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SPEAKERS

Matt Hunckler



00:01

But when you're looking for funding, you're not just looking for money you're looking for for tacticians and strategy. And if somebody doesn't know your industry, even if your ideas good, and you're a great entrepreneur and the market looks really good, they may still not want to fund you. So I think that's one thing that we have to figure out. How do we how do we get more domain expertise



Matt Hunckler 00:20

with money behind it? That's Yaw Aning co-founder and CEO of product development company sticks and leaves, and one of four guests on today's episode of powderkeg. igniting startups. This is a very special show. And not just because it's a roundtable or because it's an in between episode as we revamped our format for season two. It's a special episode because we have four tech leaders diving into the data from our very first tech census. Our mission at powderkeg is to unite tech hubs between the coasts into a national community. To do that we need data showing the strengths, weaknesses and opportunities in each tech hub so we can continue to grow and get better. That's why we launched The National tech census project, Indianapolis was our very first city to publish its tech census, and today's show will give you a glimpse of the kind of data and insights we're collecting from funding to talent and beyond. The tech census is currently live in Cincinnati, Denver and boulder will launch in Chicago, Nashville and have more cities

coming soon. Head to tech.census.org to sign up for your city's census and download the finished reports. Now let's start the show. I'm your host Matt Hunckler. Joining Yao and I are three other entrepreneurs. The first is John Qualls, founder of Blue Lock, cloud hosting company and current president of Levin 50 Academy, a nonprofit coding school. Daniel McDowell, serial entrepreneur and former executive director of the Speakeasy, a co-working space serving local entrepreneurs at Haley Altman, CEO of Dark Slate, illegal transaction movement platform. Hey, welcome. We have an awesome roundtable here for you today. I'm Matt Hunckler, your host with Powderkeg. Igniting starts a very special livestream today because I'm here at industrious Indianapolis in downtown Indianapolis with some of my favorite people, tech leaders, mentors, friends, entrepreneurs, investors, community builders. All right here and I'll introduce you to them here in just a second. But first want to give you a little bit of context. We're here today to talk about the Indianapolis tech census. We just have Indianapolis tech census report goes live yesterday. It's almost 60 pages with probably nearly 1000 community hours going into this research project. Dozens of people interviewed for it. We had almost 400 responses from the tech community, which is amazing. And the insights in here are pretty interesting. There are some topics that are really inspiring and exciting, and there's some topics are a little bit scary that they go. We'll get to dive into here today at this Roundtable. But first, I want to introduce you to my guests here, starting on my left, Danielle McDowell, who is the executive director at the Speakeasy. Danielle, thanks so much for being here. I'm gonna let you do a 32nd self intro here in a second. But first let me intro everyone here at the table. And then to my left, we have John Qualls, who's the president at 1150 Coding Academy. John and I were fortunate to work together. He was my first boss and mentor here in Indianapolis. So we've got some history. I have I have. Absolutely. And then, of course, I have Haley Altman, the CEO of Doc Sleep, a high alpha portfolio company and legal tech company right here in downtown Indianapolis. And then Yao nn, co-founder of Sticks and leaves an awesome software development firm. Thank you guys all for being here today. Thanks for having us. Absolutely. Danielle, would you mind giving us the elevator kind of background of what you're working on? You're an entrepreneur before starting as executive director at the Speakeasy. Also tech leaders Prior to that, what's your role here in the tech ecosystem?



04:04

I like to sum it up. I am a tech entrepreneur by trade and training. And my day job is the executive director of the Speakeasy. So I run a co-working a network of CO working locations throughout the city, we have five locations in total that our members have access to. And, you know, but I really boil it down to my job is to create economic development for the city. So I like helping people to launch ideas, and find the right networks and connections to help them get those ideas off the ground,



Matt Hunckler 04:35

and doing a great job of it. So many awesome companies coming out of the speakeasy and it's really cool to see. JOHN, can you maybe give us some context with how you got to 1150 and what you're doing now?



04:44

Yeah, I'm not sure what happened



04:47

to Scott Jones. And now here we are three years later. But yeah, so john calls President 1150 Academy. I think we put about 300 new developers on a street in the last three years. All kind of skilled up, I was looking at the numbers the other day about 1800 people in 21 states, and really about bringing people and growing people here. Right. So we're really excited to be part of the ecosystem. Here. Indianapolis



Matt Hunckler 05:13

has been really cool to see people come out of the academy jump right into these tech companies and I got so many stories. Let me tell you there is crying encoding.



