Steven Freidkin

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Transformative Technologies

It all started when Steven Freidkin absentmindedly donned a red collared shirt one morning when he was 13 years old. He had always been drawn to technology, often stopping by CompUSA to check out the latest products and software on the market. On that particular day, he was traversing the aisles, when a customer mistook him for an employee and began asking for his advice on which computer to buy. "I don't work here, but tell me about your needs," he said, excited to be putting his knowledge to work for the first time. Steven helped the customer pick the right product and, upon request, helped set it up as well.

With that, a passion and pastime evolved into a job. Over the next several decades, that job flourished into a livelihood, and then into a company that now fuels the livelihoods of almost a hundred full-time employees—Ntiva, Inc. As its founder and President, Steven continues to combine his passion for entrepreneurship and business with his gift for using technology to solve problems, providing clients with tech support that reaches to the heart of each enterprise, the root of each problem, and the transformative power of each technological solution.

Steven's first customer, the man who mistook him for a 13-year-old CompUSA employee, was so impressed that he offered the whiz kid an internship in his large company's IT department that summer. In the fall, he retained Steven's services for personal IT matters and began referring him to other executives in McLean, Potomac, Rockville, and Bethesda. "I developed a pretty good business providing information on custom computers—what people should get, how to order the products, how to set them up, and how to solve whatever issues might arise," Steven recalls. "I did all of this through my sole proprietorship, Custom Computer Creators."

Eventually, a customer—someone Steven had been serving for four years—sold his company and decided to launch a mortgage business, asking Steven to handle the technological aspects. While Steven was not familiar with the business world yet, he was committed to working hard and providing value to the business. Through that commitment, he assisted in building the technology to allow the company to scale rapidly to meet its business volume. That mortgage company referred other companies to Steven, and before long, he found himself helping an organization scale from 4 to 400 employees. "It took me a long time to figure it all out because I didn't know what I was doing," he laughs. "But I kept trying till I got it right, and with the experience came proficiency. I developed a recurring revenue model, where I got paid a monthly retainer fee, and through word of mouth, lots of other mortgage companies contacted me to take over their IT support. By the time I was 19, I had 60 hours a week of recurring revenue."

As the work piled up, Steven began hiring contractors and took his clients' advice to charge more for his work. One of the contractors, 20 years his senior and boasting extensive experience in technology and large corporate networks, began moonlighting with Custom Computer Creators on evenings and weekends. When he realized he couldn't continue the contract work while keeping his full-time job and raising his family, he and Steven decided to launch a new company. With that, in December of 2004, Ntiva was born.

In formally launching a company at only twenty years of age, Steven was bound to make a mistake or two along the way. "In my infinite wisdom, despite advice to the contrary from every smart person I knew, I made him a 50/50 partner," Steven recounts. "I thought we would need his technical skills and age to really legitimize us in

the eyes of businesses we hoped to serve. But as time went on and we hired more people, it became apparent that he didn't have the same work ethic, drive, and commitment to the company. He was a great technician, but he had a different approach to business. I was committed to growing Ntiva based on profitability, even if it meant I had to work 80 hours a week. My partner's philosophy was to borrow money to build up the infrastructure and services, and the business would follow. Maybe he was right, but I didn't want to owe anyone anything."

By July 2008, the partners decided to separate, again running into disagreements over the company's worth. It was an ordeal that ultimately lingered for seven years, underscoring the dangers of a 50/50 partnership. "It was an extremely expensive life lesson," says Steven. "I'm happy to have been able to afford it, but I wouldn't wish it on anyone else."

Through this challenge, Ntiva was nurtured by Steven's intuitive foresight and indelible commitment to leading his company according to his own sense of reason and responsibility. Observing the rapid growth of many of his mortgage company clients, he noticed that the unbridled success seemed unnatural, and even illogical. By 2006, he noted that over half of his revenue came from the mortgage industry and made an immediate commitment to diversify. "Even though I respected the owners of those companies and continued to support them, we stopped taking on new mortgage company clients and focused on bringing in other types of businesses," he explains. "Something just didn't feel right. We grow exclusively by word-of-mouth and referral, so it was hard to change that cycle, but succeeded. It's a good thing we did, because only one or two of those companies still exists today."

