challenging.

COURTESY SUBJECT

"Things have changed a lot. We have a lot more competition, so hiring people, both for our clients and internally, has become a bigger challenge."

JAIME NACACH
Founder and CEO, Virtual Latinos
No. 311

The demand for talent is still strong. It's no surprise, then, that companies providing staffing solutions for hard-to-hire-for sectors like the skilled trades and health care are catching fire.

Brad Boles's family manufacturing company, Wilco Machine & Fab, landed on the Inc. 5000 list in 2012 and 2013. But he struggled to find a good personnel company to help him find skilled welders, so he made one himself, along with his business partners. Philtek Services (No. 1,257) started in 2013; Wilco Machine & Fab was its first customer.

Over the past three years, the Marlow, Oklahoma-based company has grown over 411 percent. "There are more people retiring on a day-to-day basis than are entering the workforce as skilled welders," Boles, 40, says.

The skilled trades aren't the only industries clamoring for workers. Leisure and hospitality, education, and health care have all had high demand for talent, according to the U.S. Chamber of Commerce. In health care, job growth has almost tripled from prepandemic rates, says Julia Pollak, chief economist at the job posting site ZipRecruiter.

"Training pipelines are not keeping up with retirements," Pollak says. Complicating matters, she adds, is the fact that many health care roles have "limited potential for remote work and schedule flexibility."

In the HR category this year, at least 30 of the 184 Inc. 5000 honorees boast health care staffing services. One of them, Atlanta-based Spire (No. 304), launched in 2013 with the goal of offering high-quality, empathy-driven health care staffing solutions.

Inc. Best Workplaces | CHANNEL

A Premier Lending Partner Committed to Small Business Success

Channel celebrates 15 years of exceptional growth and workplace excellence.

CHANNELPARTNERSCAPITAL.COM

Channel, a leading provider of equipment finance and working capital solutions, is honored to be recognized in Inc.'s Best Workplaces Listing. This recognition is a testament to Channel's unwavering commitment to excellence and collaboration in a growth-focused culture. Our commitment has earned us numerous accolades, including being named one of the fastest-growing companies by Inc. 5000 for 12 consecutive years. This extraordinary success is attributed to the strength of our team and their collaborative relationships with partners, driven by a shared mission to create enduring and mutually advantageous partnerships.

Passionate about empowering small business growth, Channel continuously seeks talented, driven individuals who share the same enthusiasm for the industry. Channel strives to foster an environment that encourages employee growth and supports them in reaching their full potential. Channel invests in our employees, both at the office and at home, offering competitive benefits packages, continuous learning programs, community engagement initiatives, and more. Aligning our mission with employee goals helps us both thrive.

Channel's recognition by Inc. 5000 as a fastest-growing company and a top workplace in 2024 underscores our dedication to creating a supportive and growth-oriented environment. We remain committed to furthering growth and achieving new milestones that support the equipment finance industry and small business communities.

Channel aligns the company mission with employee goals so both thrive.

BRANDED CONTENT

Inc. Best Workplaces | WINTHROP WEALTH

Wealth Management Firm Partners With Clients on Financial Journey

Winthrop Wealth collaborates closely with and empowers clients to live life to its fullest.

WINTHROPWEALTH.COM

L to R: Lucas Winthrop, COO; Earl Winthrop, president and founding partner; Mark Winthrop, president and founding partner; and Max Winthrop, CEO

Winthrop Wealth believes their success is rooted in dedication to helping clients pursue financial well-being and prosperity. What sets the company apart in the marketplace is a personalized and comprehensive approach to wealth management: They don't just manage wealth; they seek to build lasting relationships and tailor strategies to each client's unique needs.

The Winthrop Wealth team's blend of knowledge and empathy helps ensure that clients receive not only professional guidance but also a supportive partnership on their financial journey. The company prioritizes clear and open communication, empowering clients to actively participate in shaping their financial futures.

By focusing on transparency, collaboration, and a deep understanding of clients' goals, they've become a trusted partner to high-net-worth individuals, institutions, and business owners seeking a more personalized wealth management experience. Commitment to evolving with the ever-changing financial landscape while upholding the company's core values of integrity and client-centered service has been instrumental in their continued success. When clients choose Winthrop Wealth, they're choosing a proactive and empathetic partner dedicated to helping them pursue their financial aspirations.

CREATED BY INC. STUDIO

Founder Michael Jacoutot, 37, initially thought the pandemic could be the end of the business. Instead, "health care boomed," he says—and so did his business, achieving more than 1,402 percent growth over the past three years.

And though the pressures on professionals in this sector continue to be great, Jacoutot says that just further inspires the company's ultimate goal of helping health care teams. "They are the ones that make the difference when it when it really matters."