05:21

Absolutely see that all the time and crying and crying of frustration and joy, just



Matt Hunckler 05:28

we'll have to get into some of those stories. Cool. And Haley, can you tell us a little bit about doxy and how you came to go from the legal world to legal tech?



05:37

Sure. I'm Haley Almond. I was a attorney for over 10 years as a partner dice Miller helped co lead the venture capital vertical and I'd worked with a ton of the startups in the Indianapolis tech community as they got formed went through their maturity and when it were able to sell and, and I had seen, you know, we see so much working with these

entrepreneurs what they're doing and I started to see the problems and inefficiencies in what we were doing and a legal basis. We want to serve our clients to the best of our ability, we want to be efficient. We want to, you know, get more deals done. And so had partnered with high alpha to really take the idea of how do you bring workflow project management to a very complicated legal space in order to improve the attorney client dynamic and really, you know, kind of get attorneys doing the things that they love those high value legal tasks. So that's what we're doing with Oxley. We basically help attorneys get deals done.



Matt Hunckler 06:25

That's awesome. I want to dive into that a little bit more. And but what has been like growing docs here in Indianapolis,



06:30

I can say that I really appreciate that as one of your former clients.



06:35

Efficiency is wonderful.



Matt Hunckler 06:38

Absolutely. Yeah. Can you tell us a little bit about sticks and leaves how you came to be in Indianapolis and starting your own agency?



06:44

Yeah, I was not planning to be in Indianapolis when I graduated. So went to school, studied engineering, really? Rose hulman. Right, Rose hulman. Yeah. And wanted to figure out a way to get into the tech space and gotten to the fellowship programs. That's So I met Matt, and there didn't really get to do a lot of tech work for an investment bank doing corporate finance, helping raise venture capital private equity, advising kind of mid stage companies on on growth and had the two years there and felt like that was a good jumping off point to launch something launched a tech startup if I had the best learning experience in failure and and then went and thank you



Matt Hunckler 07:26

is a badge of honor. Yeah, we need to celebrate coding.



07:33

And just took all that learning and launched sticks and leaves, which is a product consulting firm. And so we've worked with a lot of tech startups here in town bluebridge, stubble map code checks cluster truck on helping really build the early tech versions of their products so that they can get to market and start to build companies around those. Those ideas. So been loving it ever since we started.



Matt Hunckler 07:54

Of course, those companies have really taken off and grown quite a bit. And with that, let's talk about growth. Because that's the first section in the Indianapolis tech census report. And I want to share the stat for people that maybe haven't read the report yet. Or maybe if you haven't had gotten through all 60 pages yet. That stat was that in 2017, over a third of respondents that's 34% saw revenue growth of more than 100% and 20% reported revenue growth in excess of 200%. That, to me is really exciting, because it shows that this community is really moving forward, and it's moving forward. Quickly. I'm curious with all of your guys's experiences, maybe Yeah, if you could, if you could start out with us, you know, if you could, if you could talk to us a little bit about some of the growth that you've seen, because you mentioned all these clients, you know, cluster trip bluebridge double map, what is the key to the growth in companies like that, and and what do you think, is kind of behind some of these metrics?



08:52

Yeah, so I think Indy we we have a lot of lack of resources. So it forces you to be really creative. But how you build your businesses. So a lot of companies that we work with, that we've seen really succeed and kind of become the cream of the crop, there's so customer focus. So there, they spend a lot of time working with finding customers. And then and really trying to figure out those pain points and isolating on those things. And I think when you when you understand your customer, and understand the needs that they have, and the problems that they're facing, it's really easy to find more customers that look like that, to to talk to them in a language that they understand and can see a path to how you're going to help them succeed. And so I think, you know, those are the companies that you see a lot of growth because they've solved the pain point. And they're able to figure out

how to get in front of the customers that that match that pain point really well. And so I think that's that's really what drives a lot of growth here.



Matt Hunckler 09:48

Yeah, that one, Haley, you actually have seen a lot of growth. I know just in the in a couple years. How long did you guys start? Yeah, it did a couple years now.