Instead of facing certain desolation when the housing market collapsed in 2008, Ntiva was appropriately diversified and poised for success. As a result, the several years that followed were among its best yet as they delivered on their value proposition of a high touch, high response, high accuracy technical support services for companies looking to outsource their IT departments. The experience was a huge lesson—not only in trusting his intuition, but also in the importance of contributing real value through business. After watching mortgage company after mortgage company collapse because they ultimately weren't creating value through sales, Steven developed a keen eye for business value that allowed him greater discretion in choosing which clients to take on. "If a company doesn't add value in what they do, we're likely not going to succeed in adding value to them, so they won't be a long-term fit," says Steven.

In assessing good long-term fits, Steven and his team serve small to mid-sized businesses and nonprofit associations. "Our ideal customer is someone who recognizes that technology is strategic, and that it needs to be part of their company to grow and evolve," he explains. "It's a company that has a vision for their technological capacity but lacks the internal resources to carry it through themselves. That's where we come in." Ntiva's average customer size today is around 38 employees, but its clients range from as small as two employees and as large as 15,000. With 85 full-time employees, the company generates around $15 million a year in revenue, and is driven to maintain its commitment to excellence everyday through the examples set by its own clients. One of them, Dennis Ratner, Founder of Hair Cuttery, has been a client since Steven was 14 years old. "At the core of his business, he has always wanted to wow each customer with every touch, and to make sure his internal team is equally wowed, because he knows they're the ones facilitating those interactions," Steven recalls. "As a trusted advisor, I've been so fortunate to have the opportunity to learn how all my exceptional clients run their own companies, and to bring those lessons back to my own business."

Steven's business acumen is also modeled by the example set by his parents. His father launched a CPA firm which he operated for forty years, while his mother ran a boutique eye care and optometric practice starting in 1976. His father had three children from a previous marriage, but all were considerably older than Steven. Growing up in Potomac, Maryland, in the middle of nowhere, his interest was cinched for life the day his older brother showed up at home with a computer when Steven was six years old. "I took every opportunity to play with it, learn about it, take it apart, and put it back together," he remembers. "I was completely fascinated by the technology that was transforming the world just as my mind was developing enough to figure it out."

Around that time, Steven's father took him

to a large philanthropic event and promised he'd pay his son a dollar for every person the boy walked up and introduced himself to. With that, young Steven went marching around to as many people as he could, gaining a new level of comfort with the act of extending his hand to a stranger. "I was disappointed I only made $220 at that 500-person party," he laughs today. "But it was extremely rewarding—not only for the dollar incentive, but more so because I got an idea of how important relationships are in business. Lots of people can provide similar products or services, but having a relationship allows you to truly understand a client."

Steven's other primary source of income through those early years was selling rocks—an endeavor he launched at the age of seven. He would collect rocks on the street and sell them at every opportunity, amassing $1,500 by the time he was 13. He used that money to invest in DJ equipment—a move that outraged his father, but eventually proved profitable as he became a hot commodity for Bar Mitzvahs, weddings, and other events. "I made a few hundred bucks per event, and for a geeky kid, it was great to have girls excited about what I was doing and wanting to be involved."

In his spare time, Steven worked as a busboy at Potomac Pizza, got a job scooping ice cream, and was no stranger to helping out at his mother's eyeglass shops, where he had stamped envelopes since he was four years old. He got a job at Woodside Deli in Rockville when he was fifteen, working Friday evenings and all day during the weekend. By the time he was sixteen, he was managing the business's catering, operations, and restaurant. He did that until the age of eighteen, when Custom Computer Creators began demanding all of his time. "Up to that point, I was making $500 or $600 a weekend, and then $1,000 or $1,500 a month on computer work," he recalls. "I had no social life, and the Dean's assistant let me leave school as needed to go to work. I didn't do it because I needed the money, but I knew that I needed to be financially independent in order to pursue my own path. Otherwise, I would have had to become an accountant and followed the goals of others."

As he neared the end of his high school career, Steven decided to apply only to the University of Maryland's Smith School of Business. The school had a one percent acceptance rate, and

Steven mentally prepared himself for the high likelihood that he would not be accepted, yet his precautions were unneeded. He was admitted, and ultimately decided to live in Tysons Corner to be near his office and commuting to College Park for class. Adapting the pattern he had utilized in high school, he attended lectures as needed, studied prolifically, and got near perfect grades. "It was really rewarding because I could apply the information directly to technology and what I was doing at work," he remarks. "Technology is always changing, so I decided not to enroll in their computer sciences program. Instead, I majored in Accounting, a field of study that has remained virtually unchanged for hundreds of years. I decided that if I could get accounting as my core, I could apply it to the ever-changing field of technology as a great differentiator."