For some companies, offering better and better service to meet demands means leaning on a now-familiar asset: AI. For years now, it has played a role in HR technology, says Eser Rizaoglu, a senior director and analyst at Gartner, but recent developments in generative AI have spurred more investments. In June of 2023, 19 percent of HR leaders in a Gartner survey said they were "piloting, planning implementation, or have already implemented generative AI." By January of this year, that shot up to 38 percent.

Atul Kumar, 50, co-founded Hyqoo, a Basking Ridge, New Jersey-based talent cloud platform that landed at No. 76 on this year's Inc. 5000 list, because of AI. He and his co-founder wanted to improve the hiring process and saw AI as the solution, incorporating it into talent sourcing, assessments, and more.

Across the board, they've seen efficiency gains as a result, Kumar says. The average time to hire through Hyqoo is under seven days, compared with 22 days to 40 days for other companies. The platform's submission to interview ratio is over 70 percent, compared with less than 30 percent elsewhere, he claims.

Still, AI's role in HR is increasingly under a microscope. In 2019, Illinois passed a law requiring employers to inform and receive consent from job applicants if AI would be used to analyze their submitted videos. In 2021, New York City passed a law to regulate the use of automated employment decision tools to prevent potential biases. And in 2023, the U.S. Equal Employment Opportunity Commission released guidance "to help employers prevent the use of AI from leading to discrimination in the workplace."

These risks are top of mind for Kumar. The year after Hyqoo launched, the team piloted the use of AI in analyzing video submissions from applicants. After reading articles about the regulation and potential biases of this tactic, the Hyqoo team halted the initiative, Kumar says.

Today, he has a security and compliance team that monitors developing regulations and data privacy laws, but stresses that humans will continue to be a necessary part of the hiring process. "AI is never going to be 100 percent perfect," he says.

Outsourcing risk has also been top of mind, as compliance needs become more complicated. Tina Hamilton, the CEO of myHR Partner, an HR outsourcing company based in Allentown, Pennsylvania, and a four-time Inc. 5000 honoree, has noticed an increasing demand for its compliance services. That's because in recent years, issues like pay transparency and data privacy have only increased the regulatory demands on companies, says Hamilton, 60, and those regulations can vary "down to ZIP codes."

Instead of worrying about monitoring these changes themselves, companies are increasingly seeking the expertise of outside partners, says Sean Powell, 55, president and founder of the Rockwall, Texas-based Signature Back Office Solutions (No. 3,778), which offers compliance services to staffing and recruiting firms, among other offerings.

"It's just easier to say, 'Let Signature guide us on how to dot *i*'s and cross *t*'s,'" Powell says. The company grew over 122 percent in the past three years. "It's more prevalent now that people want to transfer some of the risk, some of the uncertainties."

Like Powell, all of these business leaders optimistically forecast even more growth in their respective categories in the coming years. Nacach predicts a "tighter and tighter" bond between the U.S. and Latin America to flourish. Jacoutot expects hiring needs in health care to continue, and even intensify, and Kumar says advancements in AI will continue in the HR space, along with augmented and virtual reality technologies.

All the while, regulatory responsibilities and talent demands will persist, as fewer workers replace the ones retiring across the board. If the weekly calls that Hamilton at myHR Partner receives from investors and venture capitalists are any indication, HR needs will not be slowing down anytime soon. As she puts it simply, "HR is hot."

SARAH LYNCH *is an Inc. staff reporter.*

> Humans will continue to be a necessary part of the hiring process. "AI is never going to be 100 percent perfect."
>
> **ATUL KUMAR** Co-founder, Hyqoo, No. 76

Collaborative Culture and Unparalleled Client Service

Oliva Gibbs LLP provides legal solutions for complex energy law issues.

OGLAWYERS.COM

Oliva Gibbs is dedicated to serving energy companies nationwide, with offices in Columbus, Ohio; Houston, Texas; Midland, Texas; Lafayette, Louisiana; and Oklahoma City, Oklahoma. Our clientele ranges from Fortune 500 corporations to private equity and family office-backed energy companies. Specializing in complex title and transactional projects, litigation, surface use matters, and regulatory concerns, Oliva Gibbs ensures high-quality legal services with a collaborative approach for its clients with attorneys licensed in 13 states.

Oliva Gibbs attorneys are licensed in 13 states.

Oliva Gibbs distinguishes itself through its core values: passion for continuous learning, unparalleled client service, and a collaborative culture. The firm believes in the power of continuous learning to enhance business outcomes and takes pride in sharing knowledge with clients and industry peers. Commitment to professional development is lived through initiatives like Oliva Gibbs University and a monthly webinar series open to the energy industry.

