

# IT'S THE PEOPLE, STUPID!

Taking the leap from technical expert to people expert

BY JOHN P. PALEN

There has been a lot of talk about job creation in our country. For that to happen, you need to have good leaders running quality companies that are innovative. They also need to treat their talent well so that innovation continues.

It's a lot for any leader to handle, especially when most entrepreneurs are technical experts and not necessarily people experts. The transition from technical expert to the manager of a team can be one of the hardest in a growing company. But companies can't grow without a team. Some of the key management skills leaders need include: delegation, regular team briefing, cheerleading and also disciplining when necessary.

Then at some point, an owner has to take another leap and let the team actually run the company.

Randy Herreid can look back on this last leap and give some candid advice. He's the founder of an IT infrastructure company and owner of salons and spas around the Twin Cities. He became his own boss in the IT industry in 1998, started Kendall Howard in 2002 and purchased the salon businesses in 2009.

The process of creating a solid foundation of talent has taken about a decade, Herreid admits. "We're working hard to develop our depth chart. We always need someone to step up in new roles and situations, so we spend a lot of time and money on getting the right people."

In the early years, every function was outsourced with Herreid as principal designer of IT racking products to securely house computer and data centers. The products were designed for each customer, which improved quality and price points compared to available product lines overseas.



**Randall Herreid, CEO  
of Kendall Howard**

"Gradually, we developed the expertise to bring things in-house over time: first shipping and receiving, then assembly, then manufacturing," Herreid says.

Now the company does its own product photography, video and marketing materials — even producing materials for customers. It hasn't been easy to bring all functions in-house, not just from a cost standpoint. As new talent is brought on board with new ideas, there can be tension on teams to adjust to a new dynamic, he says.

"It gets complicated when balancing loyalty with knowledge. Just because people have been around for a long time doesn't mean

## BIZ BRIEFING

### KENDALL HOWARD

**COMPANY NAME:** Lemon Water Salon & Spas

**HEADQUARTERS:** Chisago City

**INCEPTION:** 2002

**LEADERSHIP:** Randall Herreid, CEO

**EMPLOYEES:** 100+ (59 at Kendall Howard)

**REVENUE:** N/A

**DESCRIPTION:** Kendall Howard innovates, creates, designs and manufactures IT infrastructure products and custom applications.

**WEB:** [kendallhoward.com](http://kendallhoward.com)  
[lemonwatersalon.com](http://lemonwatersalon.com)

## LESSONS IN TALENT

- Being a skilled technical expert doesn't naturally translate to managing people. Expect a learning curve.
- Loyalty doesn't overrule knowledge. Be open to the ideas of new employees.
- Set an expectation that employees must be ready to jump into new roles as business needs change.
- As a leader, learn to delegate, motivate, communicate and appreciate. These skills are important for retaining a quality team.
- Focus on what you don't know (or gaps in talent) and hire for those skills.

they know all the answers. I appreciate when people disagree with me so I can learn and make a better decision. We can't fly on egos."

Herreid has set a model of constant improvement in the company culture. It started with making products better to suit the customers and now extends to talent development. He expects people in any role to look ahead to the next set of skills they will need to step into a new role when necessary.

For example, to get past the barrier of saying yes to every custom project, Herreid created a special projects group internally. That team now vets special projects and takes them on when they meet the company's goals. "Great things happen fast when you bring in new talent and fill the gaps of what you don't know as a leader," he says.

With multiple holdings, Herreid has to rely on loyal and knowledgeable executives and managers to oversee day-to-day operations. His focus has successfully shifted from programming to making sure real people have what they need to improve and grow. ▀



**JOHN P. PALEN** is CEO of Allied Executives and works with CEOs, business owners and executive leaders on leadership and business performance through peer groups, coaching and educational workshops. [alliedexecutives.com](http://alliedexecutives.com)



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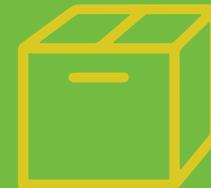
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