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SPEAKERS

Scott Johnson, Matt Hunckler



Scott Johnson 00:00

You know more than you think, you know? Yeah, as a founder, you know, like the core DNA of your company. You're the one with the vision, like don't let somebody convince you that you don't know that and just have more confidence in yourself.



00:26

Hey there Powderkeg fans. This is Episode 108 of powder keg igniting startups, the show for entrepreneurs, leaders and innovators building remarkable tech companies in areas decidedly outside of Silicon Valley. I'm your host, Matt Hunckler. And today we're speaking with Scott Johnson, who is the chairman and founder of project management software company work front and is also the founder of motor varsity and employee recognition software platform that improves employee engagement and builds company culture. Really cool tool. I looking forward to talking about that with Scott today. So Scott is a tech entrepreneur startup mentor. Angel investor, Professor as well has tons of years of experience as a leader and executive, starting immediate leading numerous companies of his own. And he is in town today all the way from Utah. Hey, thanks for being here today, Scott.



Scott Johnson 01:13

Thank you, Matt. That was a mouthful, by the way.



Matt Hunckler 01:16

Absolutely. Absolutely. Well, I mean, I had to kind of pick and choose for the intro there, because there's a lot of things that you've done in your career. And I know, I know, you have a lot of cool stories. We were just talking about one of them here, just before we turn on the mics. But I wanted to go back even further from that you've lived in Utah your whole life. He told me a little bit about how you grew up.



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Yeah, like my family situation. Yeah, I was the misfit kid that didn't fit in very well. You know, I always felt like I was on the outside looking in. That's pretty much how I grew up, you know, like jumping on the trampoline on back by myself day after day after day.



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Yeah. you started your own your own job. You created your first job you ever had. How old? Were you?



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Yeah, I was probably I was nine or 10 years old. Okay. And I remember these little green business cards that I made, had a picture of a kid pushing a lawn mower on him. And yeah, it was. Scott Todd job, say, took business cards to every house in the neighborhood.



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Sounds like that was a fruitful endeavor.



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I don't remember much else beyond that. Yeah. Okay. There were there were a few bad jobs. But



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any big lessons you took away from that first job?



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Actually, yeah, there was a life lesson there that I learned and the life lesson was always bid your job before you give a price. Okay. I remember this. This, this little old grandma neighbor of ours called me and asked if I would weed her garden. And I said, Yeah, I'll do it. It's \$10. I charge \$10 a week gardens. You know, everyone had kind of the same size garden except for her. So I went over to her house and it was probably an acre. And it wasn't even a garden. It was just four foot tall weeds. And I did it took me a week and a half full time work. And the thanks I got was, thanks. Here's your \$10



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I've been angry ever since.



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You didn't make that mistake again? No, sir. I didn't. Yeah, absolutely. I may have even quit after that. Okay, well, and I'm guessing



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there was something about technology that really caught your interest, you know, maybe not, not having to get the blisters on your hands might have been part of the drama. Do you remember when you first kind of caught that first spark of interest in tech?



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You know?



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I was a technology troublemaker in junior high. Okay, Tom, that so our school as a pilot school for these new things called personal computers. So sorry. That's all I am.



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Hey, but what a cool benefit to be.



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Yeah, bleeding edge of everything. But I wasn't



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I didn't I wasn't really a tech guy. But you know, I was like the first guy who figured out in typing class, you could copy and paste. So I've gained totally rocked the typing class. Yeah. And I figured out how to add a reprogram my math teachers computer so that it would give wrong math answers during the presentation. And I loved correcting the wrong answers. And so that was, you know, that was my earliest entry in the technology. But I really didn't the light didn't go off for quite a while. In fact, I graduated from Brigham Young University with a degree in Near Eastern Studies. Oh no, which is probably about as far away from technology as you can get. Yeah. You know, I remember part of a senior project spending time translating the Dead Sea Scrolls from Hebrew into English. So very Non techie, but has probably come



05:01

in very handy. Oh, yeah.