The firm also thrives on the diverse perspectives and extensive industry experience that each team member contributes. To support high-quality work and team satisfaction, Oliva Gibbs prioritizes work-life balance by offering remote flexibility, complimentary lunches, and robust benefits, including market-based pay, 401(k) match, a professional and personal development learning stipend, and quarterly bonuses. This positive environment enables the company to uphold superior client service standards while fostering a dynamic and engaging workplace. At the heart of Oliva Gibbs lies genuine commitment to an exceptional team and valued clients. The company's dedication to delivering outstanding service, combined with its vibrant culture, drive its ongoing success and earns its place as a business partner to clients.

BRANDED CONTENT

An Agency That Makes Marketing Teams Limitless

Product marketing agency Quantious turns clients' big goals into finished projects and measurable results.

QUANTIOUS.COM

Smart. Fast. Curious. These traits, which they call superpowers, sum up the agility of the Quantious team. The company is a proud partner to some of the biggest names in tech, as well as startups on the road to greatness. Their knack for tailoring fractional turnkey services to meet the unique needs of their clients distinguishes them from agencies that offer prepackaged, one-size-fits-all solutions. Integrating seamlessly into existing workflows and processes, Quantious helps clients deliver effectively, crossing the finish line on time—and on budget.

Quantious founder and CEO Lisa Larson-Kelley has always been committed to the customer experience and being a true partner to clients. As a Meta senior product marketing manager put it, "Love your work—always keeping the customer at the center of everything you do. Our team is lucky to have you as a partner."


The Quantious team at Camp Quantious "workation" in Asheville, N.C.

PHOTO: RICK ESPOSITO

Larson-Kelley puts the same care into nurturing her team and is supported every step of the way by Chief Operating Officer Katie Brown. Brown is a compassionate leader who drives results by putting her people first. Virtual happy hours, meditation sessions, and routine check-ins make the fully remote team feel valued, empowered, and supported. A team favorite is Camp Quantious, an annual "workation" to refresh their connections and align on the state of the business. The Quantious team's positive energy is infused into everything they do, and it shapes the long-term relationships the company has with its clients and maximizes their impact.

CREATED BY INC. STUDIO

Inc. Best Workplaces

MichaelsEnergy

2X INC. 5000 HONOREE	120+ HAPPY EMPLOYEES	50% 3-YEAR GROWTH	2024 INC. BEST WORKPLACES

One Company's 'Secret Sauce' for Continued Growth

Michaels Energy is experiencing its strongest growth in years thanks to its culture and purpose.

MICHAELSENERGY.COM

With the world inching closer to 2050, when some countries are expected to reach net-zero carbon emissions, Michaels Energy, a La Crosse, Wisconsin–based engineering firm, is seeing a boom in business as companies look to become more energy efficient.

Michaels Energy, which started as Michaels Engineering in 1984, is employed by utilities to design and implement energy-efficiency programs in commercial and industrial organizations. They've seen significant growth as demands on the energy grid grow and decarbonization becomes a necessity.

"We have major electric load growth happening, with many data centers coming online," says Jeffrey Ihnen, who joined the firm in 1996 and is now owner and CEO. "It's a dynamic situation and it'll be a challenging decade, but we're ready for it."

Michaels made the Inc. 5000 list in 2023 and 2024. One reason for their success, says Ihnen, is that engineers make up nearly half of its 120 employees. That allows them to specialize in custom efficiency programs tailored to each organization's needs. As more electrification is needed, energy-efficiency priorities are also shifting. "It's quickly becoming more about when energy is saved or electric loads can be curtailed," Ihnen explains.

"That's why we developed a thermal energy storage solution for frozen and refrigerated buildings; it carries the refrigeration load during periods of high demand—allowing the refrigeration system to be turned off—which reduces peak load and saves money."

Putting systems in place during the 2019 implementation of the Entrepreneurial Operating System (EOS) has also been a big reason for Michaels' success. EOS helped them establish accountability, vision, and values. Their values—proactive and responsive service, collaborative partnerships, intuitive analysis, and fanatical execution—now guide every employee. "When we bring people on who have decades of experience, they're amazed that we truly live our values. Our commitment to values and taking care of our people has allowed us to scale quickly without losing our culture.

→ Jeff Ihnen, owner and CEO, Michaels Energy

The Inc. 2024 Best Workplaces award is a reminder that we're on the right track," he notes.

The hiring process has been critical to success, too, says Ihnen, a veteran of the U.S. Navy's Nuclear Propulsion Program. "Officers who made it into the nuclear program were interviewed by the admiral," he says. "So, like that, I interview almost everyone." He does this because candidates like talking to the person steering the ship, and he enjoys learning about how the company is perceived. "I get feedback from people while also learning how other companies operate and what their cultures are like. It's been fantastically valuable."

