Unleashing the Power of the People

Best Buy’s Allen Lenzmeier Sees Success as Building a Culture of Teamwork

“There was no grand plan,” Allen Lenzmeier says, smiling as he launches into stories about student years at MSU and the evolution of a successful career. “Essentially, I always looked three to five years ahead with binoculars, not ten years with a telescope.”

Mr. Lenzmeier, President and Chief Operating Officer of Best Buy Company, Inc., the nation’s largest volume specialty retailer of name-brand consumer electronics, personal computers, entertainment software and appliances, leads a team of more than 90,000 employees who operate Best Buy retail stores, Musicland Group, Future Shop, Magnolia Hi-Fi, and Consumer and Brand Marketing and its international divisions.

Confident, seasoned, and not particularly comfortable discussing his own accomplishments, Lenzmeier is clearly a team player who enjoys a challenge — a quality that has kept him moving, learning and even unlearning in order to succeed since his youth.

Allen Lenzmeier grew up in New Prague, Minnesota and graduated from Shakopee High School. He began study for the priesthood after grade school graduation, but after a year changed direction. Like many first-year MSU students, his career thoughts were influenced by the realities of initial course work; engineering became less appealing after a semester of calculus and he gravitated to accounting, where his skill with numbers brought him success. His grades at MSU were “good in accounting and not so great in other things,” he says, but he values the balanced education he received.

As a new MSU graduate in 1965, Lenzmeier set his sights on becoming a CPA with one of the “big eight” accounting firms. When positions became available with Price Waterhouse and Company, Lenzmeier and his wife, Kathy, took a leap and moved to New Orleans.

Ready for a new challenge four years later, looking for a way to become involved in the daily operation of a business, Al took a job as Assistant Controller at National Car Rental. The family moved back to Minnesota where he enjoyed the opportunity to “be there, and see the fruition of daily work.”

When the need for a new challenge set in again, he looked for an opportunity to go beyond accounting and found it at Tom Thumb Markets. There, in a highly entrepreneurial environment, he learned operations and became involved in hiring and personnel management in addition to financial management.

“When I didn’t see there was opportunity for growth, I tended to get bored,” he reflects. “I needed new responsibilities. I see now that I tended to take risks — sometimes it worked, sometimes it didn’t. Even so, I was never interested in a secure, long-term position.”

After six years with Tom Thumb, the draw of working with a larger business took Mr. Lenzmeier to Perkins Restaurants, a privately-held business purchased by Holiday Inn during his tenure with the company. He found strong opportunity there, but when headquarters moved to Memphis, Tennessee, he tried it for a year, then made a change.

Best Buy was a far cry from Perkins Restaurants, a $90-100 million corporation, in 1984. But the position of Vice President of Finance and Operations was appealing, Al says, because Dick Schulze, the company’s founder, had a plan for growing the business; Schulze was a good salesman who knew where he was going.

“Best Buy is very competitive,” says Lenzmeier. “We play to win. We always have stretch goals. We want to be the best and to build something.”

That spirit drew Lenzmeier in, and Mr. Schulze came to depend on him for an increasingly broad range of management expertise as the years passed. Best Buy grew, responsibilities changed, and Lenzmeier, doing his work the best he could, found himself in a position of influence.

“My work now,” he explains, “is sort of like conducting an orchestra. I unleash the power of the people. I give direction, coaching, appropriate latitude, and focus on collaboration and teamwork. My job is to develop future leaders, encourage new hires to move outside their comfort zones, and allow healthy conflict.”

Lenzmeier has achieved what many aspire to, yet demonstrates a rare humility. He has power, but thinks of it as an opportunity for leadership, not a trophy.

“Success,” he says simply, “comes when you enjoy what you’re doing. Work can be a roller coaster, but that’s part of the game. You succeed when you maintain a high degree of passion for what you’re doing and remain open and willing to reinvent yourself.”

Mr. Lenzmeier values his relationship with his wife of thirty-seven years, Kathy Lenzmeier, and notes that he could not have achieved what he has without her support. They have raised three children, shared hobbies and activities, and involved themselves in their community.

And success, for the two, has also meant a decision to share.

During the past decade the Lenzmeiers have supported and been in positions of leadership with the Boys and Girls Clubs of the Twin Cities. At Minnesota State University, Mankato, their gifts have made the College of Business Information Technology Initiative possible, through funding for extensive classroom renovations and establishment of a fund to make student investment in laptop computers more affordable. Their reasoning is uncomplicated.

“We realize we are very fortunate and feel strongly that we have an obligation to society. There are people out there who, through no fault of their own, live in difficult circumstances. It only makes sense to give back to the community.”

ALLEN AND KATHY LENZMEIER