09:56

Yeah, well, it'll be two in what we lost. The company in July of 2016. So in July, it'll be a two year birthday party. I know, I know. Yeah. So, you know, it has been great. And that's I think being able to like partner with some of the law firms in Indianapolis like ice Miller has been an incredible help to us giving us like intense like feedback on what we're doing. And I think we asked why. And it's like, critically important to get that feedback on what what do they need, specifically? And how can you address it? How can you iterate and keep adding things that you know, continue to add value, so that you can see that and so finding partners and I think that's one of the things we you know, we can always do more of, but the more people in the in the city are willing to partner with these startups, the more established companies that can give that feedback and give people that break that will help accelerate them. So the more we can even do that, I think it just really would accelerate our growth. We have a lot of companies here that would be wonderful partners. So how do we just continue to find those to help grow people? Can I



10:55

can I pull this down a little bit today. So one of the things that you are Realizing right is the opportunity, this kind of Indiana first mentality of always, of always trying to figure out why do we not do this more? Yeah. And that you had local folks who are investing in you early, right. And I know some of the organizations I've been involved in and done is almost I felt like I had to go get credibility outside of Indiana to get credibility inside Indiana. And that's something that's got to change. And so when I hear that with you, we may actually starting to figure that out, like we want to invest in ourselves, instead of having to go fight. When I look at the number that 200%, which I'm excited about. I'm like, wow, where did that growth come from? How much of that was actually here? And how can we impact that and make that start to rise? Yeah, that I think is is really going to be key to the whole ecosystem?



Matt Hunckler 11:39

Well, I think the venture studio that actually came out of it is a big part of that. And of course, that venture studio was one of our partners, along with radius. Actually, I want to name all of these organizations because these are all the organizations that helped us conduct the research. You know, it was a radius. great content marketing agency is speakeasy, of course. Thank you, Danielle. Hyde Park ventures awesome venture fund out of the Chicago area but Tim cop leading that here in Indianapolis, startup ladies elevate ventures launch fishers launch Indy 1150 Academy, and then ladies in SAS, and of course, high alpha dogs. Can you tell me a little bit about how doxie kind of grew out of the high alpha?



12:21

Yeah, no system. It's been an amazing journey with them. So I had what is a venture studio? Let's start there. So it is, I mean, is really a unique idea. Yeah. What they've done is they've paired this kind of studio concept where they're going to launch ideas. So a lot of times they have so many, you know, the four partners, you know, Scott Dorsey, Mike Fitzgerald, Christian Andersen, they're Tobias have built amazing businesses that have done a lot in Indiana. And they took all that and they came together with a group of people, designers, you know, engineering, marketing, finance, and they put all those people together and they help form these new Companies so they, they will form the companies in the studio a lot of times taking their own ideas, and then finding a CEO and an executive team to kind of build the company around. But they also provide early capital. So that the first thing a company's doing when they're bit focusing on building is actually focusing on building a company, as opposed to searching for capital. And so they they pair, this incredible experience of actually building and scaling software companies with capital to help companies really accelerate in the growth model. And you see it I mean, as ILO launched around the same time we did and just did a \$9.3 million raise with Bessemer leading the round and like an incredible like series of investors that kind of made that up. So they've really done something where you can get started be focused on building your company, understanding the fundamentals of what you need to do and then really kind of hitting the ground running with that.



Matt Hunckler 13:52

I love that it's been so cool to see the growth out of that well, and I would love I would love to hear your



13:58

three of the four of those guys. invested in the business that I had in 2012. And they took a chance. I mean, what we were talking about really wasn't necessarily popular in Indianapolis. And by having their dollars in, it really helped us to advance the idea. And the concept, which then ended up at, you know, ended up with an exit. So as I start to look at some of these common threads to your point, John, I think that collaboration is probably one of the key elements that makes Indianapolis special as well as successful and driving this growth. You know, the speakeasy. So you know, two of the four of those guys also started the speakeasy back in 2012. And so it was born because of the the desire to allow for tech companies to share and collaborate on their ideas and understand where where the hurdles were, and also where the opportunities were. And when you bring a community together and you allow them to create a knowledge base that's shareable and open and honest and you know, you're able to have that comment. with someone and tell them where the pitfalls might be, as well as where you know, the opportunity might be. I think that's where we start to see this collective growth across the board, which is not just one group or one company or one studio. It's everybody winning together. And I think that's what makes Indianapolis special. We have this collaboration, who's our hospitality is a real thing. We've got these Midwest values, we want to help each other. You know, I've literally worked with all of you in some way, shape or form or capacity over the last 10 years. And it's a special thing.



Matt Hunckler 15:31

Can you talk to me a little bit about the growth out of speakeasy? I mean, yeah, by now you have such an awesome like cohort after cohort of companies coming out of there and still officing out of the speakeasy. what's happened since 2012.