With the right systems in place, favorable industry trends, and a focus on values and culture, Michaels Energy will continue to grow without losing who they are and why they're here.

Inc. Best Workplaces

Scan123™

41.75% 3-YEAR GROWTH	**28** EMPLOYEES	**133%** 5-YEAR EMPLOYMENT GROWTH	**HQ:** PORTLAND, OREGON

To Grow Your Business, Know and Nurture Your Talent

When software company Scan123 finds employees who fit the culture, the next step is finding the job that fits them best.

SCAN123.COM

Each new hire at software company Scan123 receives a deceptively serious assignment during onboarding: Imagine yourself as a superhero and create a poster that defines your superpower. The Portland, Oregon, company provides document management services for home care and automotive businesses. Using the superhero exercise to supplement employee orientation was an idea CEO Jed McCarthy got from Felix Lin, a friend and consultant, after taking the reins in 2019. The posters give company leaders insight into how to use and develop each worker's talents to the fullest.

"We encourage regular quarterly conversations with their supervisor to figure out how they can do more of their superpower and less of the stuff they don't want to do," McCarthy says.

Growing together

McCarthy also introduced several other initiatives with the goal, he says, of "getting the culture right" at Scan123. His vision is for a company that is constantly growing, and each employee gets every opportunity to grow along with it. The company makes major investments in training and coaching, including role-specific coaching for those at all levels of leadership. Every employee, no matter which team they're assigned to, becomes certified in the project management system Agile Scrum, to enhance the way they collaborate with others. In addition, within their first few months on the job, each employee participates in a customer listening boot camp.

"We really wanted a customer-centric culture with lifelong learners who were willing to be agile and try new things," McCarthy says. "Those are some of the cornerstones that we built in very early on."

Turnover turnaround

This combined focus on cultural fit, paired with an upgrade in benefits, created a dramatic decrease in turnover for Scan123. Previously, a dozen employees left the company voluntarily within a span of 18 months. Now, the company hasn't had a single employee opt to leave since August 2022.

One initiative that helps the workforce gel is the monthly "onsite week," introduced after the pandemic restrictions lifted. While Scan123 currently has a hybrid workplace, the first full week of every month is reserved for in-person meetings, training, office celebrations, and other communal events at company headquarters. Those superhero posters, which McCarthy himself has participated in creating, are presented to the team. They serve as a fun introduction for new employees, along with planting the seed for employees to advance their careers with guidance from McCarthy and other leaders. "My superpower is helping people achieve things that they never thought possible," he says.

→ **Company outings such as ziplining create bonds among employees and enhance Scan123's culture.**

Inc. Best Workplaces

newhomestar	**2024** INC. BEST WORKPLACES WINNER	**500+** EMPLOYEES	**90+%** MANAGEMENT TEAM RETENTION	**HQ:** CHICAGO, ILLINOIS

The New Home Sales Company That Does Right When No One Is Looking

Residential sales and marketing company New Home Star created a caring culture that has fueled exponential success.

NEWHOMESTAR.COM

Founded in 2008, New Home Star—a modern new home sales management firm—took three years before reaching $1 million in revenue. Those three years were among Founder David Rice's most challenging. But he never wavered from a biblical truth: do the right thing, even when no one is watching. This tenant is the backbone of New Home Star's award-winning culture, which is the heart of the company's success.

New Home Star operates in 25 markets, employs over 500 people, and will achieve more than $3 billion in yearly home sales in 2024. "We're being rewarded for doing the right things beyond what we ever imagined," Rice explains.

An origin story

New Home Star's culture and faith-based business strategy begins with Rice. He was homeless for nearly a year at age seven after his family's home burned, and they lost everything. "It left an indelible impression on me—the privilege of having a home," Rice says. After college, he joined a large public builder, where he broke sales records and became the company's youngest vice president. His values were tested during the 2008 financial crisis. While his future was secure, he felt powerless to protect the employees around him. As a result, his only solution was to start his own company, which would help him better protect and provide for others.

Living out values

If an employee is having a rough patch or needs to relocate for a sick family member, New Home Star supports them. These decisions are easy, Rice says, because the company has no debt and no outside investors pushing them. 'No surprises' is a promise the organization lives by, meaning organizational changes are not sprung upon employees. The company also prioritizes promoting from within and has a commitment to giving to communities in meaningful ways. Each division starts with a $10,000 giving allowance that increases with good stewardship. The company also started and funds Debbie's Closet, a Detroit-based nonprofit named for Rice's mom, who began gathering and giving items to others shortly after their family's house fire.