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Yeah. If people ask me all the time, so Why'd you do that? Yeah. And it taught me how to think. I think I solve problems. Sure.



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Now, that makes a lot of sense. I mean, now that you say it didn't make sense at first, right, yeah. Well, that's very cool. And so you kind of got exposed to this early on. Talk to me a little bit about how you started to kind of put the two together, you get this entrepreneurial roots as a kid. You're getting exposed to technology. Now you know how to translate Hebrew.



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Right? Yeah. Okay, what's the next logical steps? Exactly. Um, so I was



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out of college since there are no jobs and whatever it was, I was doing. I, I was working as a part time graphic designer through college, and when I graduated, I wanted to start a digital video production company. So In old school, everybody was doing video editing on tapes back at the time. And computers were like a new way that you could look at how you do video production. And that really caught my attention and interest. And I remember I spent \$16,000 on 64 megabytes of RAM, which was the maximum amount of RAM you could put in a computer at the time. And I started working on this digital video. And that was a complete Well, I just let's just say I sort of had this vision of myself as a wedding videographer and I didn't want to go that direction. So I sold it to a company who hired me to do their marketing. And as part of that marketing, the This was 1995 96 the internet was brand new thing and hardly any companies have websites and it seemed to me like hey, This internet thing could be a marketing tool. Yeah. And I just jumped in and learn how to how to make a website and I learned how to write write software using Perl and CGI scripts. And this was really you know, street credit This is Yeah, this is bad time and wrote a little e commerce thing so that this company could sell their their video training online and, and I just loved the technology part of it like it was, it seemed like I had endless energy for for learning and figured it out.



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It always come natural to you or did you kind of hit some stumbling blocks along the way?



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Yeah, I'd like to say it came pretty naturally. Like I think I had a just, I don't know my DNA just kind of worked like I kind of get it. So yeah, from there after that company started agency, which was a creative agency that was focused on web solutions. And did you



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have that idea for the agency while you were still working in that first job?



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Yeah. Well, so I could tell you some stories, but let's just say that company went bankrupt. Oh, my hand the FBI was involved. So Wow. Yeah. And I was not a founder. Right? Yeah. Yeah, I got out with everything, but a couple of paychecks.



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But learned,



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yeah, another lesson. Yeah. And speaking about culture, yeah. I learned, like the entire book of how not to on culture at this company.



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So what were some of the pages that? Well, you



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could you could write a book?



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Hey, that company fired people over the PA? No. Yeah. Like when they would like if you would ask about your paycheck. You're pretty certain to get fired over the PA. Wow. So yeah, there are some interesting and hilarious stories that talks



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Yeah,



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and we used to race each other to the bank. on payday because only the first four or five people would get their their checks cash. No. And everyone else would have to wait. Oh

my god money. That's brutal. Yeah, traumatizing. So anyway, yeah. So why company like totally went belly up and more shadowy? No surprise Yeah. And I got in building web solutions marketing solutions on the web and this agency grew and as we had dozens of employees, we needed to understand like, who's doing what, and how much more work could we do? And is there work we're doing that's good and profitable and work we're doing that's not good and not profitable. And we wanted our customers to have really visibility into the work we were doing for them. And so I started kind of nights and weekends, writing some software that could actually do this thing because at the time Microsoft Project was not going to Be the solution for that. Yeah, well years out, this was 1999. Okay. 2000. So, after working on that for about a year and a half, rolled it out to some of our clients at the agency, they're like, Hey, this is cool software, where did you buy it? So for me, that's really, you know, I never considered myself an entrepreneur at all until that point where I had an opportunity to split from the agency to sort of the the IP and and left the agency with my partners. And



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yeah, it was because I had



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had three kids at the time a little young kids and a mortgage. Yeah. And had had to, you know, strike out and, and went without a paycheck for a year and a half and nobody wouldn't let nobody would Give us money because Microsoft was going to destroy us and all that, by the way, Microsoft's a customer of this company now. Oh, but



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yeah, so so you're pitching it in



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late, early 2000s,



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early 2000. It was like 2000 was a rough time to be a tech. Exactly. So this thing was a company called that task. And, you know, it was a boy it was it was, you know, it was

bootstrapped. It was difficult. We had some crazy experiences, going in and making promises over the phone and then writing code all night long to go do the pitch the next day of what we just promised and try to win deals as a lot of smoke and mirrors early on, and made it happen. That company now is 1300 employees. It's really dominating the enterprise work management space.



