

Rising the Tide with Stacey Lombardo
The Shred Coach Podcast Transcript

TOM

Stacey Lombardo. Welcome to The Shred Coach Podcast. I'm glad you're here.

STACEY

Thank you, Tom. It's a pleasure. I'm very excited.

TOM

You are a legend and I know that you don't probably don't like to hear that, but rumor has that you were one of the founding mothers of this industry.

STACEY

Well, I definitely remember the early days of being around a table with a handful of folks trying to figure out, you know, how do we make this a viable industry and bring awareness to what we do. And I remember, back in the early days, I did all the sales for my company because it was myself and one truck and one shredder, we were very small, and going through and taking a book, a list from the local business journal, and calling folks and saying, "Can I talk to the person that's in charge of your shredding?" And they'd say, "We don't really have anybody in charge of it. So, we do have a shredder". So, if we were lucky, they had a shredder and talking to them about the importance of what we do and that, you know, there is a service out there available and yeah. So, it's- and it's really amazing to see the industry, how it's come full circle. And now, you know, we get large RFPs all about shredding and document security. And so, it's quite exciting to be in an industry when it first started.

TOM

So, let's set some context before we dig back into more of that story that you started to tell. Tell me about your company, where you're located... just gimme some of the big picture details about your business. And I'll ask some more about it, but just set the stage.

STACEY

So, Info Shred was established in October of 1997. So, we are coming up on, which I can't believe it because I was a youngster when we started, 25 years in business, our anniversary. And we are based in east Windsor, Connecticut, and we service Connecticut, Rhode Island and Massachusetts, but we only have one corporate location, which is in east Windsor. And right now, we're at 38 employees and we have 25 trucks on the road. Majority of my trucks are offsite, you know, straight trucks, vehicle tracked and alarmed. And then I have some mobile units, approximately seven mobile units on the road as well, because I got into the mobile after... my roots are really in the plant-based service.

TOM

Right. Okay. So, that's a significant operation. And along with that, are you doing any other services? Do you have other ancillary services or related businesses that support the Info Shred side of it?

STACEY

Yeah. So, our roots are in shredding, but as many companies did, back in 2003 we added a record storage division. It was probably about the time when a lot of the- one of the larger corporations that was very record storage intensive, started to go into shredding. So, we did the opposite. In order to be able to offer a flexible service, in 2003 we started with a very large opportunity which gave us the means to get into the industry, started a record storage division. So, it's a much smaller division of my company. But it's, you know, probably about... we have about 140 clients over in that side. And it just works well. It's very easy to say, "Hey, we'll do your record storage. And when things are up for retention, we pull it off the shelf. We triple verify it. And it's delivered into the destruction side of the world". Two distinct business units. But, it's very complimentary. And so, it's fared well.

And then most recently, like in the last probably seven years, now we're getting into, we are certified with the state of Connecticut, DEP for the electronics recycling. So, you know, we led with the hard drive destruction. We started doing a lot of that, but then kind of looked at, well, we're doing the hard drives. Why don't we take all the other components of the computer and printers and keyboards and that type of thing, because that gives the customer an easy solution, and start bringing that in and processing that? But we really kind of do a quick sort on that. And then we then ship it to a downstream data vendor, reputable, you know, certified vendor that then takes it down even further.

TOM

Got it. Okay. And there are 38 staff encompass all of those businesses, is that correct?

STACEY

Yep.

TOM

Okay. Good. Good, we've got the context, where you are, how big you are, but let's go back because I think your story is compelling because I'm pretty sure you were the first woman in NAID, I believe, sitting around that original table at the first NAID...

STACEY

One of the early ones. Yes.

TOM

Yes. And so roughly at that time, or likely before that, pre 1997, what caused your, whoever you were involved with to get in shredding? Like what was the driver of that? How did you know to get into this business and why was it appealing at that point?