The demand for partnerships with New Home Star has exceeded the company's capacity for conventional enterprise partnerships, which inspired the launch of consulting and software-as-a-service (SaaS) offerings. Those business lines proved to be multimillion-dollar revenue generators, but Rice insists that was not the priority. "We want to help—to create value for others, especially around home ownership," he explains. "That is the business plan. Create value for employees, partners, and customers. Then, after that, we should be able to capture some value for New Home Star."

→ **David Rice, founder, New Home Star**

REAL ESTATE

The Future of the Housing Market? These Companies Want to Build It

It's been a wild ride for real estate, and this year's Inc. 5000 companies have managed to grow despite the shifting ground. But new challenges lie ahead. By Lance Lambert

In 2020, the world turned upside down—and so did the real estate market. But despite a global pandemic, strict lockdowns that briefly halted home showings, and a double-digit unemployment rate, the housing market did not crash in 2020. Instead, it soared, with a significant surge in home prices, home sales, and housing demand, bolstered by historically low mortgage rates, increased remote work and demand for space, and stimulus measures. Between March 2020 and June 2022, U.S. home prices jumped a staggering 43 percent. This phenomenon, which I call the pandemic housing boom, defied expectations.

The boom created a historic tailwind for almost the entire real estate sector, with the exception of office real estate, which saw vacancy rates spike as remote work took off. As offices emptied, workers built out their home offices. Many also moved to new locations farther from their company headquarters. The housing boom benefited nearly everyone—mortgage lenders (with a refinancing boom), homebuilders (with

ILLUSTRATION BY ANA MIMINOSHVILI

How this Life Sciences Company Innovates by Engineering with Empathy

2024 Inc. Best Workplace Honoree Xenco Medical sees its company culture as a key to its success

XENCOMEDICAL.COM

Xenco combines the pursuit of scientific excellence with a culture of empowerment.

Driven by a commitment to value-based care through scientific innovation, Xenco Medical has charted a course in the life sciences defined by devotion to the entire spectrum of a patient's journey. From the company's application of materials science in the design of its biomimetic spinal implants to engineering highly-reinforced, composite polymer surgical instruments, the San Diego-headquartered company has fostered an engineering and design culture that synthesizes otherwise disparate fields into inter-disciplinary surgical technologies.

According to Xenco Medical Founder and CEO Jason Haider, cultivating an empowering workplace has played an essential role in the company's surgical innovations. He notes, "as a catalyst-oriented company, we've prioritized imbuing our culture with the belief that the path to scientific impact is forged through empowerment."

The company's broad portfolio of surgical technologies, from regenerative biomaterials to spinal implants and instruments to digital health technologies for post-operative care, reflects its commitment to addressing every phase of a surgical patient's path back to mobility. With a company culture anchored in empathy, it stands to reason that Xenco Medical's technologies would address patients as partners in recovery across every stage of their surgical experience. The company's work is a testament to the power of blending the pursuit of scientific excellence with a culture of empowerment.

BRANDED CONTENT

Where Connection and Company Culture is Everything

Impinj, a manufacturer of radio-frequency identification devices and software, virtualizes and optimizes businesses, connecting everyday things to the internet.

IMPINJ.COM

Have you ever purchased apparel from a retailer like Uniqlo or Zara, run a race like the New York City Marathon, enjoyed a drink from a Coca-Cola Freestyle soda fountain, or checked bags with Delta Airlines? Then you've probably interacted with Impinj.

Impinj pioneered RAIN RFID, a passive, battery-free wireless technology that enables wireless connectivity for everything that is manufactured, transported, and sold. RAIN RFID tags are attached or embedded into everyday items ranging from clothing to surgical instruments, delivering real-time insights that strengthen inventory and asset management, baggage tracking, shipment verification, greener supply chains, and more. Impinj has enabled connectivity for more than 100 billion items.

Company culture is at the heart of Impinj's success. Nurturing and aligning employees to Impinj principles while promoting and fostering diversity, equity, inclusion, passion, and commitment is a central focus. The company's principles ensure that all remain rooted in the belief that respecting and protecting the rights and dignity of all people elevates the broader world community. Quite simply, Impinj values people and sees them as a strength.

Impinj ensures employees have what they need to do great work and live happy, healthy lives. This makes it easy for teams to thrive, which in turn allows Impinj to deliver industry-leading innovation and service to partners and enterprises around the globe.

Connection and company culture are at the heart of Impinj's success.