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tons of great people work their summers getting



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very humble beginnings. For sure I just jumped all the way bootstrapped up to 2007. Okay. Yeah, so brought in first VC in 2007. Nice.



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What was that hard decision?



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It was? Yes. And no. I mean, we were trying to compete with companies that had already raised 30 to \$60 million. We've got this little team just barely, like doing everything we can just to stay at parity with the market. And we wanted to be more than just parody. Now, we wanted to be leaders in the space and that required taking some capital and and really jumpstarting, you know, beyond what we could do organically.



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What changed between 2000 and 2007. In terms of your ease of raising funding, ah,



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yeah, interesting. several million dollars of a IRR probably interesting how that country



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Yeah, investment. Exactly.



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Yeah, nobody had any vision until we were actually winning. Yeah. Least making progress? Yep. Uh huh.



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Yeah. How did that change the culture at all? When you went from a bootstrapped team to now we're playing with other people's money?



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It did. First of all, you know, I look back, and I've made plenty of mistakes through this whole thing, too. But one thing when you bring in the VC money is you're stepping into a new stream, right? That's running at a new, there's a new current, and



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you got to be



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like, you got to be ready for that. And I think a lot of young entrepreneurs, I know I was one that the investors they know everything, right? They have all the right answers and you look at them, like, I'll do whatever you tell me to do. And what you don't know from from the flip side, because now I invest in companies too, and, and you see some investors, it's like, Hey, we're gonna place a bet on you and And we're really gonna push you to swing for the fences or just die. Yeah, you know, it's all or nothing. And fortunately, the group that came in to to work from early, there was open view out of Boston, and they were pretty practical and pragmatic about it. And so it was, it was good for us. But from my perspective, I felt this pressure of, oh my gosh, you know, we've, we've now got to make a return, we've got to do this. And it really caused me to take myself so seriously. And that can be bad for culture, you know, because every little problem, you've got some board members that are like, why don't you just fire him? You know, why don't you hire better people? And like, that's kind of changes your outlook on your little team that you've got, right? Like, every time there's a problem. You got people saying, How come you didn't just

fire him already and get somebody better? And so that was, you know, I would that was a little difficult, I'm sure. On the culture, I think I'm sure.



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Any advice for founders who are going through that now? Heck, yeah,



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I do you know, more than you think, you know, yeah. As a founder, you know, like, the core DNA of your company. You're the one with the vision. Like, don't let somebody convince you that you don't know that and just have more confidence in yourself.



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Yeah, that's good advice. If there's anything you could do differently, is that what you do differently? Or is there anything besides having a little more confidence in yourself?



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Yeah, no, that's definitely that would be probably top of my list is luck. Realize that your gut is probably right. More than you think it is?



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Yeah. Absolutely. Well, it seems like it worked out pretty well. You said 1300 customers now.



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1300 employees, all employees? Yeah. Wow. They're doing really well. That's great. Yeah.



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And so is that now what is now work front?



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Yes. Okay. Yeah, went through a little rebrand. Exercise. Yeah, in, like 2012 ish 2013? Yeah.



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What were some of the other bigger cultural milestones?



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I mean, that's a big, that's a big one raising funding. Yeah. Where did you see the other kind of like natural sort of like, shifts into the next chapter? Or was it really like the culture that you had at that time? Did that scale all the way through to 1300? employees?