STACEY

I can't take all the credit. So, I was fortunate enough to live in a family business scenario. And, so quite honestly, my father's family were Italian immigrants that came over and had a farm where they raised pigs. And when you raised pigs, I don't know how many people know this, but they used to have trucks and they'd go around to the restaurants and pick up the food waste for the pigs, to feed the pigs. And as family businesses work, they're entrepreneurial. So, you can figure out what you want to do next. So, the next thing my father and my grandfather wanted to do was bid on a town contract for trash service. So, they did, and now we're in the trash business. My father had that business for about 30 years. And then in the state of Connecticut, they mandated cycling. So therefore, now we're in the recycling business.

TOM

Yes, yes.

STACEY

So, really how we got started when my dad was still in business, a large prominent state agency that deals with tax information approached my father and said, "Hey, you're doing all our recycling for us. We have a new need. We want to do document shredding". And as you know, from a, you know, family scenario, we said, "Okay, we'll do it".

TOM

"Of course, we can do that!"

STACEY

"Let us have a little time to do some research". And we did. Back in 1993, technically they put a shredder in the back of their recycling plant. And we started to learn about positioning yourself as a secure destruction business and security and what those requirements were, because back once upon a time, and I'm sure a lot of the old timers will remember, because we came out of the recycling business, it was really important to... recycling's different. You're pushing paper around with payloaders. Your ultimate achievement is to get it into a bail, but it's still intact. Where shredding, you had to be very different. It was about bringing the material in securely, getting it into the shredder, bailing it... it's more of a closed secured system. So, we were very intentional with that in the communication from the beginning.

And then my dad decided to sell, there was a lot of consolidation going on in the business at that time. And because I was the only employee over on the shredding side, trying to bring in customers, and I remember literally my customer list was a couple entries on an Excel spreadsheet. So when he sold, he asked me at that point, if I would want to purchase that very

small division and continue on with it. And you know, I was only 23 or four. And I decided to take a chance.

TOM

So, if you wouldn't mind telling me, because this is so intriguing to me, at 24 years old your dad sells you the business. Like how much did you buy a small shredding business for, do you remember what that number was?

STACEY

Um...

TOM

Was it like, was it like 25 thou? I'm just, I'm so intrigued by that number.

STACEY

It was \$250,000.

TOM

Wow. Wow. Okay. So, you bit into a big number there 25 years ago. That's a big number.

STACEY

It's a good investment though.

TOM

Yes. Oh, 100%.

STACEY

It's been a good investment.

TOM

A hundred percent. I think it's a beautiful investment and I'm blown away. I just, you know, it's... family businesses are such that sometimes the transition periods, there's interesting things that happen. And as a 24-year-old, you wrapping your head around a \$250,000 investment is massive, especially when you said you had a spreadsheet with only a couple of names on it that were your clients. So, I mean, I'm like even more blown away by what you've pulled off in this whole...

STACEY

Hey, they say ignorance is bliss. I didn't know. You know, you don't know what you're doing and you just... if you're passionate and you work hard and you treat- which I thought that would be a lot of the focus today of the podcast: if you treat your employees well and invest in them, for me, it all came together.

TOM

Yeah, we'll talk. Let's talk about that, because I think it's really important, but let me go back. You're 24 years old, somewhere in there you've made an investment in this business. Tell me about where, over the years, some of the major leaps in the story evolved. Because you know, when you're a small operator, you've got a small business, and granted if you paid 250 for a business, there was something going on. You had a big client, obviously.

STACEY

Yeah, we had a big bank that we were able to solidify that was no longer in business now, they got consolidated. As you know, in the banking industry everybody got eaten up, but yeah, I had a good flagship solid foundation to start with.

TOM

Yeah. So, you know, take us out. You're 25, you've got this business, your dad has left the industry, basically it's you and Info Shred. What are some of the things you start doing or some of the things that take you from being a single truck, a single operation plant to actually starting to grow. Do you remember, and can you describe some of the sort of major stepping stones along the way?