CREATED BY INC. STUDIO

Inc. Best Workplaces

iboss

iboss	23% COMPOUNDED 3-YEAR GROWTH RATE	~ 500 EMPLOYEES	6 LOCATIONS	HQ: BOSTON, MASSACHUSETTS

Committed to Protect the Future Through Cybersecurity Innovation

In a world where people and resources connect from anywhere, IT firm iboss is focused on the mission to protect.

IBOSS.COM

Based in Boston, iboss delivers cutting-edge cloud security through Secure Access Service Edge (SASE). Pronounced "sassy," SASE integrates network and security functions into a single platform, using a zero-trust security framework. This framework mandates the verification of all users, whether inside or outside a network, ensuring comprehensive protection.

Since CEO Paul Martini co-founded iboss in 2003, information security has evolved dramatically. Data that once resided within physical boundaries has migrated to the cloud, and critical infrastructures such as hospitals and power grids have increasingly become targets of cyberattacks.

"Our journey has been about transformation," Martini reflects. "It's a journey of connecting people who are working and living anywhere, with cybersecurity embedded in all those connections."

Peter Martini (left) and Paul Martini, cofounders, iboss

Built for the cloud era

The iboss platform was purpose-built from the ground up to protect organizations undergoing cloud transformations. Leveraging a global security cloud fabric that spans over 100 countries, iboss prevents more than seven billion threats daily. This robust infrastructure ensures that organizations can securely embrace the cloud while maintaining optimal protection against cyber threats.

In May 2024, iboss launched a groundbreaking product combining its Zero Trust Security Services Edge platform with a Zero Trust Software-Defined Wide Area Network (SD-WAN). This integrated solution simplifies secure connectivity over long distances for both people and critical infrastructure.

"When you think about critical infrastructure—power grids, water systems, office buildings—those things need to connect securely," Martini explains. "SD-WAN allowed us to connect nonhuman entities in a secure way."

Unlike people, these entities cannot interact with login prompts, posing unique challenges. Yet, iboss employees excel in tackling such complex problems, and the company highly encourages knowledge sharing and innovation. "I'm blown away every day by the level of ideas and innovation they bring," Martini says.

Inspire passion and positivity

While every team member at iboss is driven to work hard, work-life balance is equally important. The company is flexible and generous in awarding time off, whether it's for someone who needs another week of vacation time or someone who needs as much as a year off to deal with a health matter. "Those same individuals have come back and made up for it 10 times over," Martini says.

When hiring, iboss looks for people with diverse backgrounds and perspectives. The company doesn't necessarily recruit for particular college degrees. Even past experience in cybersecurity matters less than having a passion for the company's mission and a positive attitude.

"As long as they have the mindset and the desire, they can become some of the best individuals in the space, and they're able to develop within our company," Martini says.

> "We expect homes for sale to steadily increase as more existing homeowners need to sell for demographic reasons, and lower mortgage rates help ease their interest rate lock."
>
> **MARK ZANDI** Chief economist, Moody's

demand outstripping capacity), materials suppliers (lumber prices were up by over 300 percent from prepandemic prices at the peak in 2021), and the multifamily and single-family rental markets.

Many of the fast-growing real estate companies on this year's Inc. 5000 adeptly cashed in on the housing market's tailwind during the pandemic housing boom. Consider **Realty.com (No. 107)** a portal for finding homes for sale, and **Fromley (No. 250)**, a real estate developer in Idaho, where home prices rose 60 percent on a seasonally adjusted basis from March 2020 to June 2022. There's also **PadSplit (No. 1,162)**, a sort of Airbnb for long-term rentals of furnished rooms.

Some companies, like **Roofstock (No. 2,747)**, an Oakland, California-based investing platform in the single-family rental home market, also capitalized on a trend that had been building for a while: Institutional capital moving into that market.

Prior to starting Roofstock, co-founder Gary Beasley was the CEO of Waypoint Homes. Founded in 2011, Waypoint was one of the early institutional housing investors that seized the opportunity presented by the housing market crash, acquiring distressed single-family properties at significantly reduced prices. However, while institutional investors were beginning to realize there was upside in the space, the process was far from sophisticated.

Understanding that single-family rentals would attract the attention of more investors over time, Beasley co-founded Roofstock in 2015 to help investors acquire and sell single-family rentals. His timing was perfect. During the pandemic housing boom, record amounts of institutional capital poured into the housing market, including build-to-rent homes that were popular for renters looking for more space. And many housing investors began using Roofstock to expand their portfolios.

After the pandemic hit, business really took off. "In January 2021, we might have bought $10 million worth of homes for investors, and by the end of the second quarter of 2021, we were buying $250 million worth of homes per month," says Beasley, who is CEO of Roofstock. "That is how quickly it ramped."

