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## LEARN, ADAPT, PIVOT, REPEAT.

Sandra James, Chief Executive Officer, Private Eyes.

By  
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It's a long journey from Nebraska to northern California. It's an even longer one from driving tractors on a family farm to building a multimillion-dollar company. For Sandra James, it was the ability to learn, adapt and pivot that made such a journey possible.

James is chief executive officer of Walnut Creek, California-based Private Eyes. The 21-year-old firm provides background checks, drug screening and income-verification services to small businesses and Fortune 500 corporations in the healthcare, food and beverage, transportation, and financial services industries. Its capabilities extend to all 50 states and 200 countries.

The journey that led James to establish Private Eyes started with an unexpected referral. In 1989, James, who then owned RMCR, a Phoenix, Arizona-based residential mortgage credit reporting agency, was asked by a client whether she could help a friend whose staffing agency was drowning in a backlog of pre-employment background checks for IBM. That first assignment sparked demand for her services from other companies and, in 1998, James sold RMCR to focus exclusively on background screening.

Seasoned entrepreneurs know firsthand that even the best laid plans can go awry. James is no exception. "As we mature in life and business, we realize it's not a matter of whether something is going to happen but when."

The collapse of the dot-com investment market in 2000, the September 11, 2001 terrorist attacks and the 2008 Great Recession hammered the U.S. economy and American businesses. Compounding their impact on Private Eyes was the loss of a major contract due to a client management change. That one account represented 70% of its revenue.

"Early on, we simply weren't prepared for some of the things that hit us," admits James, a licensed private

investigator. "But we learned, and we prepared. And that's helped us respond more effectively to events like COVID-19 and the recent civil protests." (Following the company's business continuity plan, Private Eyes' California and Nevada offices seamlessly transitioned to remote operations.)

Surprisingly, the Great Recession presented James with an opportunity to pivot. Government regulators began requiring lenders to verify borrowers' income through IRS tax return transcripts, which are requested through IRS form 4506-T. In 2010, with the proprietary software she developed in hand, James launched 4506-Transcripts.com to help mortgage lenders speed up their income-verification and underwriting processes. She has since merged 4506-Transcripts.com into Private Eyes, a step that makes both services easily accessible to clients and more efficient to manage internally.

James is counting on the firm's innovation, efficiency and personalized service to carry Private Eyes forward. Over the last decade, cumulative annual earnings totaled \$50 million, and she intends to double those revenues by 2025.

"It's easier to grow 100% when your revenue is smaller," says James, a 2019 Diversity Professional Magazine Women of Excellence honoree. "It's a lot harder as you get bigger, but there's no reason why we can't do it." 🍷

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