STACEY

Calling and mailing, like a lot of us did. But it's just really building that reputation that you're giving the customers a good experience and they go out and they tell others. And so, that really... And also telling our story of being locally owned, woman owned if that matters to a company, and just really caring about the client and their experience and giving them the best experience possible. And then it all comes together. I mean, if you're giving them a bad experience, they're going to tell a ton of people, you know? And I just think it, for me, it was that simple. And also, luck. There's always luck involved. And being at the beginning of this industry that over the last 25 years has grown immensely from awareness. And, yeah, so I don't really have a secret sauce.

TOM

Okay. Yeah.

STACEY

You just do the best job possible.

TOM

Yeah, so, but- so, it sounds like it's been incremental, diligent growth over the years. There wasn't any big place where you popped from, say, being a five-truck operation to a 10-truck operation, where there was a big jump. Was there any of...

STACEY

It was incrementally, but I also want to dispel the myth of, you know, I remember going to the conference and you'd say, "Oh, how many trucks do you have?" And really, and truthfully, I want to be very clear that it's not always about the number of trucks that you have. For me over the last few years, it's been about, what's the quality of the work that you're doing? Is it profitable? Because, going all over a creation, if you're not being profitable, then it really doesn't matter. So, one of the big lessons we've had over the last year, is it's called rising the tide. So, taking those accounts that you have and making sure that they're priced properly and you're getting compensated well for the work, the good work that you do. So, it is a lot of trucks but, you know, on the other end, I've done a lot of work around making sure that what I'm doing, I'm getting paid for properly and giving the clients a good experience.

TOM

Good for you. That's so- that's such a good perspective. So, rising the tide, in terms of ensuring that you are properly pricing your services at the level with which you're performing them. But you mentioned earlier, and you wanted to talk about this. Something for me is, there's always- I think success leaves clues and to get to the place where you are, there's some clues to that. And you mentioned the employee thing. So, give me a sense of some of the lessons or some of the perspective you have on managing employees. What you've done from an employee perspective, because you have a really good operation and you have employees that seem to be very stable and hang with you for a long time. So, tell us about your perspective on that.

STACEY

So, I probably shouldn't admit this, but I read a book it's called Heart Led Leadership. And I treat, and I know a lot of people say this, but I do treat... And it's something that obviously, because I wasn't a family business, I learned from my father, the caring environment of the family business. And I do some special things that are old fashioned that I still have in place. Like for example, everyone gets a turkey at Thanksgiving and so Info Shred is part of everyone's family celebration and that's something that I'll never give up. I just feel like it's really a nice tradition. We still give the old-fashioned Christmas bonus at Christmas, believe it or not. And just really trying to help not only the company be successful, but lifting everyone up, you know? And just really trying to focus on, you know, what kind of medical we're giving our clie- our employees. We we've done some things on the 401k and just really invest in their quality of life as well. And when we're all doing well, we all come up together.

But then the clincher is, when you have happy employees that feel that the owner cares about them and not just the almighty dollar, they go out and they do a really good job for you and they tell people, your customers, and that comes back fivefold. And so- and for me, I just always have been like that caring mama bear, and I want to take care of my people. And taking care also, I think, is, like I had said earlier when we were speaking, getting out. I work side by side with them. I've gone out on purge projects, getting boxes, worked in the plant... I mean, to me, that is important to understand, you know, how your folks work, what they need. And then a very simple principle: listening, asking questions, you know, I'm the person that comes in through the

back door and I walk through the back. And I talk to everybody. How are you doing today? What's going on? What are you up to? Because that's the best way to be a good leader.

TOM

Yeah, Tom Peters used to call that management by wandering around.

STACEY

Oh, really?

TOM

Yeah. Yeah. And I always thought it was such a good concept because his point was when you walk around and you talk to people and you're visible, they tend to tell you stuff there that they'll never talk to you in a meeting about.

STACEY

Absolutely.

TOM

In a meeting that there's a formality to it, but by wandering around, there's an informality to it. And by working alongside which you have done over the years, which is really incredibly cool, it opens the doorway to that trust, but also insight, knowledge, perspective.