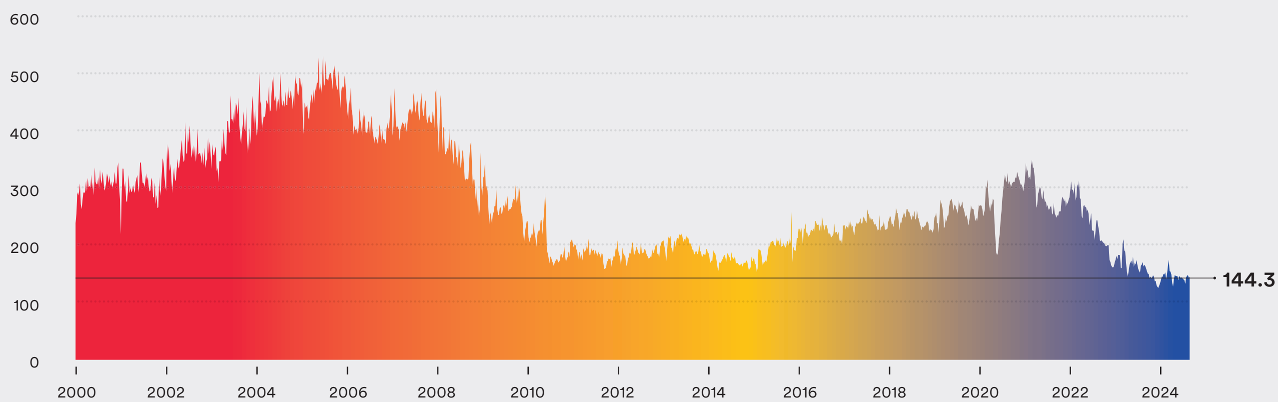
But in early 2022, the housing market began shifting again. The Federal Reserve entered into the fastest interest rate-hiking cycle in over four decades, causing the average 30-year fixed mortgage rate to jump from about 3 percent to 7 percent in 2022. The pandemic housing boom quickly fizzled.

While national home prices have remained stable, the number of existing homes sold in 2023 fell to its lowest level since 1995. And new construction on apartments and other multifamily housing was down more than 48 percent year-over-year as of May 2024. Plus, total mortgage applications are at multidecade lows. In other words, we went from a housing boom to a housing hangover.

But the nimble Inc. 5000 companies still found ways to keep growing despite the headwind caused by spiked mortgage rates and far fewer transactions.

That includes Roofstock. The company's revenue climbed from

Mortgage Purchase Application Index



The black line marks the low point during the global financial crisis of 2007-08. Reading through the week of July 5, 2024.
Source: The Mortgage Bankers Association

Inc. Best Workplaces

STRATEGIC CLAIM CONSULTANTS

53 EMPLOYEES

5,000+ CLAIMS SETTLED

6 LOCATIONS

$2B+ RECOVERED

Freedom and Collaboration Make a Productive Work Environment

Strategic Claim Consultants hires people who understand its advocacy mission, then gives them the autonomy and tools to solve clients' problems in their own way.

STRATEGICCLAIMCONSULTANTS.COM

Strategic Claim Consultants (SCC), a national public insurance adjusting firm based in Atlanta, specializes in claim advocacy for policyholders. The company has found success—and an Inc. Best Workplace honor—by embracing the concept of collaborative autonomy in the workplace.

"We don't succeed by micromanaging; we do it by incorporating a team effort," says Michael A. Fried, vice president and partner. "Collaboration is at the forefront. We like to accentuate the team members' unique skill sets and put them in positions to succeed."

CEO Brandon Lewis founded the company in fall 2016. Since then, through strategic acquisitions of competitive firms, Lewis has expanded SCC's reach to Texas, Florida, Louisiana, Ohio, and the Carolinas.

→ Strategic Claim Consultants partners, who promote collaborative autonomy in the workplace

Young but experienced

Many of the firm's employees once worked for insurance companies, and there are several who previously had careers in the construction industry. Among the partners are others who, like Lewis, ran successful companies before joining the firm.

SCC boasts more than 300 years of combined professional experience, even as some of its top leaders are ages 40 and younger. Kyle Herring, who turns 40 this year, is a prime example. He started working in the insurance industry right out of high school, earning his adjuster license at 18. Today Herring is a partner and executive adjuster at SCC.

"We have a very unique blend of young trailblazing people who have amassed an unprecedented portfolio of claim settlements for their clients," Lewis says.

Empowered by trust

The firm invests in all its employees by providing unlimited continuing education and training toward industry certifications and designations, even FAA drone pilot licenses for doing damage assessments. But Craig Kobel, SCC president of large loss, says the company prioritizes work ethic and dedication in its personnel. The company has hired people from backgrounds such as professional sports, the military, and medical fields.