By 2005, Steven had only a couple classes left to finish his degree, but they were in subjects that had nothing to do with his major. Having studied opportunity cost in a number of economics classes, he decided the value added of finishing his last couple courses wasn't worth it, and opted to drop out before finishing his degree. He was eager to shift his complete focus back to his clients—an impulse he became particularly thankful for the night he got a call from Solarus Salon and Spa in Arlington, Virginia. The company had been experiencing network problems all day and needed to be operational again by the time they opened the next morning, so even though it was midnight, Steven headed over to the site with his new puppy, Radar.

Upon arriving, he met Heather, the daughter of the salon owner. As he worked, she played with the small silky terrier, and by the end of the late-night maintenance session, Heather and Radar had become fast friends. Steven had Heather watch the puppy over the next several months as he made frequent business trips to Los Angeles, and before they knew it, the two began dating. Four years later, they adopted another dog, Doppler. Heather took a job in Ntiva's accounts receivable department, and the couple married on May 26, 2013. "She's incredibly focused when it comes to getting things done," Steven says. "She's very free in sharing her thoughts and feelings, which allows me to be a better leader and a better person. She's great at picking through a situation and providing insight I wouldn't have thought of otherwise." The couple welcomed their son into

the world on April 30, 2014.

In advising young people entering the working world today, Steven underscores the value of hard work and consistency. Having observed people who jump around from thing to thing, driven by instant gratification or the simple thrill of trying something that seems different and exciting, he believes much can be lost to those gaps. "If you're consistent in what you want to do and you dedicate yourself to it, you'll get better and better," he explains. "You'll never be the best, but you'll place yourself on that upward trajectory, making more money and achieving a level of mastery you can't get otherwise. Find what you're passionate about, and then don't worry about anything else. If you really love that thing, you'll push hard for it and have fun in the process."

Ntiva is the living proof of that philosophy's potential. And as Steven's approach as a leader has evolved over time, so has the company's prospects. Indeed, it grew through its early years thanks to his micromanaging tendencies. "Through sheer hard work, I was able to grow the company to $10 or $12 million a year by having my hand in every single pot," he affirms. "Everyone reported directly to me. But as time went on, I realized that our company doesn't have value if it's structured this way. I decided to create an entity that can stand on its own, with or without me. Now, I'm focused on getting the right management in place, defining expectations, holding people accountable, and giving them more running room."

Despite the changes wrought by this evolution, some things will always stay the same—things like it's commitment to maintaining a top work environment for its employees. Named by Washington Business Journal as one of the top medium-sized D.C.-area businesses for two years and one of the best places to work for seven years running, Ntiva's success has taken on a snowball effect. "We're creating an environment that attracts and grows rock star employees, who deliver amazing support to our customers," he explains. "As a result, our customers refer more people to us, and we all grow together. We feed that success back into training, or raises, or career advancement, and the cycle is perpetuated further."

Equally critical to Ntiva's core values—and in Steven's own priorities—is the importance of giving back to the community in both dollars and time. "My father taught me that it's the times when you feel you can give the least that you should actually give the most," he remembers. In this spirit, the Freidkins launched a foundation through which they donate to multiple charities. Likewise, Ntiva holds quarterly business innovation group meetings, where the agenda inevitably includes ideas for giving back to philanthropic organizations.

The results take Ntiva's mission of transformation through technology to another level. One year, the company provided a computer lab to a group home, and several technicians went on to provide classes to teach residents how to use the machines for employment searches and job skills. Another year, Ntiva partnered with a client to build the first computer lab in a hospital in Ethiopia. The client sent a doctor to teach in the hospital every two weeks, and Ntiva provided electronic test-taking and preparation materials to keep the students engaged and learning. On yet another occasion, Ntiva revamped the IT infrastructure of a suicide hotline, allowing the organization to field 8 percent more calls.

"At the surface of our business, we're making sure networks are running and making sure people have the right operational tools," Steven says. "But at our core, that translates to tangible, meaningful results. It means a nonprofit can do more with the dollars it has. It means absorbing lessons and insight from one CEO and using it to improve the experience of another. And in the case of our philanthropic ventures, keeping IT services functioning and optimized means lives saved. With technology transforming itself at an increasingly rapid pace, we work to ensure that the world transforms right along with it, ready to turn today's challenges into tomorrow's success stories."

– By Gordon J. Bernhardt, CPA, PFS, CFP®, AIF®

About Gordon J. Bernhardt
President and founder of Bernhardt Wealth Management and author of Profiles in Success: Inspiration from Executive Leaders in the Washington D.C. Area, *Gordon provides financial planning and wealth management services to affluent individuals, families and business-owners throughout*

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