STACEY

Yeah, I wouldn't have it any other way. It's the way that is natural to me. One of the coolest things that we had recently, is we had an open forum for our drivers where we kind of... we brought them into a room and we kind of did like, "How are things going? You know, what's going well, what's out of our control, what could be better?" And it was the first time we had ever done that. So, we have, you know, about 20 drivers. And I was just floored by how well it went. And we got a bunch of stuff captured on, you know, whiteboards and we've been able to implement some really positive change. And I think that's really powerful too, because what happens is when folks talk about things that are on their mind and then they see they're actually implemented, and they...

You know, like we have a thing that we did where, when somebody has a job where there's stairs involved. And they said, you know, "We did a couple jobs with stairs. We'd love for you to... you know, what could you do with that? Cause it's a little, you know, it's a little extra labor. It's tough sometimes". So, what we did is, and I know you had somebody previously on your show that did something with boxes, well, we did something with stairs. And so, we share, it's a stair bonus, and we share in that with them and they see it in their paycheck. And so, if you have a job where there's stairs involved, we'll share in that. The company will share in that. So, but that was something that came out of the open forum just, and now, like, I feel the result was so favorable because they're saying to themselves, "Well, they're listening to us. They care about what we

have to say". And so, we're going to do it again. I'm not sure when, because things get busy, but I would love to do it again, because it was very, very effective,

TOM

Well, there's something so powerful about hearing, you know, hearing the stuff that you're not seeing. Right? There's the management by wandering around and there's the management by getting what's happening out in the field by the people who are in the field, who are closest to the action.

STACEY

Yeah. Yeah. I read a book or something about recently, like, there was like a big factory floor. I want to say it was at Hines ketchup. And they go to the guy that's sweeping up in the warehouse and they're asking him, "Well, how do you think we should solve this?" You know? And that's a lot of times the person that knows, you know? So...

TOM

Yes.

STACEY

Everyone has to have a voice and that's how- and, you know, and then that all ties into, and I believe that years ago, it's the listening so that we can constantly be practicing continuous improvement in our business and not stay idle.

TOM

Yeah. So, in the last couple of years it's been particularly difficult for a lot of companies, especially with drivers and labor staff. How have you managed, or how have you thought about the last couple of years with the context of being momma bear, taking care of your team, rising the tide? A lot of people have struggled through the last couple years. What's been your perspective, how have you experienced this last couple of years with labor shortages, driver shortages, all that kind of stuff? Or did you take a particular strategy or tactic that helped you to manage what was inevitably happening in this world?

STACEY

Well, COVID was... it was the hardest time in our history. And I think a lot of people can also attest to that. I mean, all bets were off. You know, you came in every day, we assembled a group of leaders from different areas of our business, and we would literally have a powwow every morning because you didn't know what was going to happen the night before regarding information. So, we would get together in the plant and we would talk about what was going on that particular day and what we were going to focus on. And it was extremely difficult. And so, I had to go into like high gear mama bear, because I wanted to do things for my employees to make them know it was okay. And we did a lot of, you know, little gestures of comforting. We put things on the driver's clipboards, just because it was a difficult time. And, you know, it was day by day. But we got through it.

STACEY (cont.)

And from the labor standpoint and drivers, which I know from listening to past podcasts of yours, a lot of folks it's tough, you know? So, there's one thing that I'm trying to do, I'm focusing on this year and this also came out of the open forum, is we talked a little bit about, I want to make Info Shred a destination for people. So, for example, we were talking about, you know, with the good benefits and having a really good reputation on how we treat our employees. I want people to know that so that they seek us out. And that's challenging, but it's something that it was an idea that came out of the open forum. And it's something that I try to focus on. So, just really trying to do that and make it where, you know, if they search Info Shred online, they know that we're a wonderful place to work and they want to be part of our team. And that's a big, tall order, but I think it's possible.

TOM

Yeah, well, it's a much stronger objective than just to be, you know, can we maintain. To say, "I want to be a destination employer, to have an employee reputation". There's a concept called employee net promoter score, which is how many of your employees, if given the chance would choose to invite somebody else to be a part of this team.