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No, that's an excellent question. We were always very focused on we always wanted to be, like the best place to work and have work be made. Part of the reason that company even exists is because it's important that our time of work counts for something. Yeah. Right. And so culture is kind of follows that naturally as well. And we wanted to have the strong culture and what what I learned along the way is, there are some points, there's a point where you have like 70 employees, where you start to have a couple layers of management now and At that point, it's really easy to lose a little bit of the core.



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And if so, how might that manifest?



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How it manifests with me because we didn't have a defined culture. Like, as a CEO, I knew, you know, we all knew, hey, we're all like smart, and we're good. And we're out to go win. Yeah. So, as you start to grow, and with the VC money, you start to look outside your backyard, and you start to accelerate some of the growth and so we're starting to meet people that are, you know, bigwig, sales guy from Microsoft are bigwig, professional services leader from IBM, or you get the stars in your eyes and you're like, come on and join our team, and they bring their own culture with them. Sure. And if you don't have it defined, which we didn't have it define what you can end up with as little subcultures in

your company and that happen. And when that starts to happen, it's actually really hard to, to unwind from. Yeah, it was really hard to make that change. It's because you're, it's culture starts with hiring people who resonate with what that culture is. Yeah, you know, you go join the banner that inspires you, right? Sure. You change the banner, and it's not like, Oh, no, I'm inspired by a new banner. So yeah. Anyway, it's just yeah, it's it's a long process to kind of make that change. And, and that was that was a definitely a critical point that going from like 70 to 150. Yeah, and about a year.

 18:39

Oh, now,

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yeah, it's been good. It's a that can take a culture hit. And then as you start to expand into multiple locations, that's another sort of cultural milestone where now things need to be so operationalized operationalize and part of the part of the core that the company can sustain For example, an office in Armenia was 70 people or an office in London was 70 people and still be, you would recognize a work friend or, you know, whether you're in Utah or in a remote office somewhere. Yeah. And so that was that's, that's another probably big cultural milestone. Do those

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offices feel the same? They do. Yeah.

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Yeah. So like, similar

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energy as in Armenia versus Where? Yeah, okay. No work for an office in Utah.

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Feel feel like same vibe. Exactly.



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Interesting. What are some of the things that you've done as CEO to



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make sure that that happens?



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Yeah. So and by the way, I hired a CEO in 2012. But we're sorry,



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when when when you receive



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Yes, yeah. We and we invested in making sure that there's ample FaceTime between offices. So bringing people out, sending people out, making sure that there's time together, making sure that even remote locations have a clear vision of where the company is headed and their key role in it. And making sure they understand what they do is important. And then identifying those values and articulating them and making sure they're reinforced regularly and you know, at higher time and beyond. Yeah, you know, I was interviewing board candidates. And one board candidate, I remember we were driving back from the airport and he said, you know, Scott, there's one thing that is responsible for about 40% of your company's success. You know what that is? I don't know. How about you tell me and so he did. He said, culture is responsible for 40% of your entire success. And to me, that was like that. At that time, that was kind of a wake up because I wasn't. I had sort of made a lot of assumptions that hey, we're, you know, pirate people were smart, you know, it's all good. And I have since learned that, that a that is absolutely true and be the CEO owns it. Yeah. And see that CEO and in owning it needs to articulate to the company very regularly that what the true north vision of the company is, and what those unique attributes and values are, that really inspire people to be, you know, on the same team,



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yeah. How did that how did you personally connect to those things that you that connected to the team? What was it about its mission and values?



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How did those connect to you personally,



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so they kind of came from me they kind of like are part of my DNA. Yeah, and same thing with moto vasi, too, you know, we have very unique values. And those those have come because they're like, they're important to me. I see him as sort of recipe for life success. Yeah. Yeah.



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How did you go about doing that at



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work front? I definitely want to talk about motive acity because I love the product. And I want to talk a little bit about the product too. But yeah, and motive acity you're saying at 70 employees or sorry, at work front? You're saying that at 70 employees, that's where you started to kind of first realize, okay, maybe we need to define some of this stuff. So that it scales with us.



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Yeah, it was probably it was probably about that time. Yeah.



