

BUSINESS

Success Computer founder found meaning in sharing success

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Erik Thorsell, founder and owner of Success Computer Consulting in Golden Valley, emerged from a difficult period of struggle with addiction 16 years ago and shows his gratitude again and again.

On Thanksgiving, along with a video message to the company's 90 employees, Thorsell gave each one an unexpected bonus of \$3,000. He also gave away about the same total amount, nearly \$300,000, to charities. That about equaled the company's profit for the year.

"There are holiday bonuses and gifts in addition to performance-based compensation," said Teri Schneider, who has been with the company for 20 years and is director of field operations. "But nothing like this for everyone. And charity."

Even the intern, a low-income college student, received a full share.

"I just decided this was the right thing to do," Thorsell said. "We have enough in the bank."

Thorsell has donated \$1 million from his six-figure salary and profit over the last several years. He also is a volunteer, resettling refugees through Lutheran Social Service.

He had time for that because he turned the day-to-day running of the company to a better manager in 2013. Thorsell's volunteerism provided additional purpose, empathy and calm for a guy who was once filled with anxiety.

"The company works better than when I was running it," Thorsell said. "I gave the business leaders their freedom to lead without interfering."

And his faith in others has led to a prosperous business valued at up to \$10 million.

"I could sell this company," Thorsell said. "But the purpose of this business, the employees and the community, is more important than me making a lot of money."

Brent Morris, a Success vice president since 2008, said, "In a private business, the primary constituent is often the owner. Erik believes if you do right by all the stakeholders, employees, customers and community, everyone will thrive."

Thorsell, 54, once planned to be a music teacher. He dropped out of college to work as a secretary in the 1980s. He developed skills with software and databases.

"In high school, I had an education-software company with a friend that was actually used by some school districts," Thorsell said. "I had a knack for tech but no formal education."

Thorsell started Success in 1992 and ran it "close to the edge" for years. Part of the problem: He was a gambling addict. Hooked on slot machines.

IRS agents showed up at Success in 2004 in search of \$1 million worth of payroll taxes, 401(k) contributions, interest and penalties. Thorsell had ignored letters and phone calls from the tax agency.

"I think the IRS decided they might collect something if they kept me out of jail," Thorsell said. "I decided it was time for Gambler's Anonymous, the 12-step program, to live one day at a time and do what I could to pay back. Most importantly, I needed to come clean with myself and others."



SUCCESS COMPUTER CONSULTING

Success Computer Consulting's profit was down this year, owner Erik Thorsell said. "But it was right to give all the profits this year to

Thorsell never hired a lawyer to negotiate a lesser payment to the government. He leveled with employees and put his energy into growing the business. He paid off the IRS and employee accounts by 2010.

"I started by rigorously telling the truth and I tried to do good," Thorsell recalled. "Those are basic things. We slowly built a better business, a healthy culture and made a little money."

Thorsell joined a Microsoft-network peer group a decade ago and described to its members his journey and the company's performance. Other people in the group praised him for his candor.

"Some mentored me and that group held me accountable," he said. "I became better informed and a better business owner. I was becoming a better person."

Success grew under Thorsell, to about \$6 million in sales and 50 employees by 2013. But it had a wanting profit margin of only 4%. That failed to meet cash and reinvestment needs.

"I concluded I could not get us to the next level," Thorsell said.

Thorsell hired Bruce Lach, a veteran turnaround manager, as a consultant in 2013.

"In August 2013, we sold a record number of network installations," Thorsell said. "We delivered and installed servers, laptops and new firewalls. Bruce helped us focus on execution and service. It all came together. Most of our revenue comes from services. Long-term relationships."

Lach was named president. Success tripled to \$17 million in revenue and nearly \$2 million profit by 2019. Profit margins rose as well as employment. Success invested in expansion.

Then came COVID-19. Thorsell and management vowed no job cuts and prepared for the company to lose money this year.

"We added clients and employees," Thorsell said. "We're profitable. It was a miracle. Not as profitable as last year. But it was right to give all the profits this year to employees and nonprofits."

Some employees, most of whom make \$50,000 to \$120,000, gave away some or all of their bonuses.

By giving others what he could claim as his own, Thorsell enshrined his purpose.

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