



From Everyman *to* *Superman*

From chaos to calm, from 'gunslinging' to well-developed systems, **Tom Salonek** has experienced it all while building Intertech from a spare bedroom in his house to a 70-employee firm with more than \$14 million in revenue. A farm kid who was the first male in his family to go to college, he was inspired by a professor who turned him on to computers in the days of DOS and Basic. When his first job proved demoralizing, he chucked it and set out on his own, and 25 years later has a business that's a model for strategic planning, morale-building and especially lifelong learning. As the 2017 Upsize Business Builder of the Year, Salonek believes most of all in building the company—and the life—that you truly desire.

INTERVIEW BY BETH EWEN

photographs by Jonathan Hankin



"I realized, it's not like other people had a Superman logo on their shirt. I thought, if they can do it, I can, too," says **Tom Salonek**, founder of **Intertech**, about the period when he quit jumping from fire to fire and instead became focused on building a real company.

COVER STORY



ABOUT THIS PROJECT

Each year our editorial board names the **Upsize Business Builder of the Year** in a project presented by **Winthrop & Weinstine**, and this year the unanimous choice was Tom Salonek, the founder and CEO of Intertech, the Eagan-based software developer and training firm that has reached the 25-year milestone. A frequent contributor to and subject of Upsize, Salonek embodies the model of a thoughtful entrepreneur who left his company's chaotic early days behind in favor of continued education and strategic planning, to thoughtfully build a first-class enterprise with staying power. Nominations for next year's Upsize Business Builder Awards open in October. The interview below was slightly edited for clarity.

Upsize: Congratulations on being named the Upsize Business Builder of the Year.

Tom Salonek, Intertech: I am humbled and honored.

Upsize: Describe your company as it stands today.

Salonek: We do two things. We make software for organizations and we teach organizations to use software. Our target is middle-market companies and government, where we can have an impact on an organization.

Upsize: For example?

Salonek: The state of Minnesota—their retirement system. We built a new system to manage all the pensions, etc.

Upsize: Oh, I'm glad you didn't say MNSure, because that was such a mess! You've just celebrated your 25th anniversary. How have things changed?

Salonek: In the beginning, I would do anything. It wouldn't matter how poor you treated me or if I'd never heard of it.

Upsize: Just like everyone does at first. Did your view modify over time?

Salonek: About a dozen years ago, we felt good about our business, and we talked about it to see why. It's great to name-drop clients, like Target or Medtronic, but the smaller clients we were working with then, those were the firms where we could trust each other and resonate with them. Something that's prevalent in large organization is vendor management, which is to try to turn a person into a bar of steel. That isn't who we are.

Upsize: How do you hire, when you're looking for people rather than 'bars of steel'?

Salonek: We have 70-something full-time employees today. We have an eight-step hiring process. In the beginning, I'd just have a cup of coffee with someone and hire them, and that led to some horrible mistakes.

Upsize: Like what?

Salonek: The clients who would call and say, 'she's crying because she doesn't have a window.' Today we have eight gated steps. We're asking for 20 to 30 hours of a candidate's time.

Upsize: Break that down a bit.

Salonek: We start with a screen. Then it's top-grading, asking about them and it starts in high school. We're looking for early signs of leadership. Third we do a technological assessment. Fourth is a benchmark, where we compare the candidate with our top people, especially their underlying drivers. Finally, we do a team interview and because you can get buffaloed, we never override the team's decision. The process has made it so those embarrassing mistakes I made up front—by the time they go through the steps today, those are avoided.

Upsize: You mentioned underlying drivers. What are they?

Salonek: For us they are attitude—life is too short not to be positive, commitment and excellence.

Upsize: What were the early days at Intertech like?

Salonek: Out of the chute, I had zero aspirations to build a company. I just wanted to get away from the place where I was.

Upsize: Which was at what is today Thomson Reuters, the former West Publishing.

Salonek: Yes. The first couple of years it was out of my house. We worked six days a week because I grew up on a dairy farm.

Upsize: So six days a week was a day less than on that farm, right? I can relate—I grew up on a sugar beet farm in North Dakota. What were some of the mistakes you made?

Salonek: I stayed in the house too long, a couple, three years. We moved to our first business address, in Newport. You could smell it before you could see it because of the stockyards.

Upsize: What was a turning point for your company, when things began to go much better?

COVER STORY

We have an eight-step hiring process today. In the beginning, I'd just have a cup of coffee with someone and hire them, and that led to some horrible mistakes.

Salonek: There was a transformation in the mid-90s, when someone joined me. There was a shift in our mindset to let's build a company. In 1995 we had a couple hundred thousand in revenue. By 2000 it was \$2 million. I realized I can't keep doing the hands-on stuff.

Upsize: How did you make the switch, because that's hard for a lot of entrepreneurs?

Salonek: I joined EO, Entrepreneurs Organization. There was a program called Birthing of Giants at MIT. You had to be under 40 and heading a high-growth firm.

Upsize: What did you get out of that?

Salonek: Just spending time with those people was worthwhile. I realized, it's not like other people had a Superman logo on their shirt. I thought, if they can do it, I can too.

Upsize: I know you have throughout your career sought out further education.

Salonek: And everybody has a learning objective each year at Intertech. In that first job, they had a standard tuition reimbursement program, and I went to apply for it,

and they said, we just don't see you on a management track. It solidified that this wasn't what I want to do. I wanted to have an organization where we fostered education and learning and recognizing each other. It's interwoven in our culture.