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How did you go about doing that? You just kind of go into a conference room. write some things down in your notebook and come out and say these are core values.



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So we really kind of know what we did was because it hadn't been drawn up officially beforehand, we really spent a lot of time with the employees and and other long term members of the executive team asking questions like, okay, who are we really like if you were to describe your if you were to look out here and describe the pert, the typical person you see sitting here, you know, what are the words like what, what comes to mind? Like, what is the attitude of this company toward solving problems and, you know, like one of our one of our values was no jerks. And it really was a result of the fact that you don't like leadership doesn't abuse the people under them and berate them or steal their ideas and get credit for them or, you know, treat them like they're any like a subordinate. They're the ones doing the work. Right. Right. And so people felt really comfortable in this level. Playing environment.



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Yeah. I like that.



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Yeah, maybe a little too level I remember.



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I just remember that meeting, we had



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an intern like a software development intern in this and it was like a small town hall type meeting. And I was sharing an idea for something and this guy goes, that's the stupidest idea I've ever heard.



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And I'm talking about psychological safety. Yeah. And I know that guy



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because he's gone on to do a very successful TEDx. Talk about rejection, and he's a good

friend. And that's still not who he is. But it's just like, that's a hilarious example. Like an intern would tell the CEO. Yeah, like, that's the stupidest idea I've ever heard.



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I love that.



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So you get once you had your core values, at what point did you realize You need to kind of



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create sort of a set of activities and actions around those core



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values. Where do you start to kind of get this idea for what I'm, you know, tip in my and a little bit here, but how did you get the idea for motivation?



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Yeah. So, you know, we worked on so when I, when I accident the day to day of work front, we had unlimited PTO, we had the break room, we had the game room, we had 401k, we did full insurance. We had company parties, we did picnics, we had the beloved company dodgeball tournament. And you know, we did all these things that I thought we had the quarterly meeting with the MVP awards, and every department recognized somebody and and we had the, you know, doing this book, we're doing the playbook and so Everybody should be thrilled. Right? Like, they should just be thrilled about being there. His company is growing fast doing all the right things cares about its people. And as I stepped out of day to day, I started hearing from some of my favorite top talent, their comments like, yeah, it doesn't feel special anymore. Or I'm not really sure anybody who knows what I'm doing. I think I might look for another opportunity. And that's the worst a because how can you spend your whole day? Every day like your waking hours on something that you actually feel like maybe nobody cares what you do? Yeah, that's the worst. Yeah. Or you don't eat and yeah, and it doesn't feel it just feels like a job and doesn't feel special. And so that really started bugging me. And, you know, to me, I think that there's a way that

you can Use technologies is good and bad, like sometimes tech founders, they're a solution looking for a problem. And and if people aren't trying to solve a problem already, you know, tech, all it does is optimize whatever people are trying to do on their own. And the problem that companies at scale have is that you have a we don't pay managers to be touchy feely, nice people, we pay them to get results, right. So that's one problem. The other problem is that in companies, you have pockets of good managers and pockets of bad managers. I mean, it's always going to be that way. Because we get our managers from a pool of individual contributors. And just because you know how to do the job doesn't mean you know how to help others succeed at doing a job. So sure, that's a fact of life. So the question is, is there a way that we can wrap the company so that whether an employee has a good or bad experience isn't dependent on whether they have a good or bad manager. And there is a way to do it and the things that do that aren't that hard to do. And hence, motive acity was born. So started working on that really as a result of being bugged enough to like wake up every morning at two o'clock. Just like anxious to get started on this problem.



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How did you start once you had the idea? What was sort of that first step to kind of start testing that idea and working a little bit?