"We're looking for people who understand how to work within a team, are disciplined, and have a strong work ethic," Kobel says.

In a profession where SCC's clients need help recovering from devastating events—from house fires to hurricanes—Lewis says it's also critical that employees embrace their advocacy role with skill and empathy. The opportunity to help people move from tragedy to triumph, he adds, is what makes SCC employees excited to go to work every day.

"The enormous trust that our clients put in our team is incredibly empowering," Lewis says. "Our mindset is always that we've got to get our clients back to where they were and help them rebuild their lives and businesses. And that's an awesome responsibility."

$32.7 million in 2020 to $92.9 million in 2023, a growth rate of 185 percent, despite the shifting winds in housing. "The start of 2022 was strong, but as interest rates began to go up the buying really dipped," says Beasley.

After mortgage rates spiked, Beasley shifted some of his focus from helping Roofstock clients acquire homes to offering services to help them manage the properties efficiently. Beasley explained it like this: "When you're buying homes that quickly—we were helping investors buy close to 1,000 homes per month, renovating them, leasing them up—it's a big operational lift, and so when you're not buying at that clip you can really focus on nickels and dimes and the operation."

At the peak of the pandemic housing boom in Q2 2022, institutions with at least 1,000 homes in their portfolio made up only 2.4 percent of home purchases, according to John Burns Research and Consulting. And while that has since decelerated to 0.4 percent of transactions in Q1 2024, Beasley expects that over time, as the rate shock passes, more institutional capital will pour into the housing market, including the build-to-rent space where financial institutions buy directly from homebuilders and developers. In the years ahead, Beasley expects institutions will buy hundreds of thousands, if not millions, of single-family homes.

"It's the most liquid real estate asset out there. If you have these homes and have to sell them, you can always sell them to homeowners—there's always a price they will trade at. If you have an office building for sale, there may be no bidder," Beasley says.

Roofstock plans to stay in growth mode. Back in May, it merged with Mynd, which helps investors find, buy, lease, manage, and sell residential investment properties. Following that deal, Roofstock now manages close to 20,000 homes, with roughly 45 percent being owned by mom-and-pop investors, and the rest being institutional firms.

COURTESY SUBJECT

"When you're buying homes that quickly, it's a big operational lift."

GARY BEASLEY
CEO, Roofstock
No. 2,747

Quartz Properties (No. 380) is another company that had a big growth spurt during the pandemic housing boom and figured out how to keep growing amid the mortgage rate shock. The small homebuilder, which does modular construction, has benefited from the fact that, while the total number of home sales has fallen, the number of homes on the market in many cities remains low. "Quartz targets the 'missing middle' of home seekers who are typically underserved and are particularly challenged in our current cycle of high inflation, high interest rates, and low inventory," says founding partner and CEO Joanna Schwartz.

Many homeowners who might have otherwise listed their homes for sale are opting to remain where they are, locked in at lower mortgage rates. Still, some people have to move, whether for their jobs or other reasons. That has helped Quartz attract buyers in North Carolina and Colorado, where it's currently building. Its revenue jumped 1,157 percent, from around $500,000 in 2020 to $6.4 million in 2023. "We've spent the past few years perfecting our system and now we are ready to scale it," says Schwartz.

Heading into the election and beyond, the big question in real estate is, where will interest rates go next? If rates fall quicker than expected, that could provide relief for the commercial real estate sector, which is not only facing troubles in office spaces but is struggling overall as much of the sector's variable loans are slowly getting refinanced at much higher rates. If rate relief doesn't come, it could spell more pain ahead for commercial real estate.

As far as housing goes, Goldman Sachs forecasts that mortgage rates could fall slightly by the end of 2025. However, Goldman analysts don't expect much affordability relief for homebuyers. National home prices hit a new record high in June, and Goldman predicts that tight supply will push U.S. home prices up 4.4 percent in 2025, 4.9 percent in 2026, and 4.9 percent in 2027. Moody's is less bullish, forecasting a 0.3 percent uptick in U.S. home prices in 2025, followed by 0.9 percent in 2026 and 1.7 percent in 2027, believing that as rates fall, more homes will come up for sale, thus helping to balance the market.

"We expect homes for sale to steadily increase as more existing homeowners need to sell for demographic reasons—death, divorce, children, job change—and lower mortgage rates help ease their interest rate lock," says Moody's chief economist Mark Zandi. "The lower rates will also support housing demand, but the increase in housing supply will be even more significant, weighing on house price gains."

No matter which forecast turns out to be most accurate, expect nimble entrepreneurs to find new ways to adapt.

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