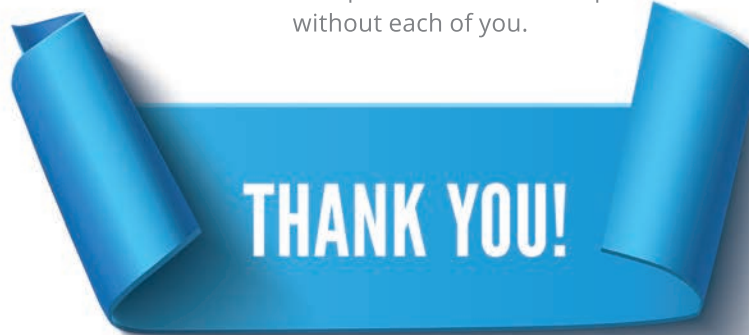
Upsize: You worked with your father growing up on the farm. How did that influence you?

Salonek: It was super unique. I have a 5- and 7-year old, and when I talk about work they don't understand what it is. It was a unique thing to work side by side with my father. I saw

Intertech works with a diverse range of organizations to put the power of IT to work every day. Our software development consultants are technology leaders who provide solutions, mentor staff and add true business value.

It is an honor to be selected as an Upsize Minnesota Business Builder of the Year!

Thanks to every single Intertech client and team member:
none of our accomplishments would be possible
without each of you.



... and a special thanks to editor Beth Ewen and the Upsize Minnesota editorial staff for your enduring and excellent journalistic coverage of our state's entrepreneurs and growing small businesses.

— Tom Salonek



www.Intertech.com

COVER STORY



The past six Upsize Business Builders of the Year, clockwise from top left: B&F Fastener Supply; Renters Warehouse, WaterFilters.net, Thread Logic, Cowgirl Tuff and Minimizer.

somebody that worked very hard and he worked to improve himself. There were places where he could go and learn like the agricultural extension offices and so on. The 1980s were a horrible time to be farming and there I saw a lot of resolve. There's a saying that action cures fear.

Upsize: And what about when you were older?

Salonek: In college there was a professor who captured my interest in

computer programming. DOS was just coming on to the scene. Basic was one of the languages I learned.

Upsize: Oh, I remember those days, although I was in the English lit department not the computer lab.

Salonek: The teacher, he physically was 6 foot 4. He played racquetball before coming to class each day, so he was a sweaty mess. But he had a gift to teach. I was average in everything in high school, but for this he showed

me that I had a talent.

Upsize: What did your family think?

Salonek: I was the first male in my family to go to college. That instructor got me on a path.

Upsize: What's the flip side, some of the hard times at your company? How did you recover?

Salonek: Those years from 1995 to 2000, it was chaotic. It was a lot of gunslinging. We kind of had a plan but not really.

COVER STORY

For most entrepreneurs, the business becomes so all-consuming, it's eating up every hour I have. I really value there's enough sanity and systems here.

Upsize: How did you get out of that mode?

Salonek: The Birthing of Giants program taught me how to do strategic planning. Also I went through Dale Carnegie training. Those things collectively brought a sense of planning and organization. Today we do daily standups at the end of the day, at 5:00, where everyone reports the issues of the day. Today it's really rare that someone says, I had no idea that was happening. Holding these meetings at the end of the day reduces interruptions.

Upsize: Many of the things you talk about sound complex and time-consuming.

Salonek: Some might say, that's a little daunting. I've found it's very freeing. I would say for a decade now, it's just been a lot more sanity to running an organization. Especially as a Dad, I appreciate being able to work from home two days a week.

Upsize: You came to fatherhood a little later than many, I understand.

Salonek: I'm 50.

Upsize: Don't you think I asked that question diplomatically?

Salonek: For most entrepreneurs, the business becomes so all-consuming, it's eating up every hour I have. I really value there's enough sanity and systems here. My wife and I take a month off and to be able to do that I know that it will run well without me.

Upsize: What was the worst day ever at your company?

Salonek: When my first employee who I gave equity to said he was leav-

ing. When he left I hired one person and then a second person reached out. It ended up being a good thing. Then when we had six to eight consultants and they were all working for one client. There was an acquisition and we had no contract; it was always a handshake.

Upsize: And you were left with nothing. What did you do?

Salonek: I brainstormed over the weekend. I was so anxious. I kept going into my partner's office and asking him about contracts. We dodged a bullet. That was just dumb business 101.

Upsize: Your latest book is "The 100: Building Blocks for Business." What is one of those building blocks you can share?

Salonek: If they're not doing a daily huddle, start there. When people say pick one, that's it. That rhythm is very freeing. There's also a section in the book, I believe in planning the life that you want. It's not just for business, to have vision around where we want to be and have clarity around what are things I'll do to get there.

Upsize: Like what?

Salonek: I had a goal to take a trip every year with my parents. I'm so happy I did that. It's not just hoping that it will happen.

Upsize: What's one lesson you wish 'they' would have told you, about being an entrepreneur?

Salonek: I think stressing the importance of hiring people. When I was so anxious to get business, I was more concerned about getting anybody. It's something that's often said but I didn't

feel it.

Upsize: What's one lesson you've learned to pass on to other entrepreneurs?

Salonek: That saying, culture eats strategy for lunch is really true. A great, well-oiled aligned team is going to crucify a great strategy and an average team.

Upsize: Your company has been around for 25 years. What comes in the next five years?

Salonek: Our target revenue is \$50 million. That's probably a dozen to 15 years away. We're putting a bigger focus on the consulting side, the software development side. We'll be more thoughtful on the R&D in the training side of things. Also, the internet of things will have tons of impact on organizations and we'll be there to help.

Tom Salonek is CEO and founder of **Intertech** and the Upsize Business Builder of the Year: 651.288.7000; tsalonek@intertech.com; www.intertech.com.