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Yeah, so the whole history of the company has been kind of a set of go no go decisions. And first go no go decision was a hypothesis around. I think that companies will spend money to have a better culture, like, and not just, hey, let's throw a bigger party. Because let's face it, when Big successful VC funded company has an awesome party and invites the IT band to come play. It's marketing, right? They're not doing that because they love their employees. I mean, they say they are but if they're showing off sorry, if you've done that, anyway. So, you know, are they really willing to spend money for authentic benefit to the employees and so that took a little bit of research and talking to people I knew and trying to figure out like, where their mindset was and where their heart was. And then the next kind of No Go Go decision was okay. The way that this is going to work is a little bit counter intuitive, and involves really a lot of elements of positive psychology and, and, and sort of authentic, authentically turning the reigns of culture over to The employees Remember, we're trying to wrap the, you know, wrap the company so that we're not dependent on a top down. approach. Yeah, for culture, absolutely. Which means you have to empower employees in the way that you empower them at least in a little bit and motivate us by giving them some money. And it doesn't have to be a lot, but it has to be

some money or it won't work. And it's so it's it's cold, hard currency that you use to appreciate people around the organization. And that accrues and the other part of it is you have to be able to spend it on whenever you want, like you have to be able to get an Amazon gift card. And not just only use it to buy a company swag or office supplies, right? Or that ruins that too. So that was very counterintuitive, especially six years ago. There were a lot of organizations that were still running the playbook of more parties. More soda, more, you know, bigger break room. What do you want us to give our employees money? No way huh? And so it took a little bit to kind of get past. All right, we think we think companies will do this. We think they'll buy it. Now the next decision was alright, well people actually use it. And to do that you have to build it. Yeah.



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You have to build it in a way that



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you know, we all have day jobs. And we're all we're all busy and nobody wants to learn another piece of software. And so it has to be something that is so easy. It doesn't need to be learned. And it has to drive so much value in somebody's life that they actually want to go use it they can't have to be reminded and threatened or bribed to go use it. They have to just want to go use it. So did you have any customers Tita? We did yeah. Uh huh.



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So you kind of like alright, these people have dollars are willing to spend them or maybe even committed dollars. And now it's time to build it. Uh huh. Yep.



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Yeah.



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was the biggest insight once You started building the software. What was what were some of the bigger like aha moments as you're kind of seeing people use it that maybe you didn't expect?



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So I actually, I was really, I wouldn't say pessimistic, but I was like, this is a, this is a hard challenge, like getting people to actually use something on their own. Yeah. And probably I think, for me, the biggest aha on that one was, we had a test customer and I, they were about 800 employees. And they're like King. So how do we launch this, so that everyone's going to use it? And I said, here's what we're going to do. You're not going to tell anybody, you're launching it. We're just going to turn it on and watch it for a while. And so that was their launch. They just turned it on. No announcement nothing. And within three weeks, they had 98% of their employees using on a regular basis. Wow. For me that was in that was, you know, 800 people it was kind of at scale. For me that told me that okay, this thing. This is going to be good. Yeah. And good. Yeah, no, really for sure. And then of course, the next one is alright. But will people keep using it as it could get tired after a month or two months? novelty effect? Yeah, exactly. So that question took, you know, a year really to answer and watching people after a year, they're just as strong or stronger. So then that was a checkmark. And then the next question is, will the business recognize any value from this? And that's a go no go to because you can have something that's awesome in every other way. And if the business is like me, doesn't do anything for us. You're gonna be struggling to sell over and over and over and it's gonna be ugly and not very fun. So we were able to Get real data, real results from customers who were able to we started hearing things like this is the best investment we've ever made started hearing how they justify that investment we started seeing HR leaders going to new companies and bringing this in on like day one is their new job that's great. So we knew right this is that they companies are seeing that this is something that is key for their company. So then after that, it's like learn how to sell it and learn how to scale it and that's where we are right now is learning how to scale it when I definitely want to talk about that but but just



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talk me through like a use case today. So I'm an employee



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at work front.



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Yeah, no work friends customer. They do but they were not our first customer. Yeah, I

couldn't bring myself to take it over there. If it was no good.