STACEY

Right.

TOM

And that net promoter score, employee net promoter score, is a really interesting indicator and has been specifically through this last couple of years. So, that's really powerful. I think it speaks to a focus and an attention on that rising the tide. I love your concept of rising the tide. It's just... because it's more than just, are we getting paid enough? It's our, you know, a rising tide, that line is "a rising tide lifts all boats", and...

STACEY

Yeah. I mean, wouldn't you rather have, instead of saying, how many customers do you have? 3,500. Or I have 2000, but they're really profitable, solid customers. I much prefer that because, you know, then you're buying more trucks, you're hiring more people and you're trying to do that. It's expensive to run a business. So, I want my customer base to be solid. So yeah, it's definitely been challenging couple years, but I'm an optimist by nature. So, I'm feeling optimistic about the future.

TOM

Wonderful. So, I have an interesting question and it comes at it slightly differently, but if you could go back and speak to 25-year-old Stacey, as she's just taken over the business...

STACEY

I remember reading it in your email when you emailed it. That's a really tough question because I just don't know if there's... I think that for me, it's just, it was constantly being open to new ideas and just learning and be willing... Don't be afraid of change. You know? Don't be afraid to- and that kind of ties into my whole belief in the continuous improvement. We can't stand idle. We have to be looking at things, how we do things, can we do them better, and be willing to change and take risks? You know, I think, it's been a nice ride.

TOM

Yeah. So, what if somebody came to you, a young 25-year-old woman comes to you and says, "I'm interested in getting into the shredding business". What would you tell her? With all this experience, with all this knowledge, with all this skill, with all this capability and wisdom, I believe, what are you going to tell somebody who's early on in their career and choosing this industry? What would you say to them?

STACEY

Do it. Take a risk, take a risk. Absolutely. You can do anything. You know, you can do anything. I mean, I don't have any big profound words. It's just like, because some of it, I just didn't consciously think of. I just, you know, I just took a chance and then you just have to be diligent and work hard and listen, listen to your people, listen to your customers, be involved. Like I said, you know, working side by side with my employees, and just keep learning. I mean, that would really be my advice.

TOM

Beautiful. Love it. Love it. All right. One final question. You come from an entrepreneurial family that raised pigs, that got into garbage, that got into trash, that got into- or, garbage and trash that got into recycling, that got into shredding. But I looked at your, I went into your LinkedIn profile and found you went to Marist College. So, tell me what your experience at Marist College did for you relative to all this life that you had after that.

STACEY

So, you're probably not going to like my answer. College for me, really... because I was communications. That was my focus. It gave me a chance to grow up it, it gave me some space. I am not... I believe in college for certain applications for technical, you're going to be a doctor. I don't believe it's the end all be all. I, you know, my father was- he didn't go through high school. He grew up on a farm learning and they didn't do the college thing back then. And he was extremely successful in his career. And it's because he knew how to work hard. He knew how to communicate with people and he was innovative and he was willing to take those risks. And I just believe that sometimes you can't learn that in college.

So, I had a wonderful time at Marist. I enjoyed it very much, but it really just kind of gave me a chance to grow up so that I could do the whole family business thing. And I've enjoyed it immensely.

TOM

Well, it's delightful. It's so good to hear your story. I have known and heard about you for many years and it's really cool to hear more about how it all unfolded for you. And I just want to congratulate you on such a successful and effective business, because I think, you know, there's one thing to build a relatively large business. It's another thing to make it one that people love to be a part of and clients love to stay with you and making an impact that's bigger than just profit margin, although that's really important, but making an impact on the world, which is really cool.

STACEY

And we have to have fun, Tom,

TOM

And fun!

STACEY

If we're not having fun, it's not worth it.

TOM

Yes. And having a lot of fun as well. Stacey, this has been an absolute joy. Thank you for sharing your time with me and really good to hear you talk about your life and what you've been doing. So, thank you.

STACEY

I appreciate it very much.