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So how would work? If I'm an employee at work front? How would I use motive? acity



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Yeah. So the The the the core of the software is a peer to peer recognition platform. Okay, so what will happen is, you'll get a little welcome. And the company will have decided that you get a certain amount of money every month that you can use to say thanks to people,



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what's the average range that companies



35:18

it's five bucks, five bucks a month, five bucks per employee per month get right. So you think that's like, too small to make a meaningful difference, but data shows if it's, if you do 510 2030 it's the same participation. Wow. Now if you do less than five, it starts to go down. Yeah. So five is really the kind of magic number there so not a lot, not a ton of money. But what you'll do is get them get on it. You'll fill out a profile that includes a personality profile, you fill out it's a tag cloud of your interests, your key responsibilities, and the company just a little about yourself a little history. And what that really does is helps you connect to other people in the company. And then you have this central area which is like Who do you appreciate? And when you go to appreciate somebody that company values are right there in front of you. So you know, hey values team spirit, whatever, like are no jerks, right? Yeah, you might be like, Hey, man, my boss came in and had a correction was super nice about it. I'm gonna be like, hey, so appreciated the constructive criticism yesterday. Here's about no jerks, hit submit. What's gonna happen is that person's team is going to see a person's boss up the chain is going to see it, other people are going to are going to see it, they can comment on it, they can throw in \$1 of their own if they want. And that person of course, that money accumulates and you use it for whatever when Whatever you want, whether it's every time you, you save up to five bucks, you go get a Starbucks card or you you know, buy a guitar or something on Amazon. So that's kind of that's the core, there's some other components to it that really drive that stickiness. And there are some tools that help managers do ongoing regular,

constructive feedback and sort of give them a framework where they can know the questions they should be asking and how they can do that without being this awkward, negative experience that so many people have with their managers.



37:34

Yeah. Well, you mentioned you know, six, seven years ago, the market not really being there. Yeah. It really seems like just in general, a lot more companies are putting emphasis on culture. Putting much bigger emphasis on employee engagement. Talk to me a little bit about what you're seeing, you know, being now square and center that industry.



37:57

Yeah, so seriously, we sort of had a joke in the office about 2015? In fact, okay, I'll tell you two things here. In 2015, it seriously felt like we could make more money selling nuclear waste than we could sell in our software. Like it was impossible to sell this thing. And customers were few and far between. Leads were kind of few and far between as well. And as I was looking at it, you know, go to market seemed like, maybe we're going to be a play that that's for 50 to 150 employees. And maybe it's just not going to get beyond that, because that's just where the mindset was at the time.



38:41

Yeah. How did you get through those times?



38:44

Well, well, we did the brilliant thing of 2016 our software was free for everybody. Wow. And that didn't work either. So don't do that.



38:54

Well, that was that was a huge thought process.



38:56

The thought process was Hey, just figure out where the barriers are. Okay, and you know, if

it's a if it's a budgetary thing, people aren't sure, because we know once they get in it, they are just gonna love it. Right. So how do we get people in it easy? Free? Yeah. But there's there's a bigger cost, at least when you look at something that's supposed to be getting all of your employees pointed in a direction. Yeah, it's the it's the political capital needed to pull that initiative off. It's not the money. Yeah. And that's where, and that's back to the struggle of companies just aren't there yet, like CEOs like, no, that's stupid. Why would we do that? Right, and, but now it's really taken off the last probably two years, maybe a little bit more than two years, but it is just crazy. I don't know. It's like, it could be that millennials are getting into more managerial positions in companies. That's probably a driver for it. gig economy, digital transformation is definitely a driver for it. You know, you're trying to put dis separate teams together as a common culture. And that's a tough thing to do. And I think the playbook as wearing it's wearing out, it's welcome. Like we talked to more companies that come to us and say, We've tried everything else. And



40:23

we need something that drives results.



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And so now, it's not just companies 50 to 150



40:29

No, it's like companies that are like 10 20,000 employees are actually waking up and saying, Yeah, it's worth an investment in an individual if they're happier about being here. Yeah.



40:42

What, what is it about culture other than like the warm and fuzzies that that gets you out of bed in the morning.



40:51

So a what gets me out of bed is that I really care about making our time count. Like to me I don't know what it is about my DNA. That's just what I am. So I care that the people around me like are wasting their time and and they're they're engaged in something that

that's meaningful and matters and that they feel like a sense of accomplishment and pride in what they do so, so that causes me to really care that important that companies have happy employees. And so that's really what we're focused on is helping people be happy about being at work.



41:31

Very cool. Yeah, yeah. I saw the national stats recently. And it's 86% of people say they're not passionate about their job.



41:40

Yeah. And you know what, that number has not changed in 20 years. Crazy, hasn't changed one bit and look at all the things that companies have done in the last 20 years to try and change that number. Yeah.



41:52

Yeah. That might just be hedonic adaptation right there. us getting used to the new norm. Yeah, yeah. So could be us humans are weird. But speaking about culture, can you talk to me a little bit about before we wrap here? I'm very curious to hear kind of a little bit more. I certainly have some friends in the Salt Lake City area and that sort of tech hub that's really seems to be booming right now. But it sounds like you've started your past several companies there. Yeah. What have you seen change there? And what's it like today?



42:28

You know, what I love? So, I love you too. And when I was trying to raise money in 2007 we had plenty of offers that said, Hey, come move to Silicon Valley and we'll fund your company right. And didn't you know didn't want to go that way. And why was that? The reason I love Utah? A it's the coolest state ever. There's so much to do. I mean, yeah, like mountain biking or hiking or beautiful like there's so much variety, but the the community culture really is is meaningful in Utah and I would contrast it, you know, Silicon Valley. It's like your life is your company. Yeah, you know, and it's all about just winning. And in Utah, it's about having a fulfilling life. And your job is part of that, but it's one part of a bigger equation that is family and, and community and, and outdoors. If you're outdoors he too and, and so there's more allowance for that. And Utah. Some people might look at that and say we're lazy, but you know, look, there's great companies that are growing out of

Utah, and their employees are happier because of that balance. Thousands of tech companies in Utah right now, right?



43:54

Yeah, there are a lot. Yeah.



43:56

Yeah, cool. It has that always been the case or Has that been more kind of in the recent years?



44:02

It has always been the case. What what I think has changed in recent years. I remember trying to recruit executives. Yeah. And seriously, it was, people would say, I will work anywhere but Utah. So, since you're in Utah, not interested, and I wouldn't happen all the time, anywhere, but Utah, will now there's enough of a tech presence that is pretty compelling. I mean, you can look down the street and see just all these name brand companies that you know, they're right there. So you know, there's a career opportunity. And you know, I think people are sensing that Hey, there, there actually is something to this, this concept that life is more than just go dominate at your job.



44:48

Yeah, absolutely. Like I certainly subscribe to that feels to me, it feels Midwest. Yeah, you know, you guys



44:54

are like that here. But the Midwest. Yeah.



44:56

But but it's it's cool. It's cool to hear about it. I definitely want to get plugged into visit Utah for vacation, but I have not visited yet for business. So I I'm eager to get in,



45:08

plugged in a little bit more. Well, when you come out, we'll show you around.



45:11

Yeah, that'd be great. Good. Well, hey, Scott, I really appreciate you sharing your story here today. And I'm excited about what you're doing with motive oxy. We're looking forward to using it on the pancake team right on and we'll definitely share more about it in our experience.



45:26

Good, man. Thank you very much. Yeah, thank you. And to wrap I



45:30

just want to say that's it for today's show. Thank you so much for listening. huge thank you to Scott Johnson for coming in today. here in Indianapolis at Powder Keg headquarters. Be sure to check out Scott and his company motor vasanti at Motor City Comm. We're gonna link it all up in the show notes at Patrick kake.com as well as links to all the resources and companies we talked about here today on the show and to be among the first to hear the stories about entrepreneurs, investors and leaders outside of Silicon Valley. Please make sure you subscribe to us on iTunes and powder keg comm slash iTunes. We'll catch you next time on Powder Keg igniting startups.