15:43

Oh, goodness. So you know, my purview to the speakeasies. I was a member to begin with, I was one of the first members of the speakeasy and launched my company out of the speakeasy. It's where, you know, a small company could look bigger than we were we hosted executives from New York executive As from Texas, that ended up purchasing our company. So it was a huge benefit to have that space available to us. Because other you know, we were really otherwise just working out of our homes and coffee shops, right? Nobody wants to be in that coffee shop. Now,



16:15

let me clean the table. So you can see.



16:18

Exactly. So, I mean, the speakeasy was huge to the success of my own personal company. When I so I took over the role of executive director in 2015. We had about 150 members, and at that point, we had launched about 200 companies or so, which include some high alpha portfolio companies like lessonly, verge powderkeg, you know, really got to start there. I mean, the list is is pretty wide. You know, at that time, we had about 150 members when I took over as we sit here today, we serve about 1000 people. So, you know, thank you. Their numbers. I think more than anything, it speaks to the you know, how hungry our community is and how willing they are to participate on this, you know, in this tech scene and that desire to learn how to code, learn how to advance companies learn how to, you know, dive into the nitty gritty of what it takes to start and run a tech company, as well as the tech community. So it's exciting.



Matt Hunckler 17:17

It's really exciting. I think we could probably sit here all day and talk about the things we're excited about. Yeah. But I want to dive into some of the report that maybe is less exciting, which is that the number one issue that was identified by the Indianapolis tech community that's holding it back is access to capital. Now I can tell you from traveling around the country, to cities across the US between the coasts on the coasts, I would say, anecdotally, this is probably the number one issue nationwide, as well, but I do think that it's something that that right now, Indianapolis still obviously identifies as a number one issue. I'm curious to know is that something that you guys have Experienced yourselves? Or is that something that you could? You could say we're already making steps towards this. Danielle, I know you were just talking about your company. But I think that's a good, good place to start because it gives us a little bit of a litmus test, you know, starting your company and what year was it was that 2000?



18:19

We started our raise in 2012. In 2012. I'm sorry, we started in 2011. And we closed it in February of 2012.



Matt Hunckler 18:26

Okay, yeah. What was that? Like? Did you feel like you had access to capital?



18:30

Um, you know, I'm a very strategic and focus person. There were a couple. The options were limited. I will say that so we did the majority of our fundraiser from angels, individual angels. And so it took a lot of time for us to go out and, you know, pitch our company over and over and over again, which I don't think that that's an i don't think that that's exclusive to Indianapolis. Sure. From there, you know, there were really only two groups that were were accessible at the time in 2012. That was gravity ventures and elevate ventures. You know, we we were able to receive capital from both of those funding groups. But I can't tell you how many people who were in my peer group that really, there was only a limited amount of capital available, right. So if you're only if there are so many companies that are willing and able to start these ideas, and there's a limited amount of funding, you know, it's a it's a pretty tight competition on who receives those dollars. So, I think for Indianapolis, that continues to be an issue that plagues our community. I think it's getting better. But we're, we're still I'm still seeing good ideas continue to go unfunded. And I see good ideas that, you know, companies are required to bootstrap. And I think that an infusion of capital would allow those companies to, you have to fill the pipeline, right? It's a numbers game. One out of 10 is going to make it right So if we're able to fuel that growth by investing in companies, I think we're gonna see more successful companies on the on the other end of it.



Matt Hunckler 20:07

Well, to your point, Daniel, we showed this stat on the live stream. But for those that are maybe just listening audio version only one of the stats from the report was that the majority of the entrepreneur respondents, and it's actually 54% are bootstrapping their tech companies and half struggled to raise capital in the state of Indiana. I think that's pretty telling that there's still an issue there. Especially when you when, when some of the data we'll get into later showed that over half the companies were doing over a million dollars in revenue. So it's not like these are just like,



20:40

they're not just whims. Yeah,



Matt Hunckler 20:42

these aren't. These aren't some like crazy idea. These are real companies doing doing real real things. Oh, yeah. Sorry. Go ahead.



20:49

Yeah, jump in. One of the things that I think maybe, maybe causes some of that is, so we have a lot we have tech exits that are really focused on marketing technologies. So there are a lot of companies that aren't doing martec. And it's not to say that an investor shouldn't invest in Mar tech companies, because a lot of the people that have made their money have made it they're not industry. Yeah.



Matt Hunckler 21:11

So always helps to have industry connection.



21:13

Yeah, exactly, exactly. But when you're looking for funding, you're not just looking for money you're looking for, for tacticians and strategy. And if somebody doesn't know your industry, even if your ideas good, and you're a great entrepreneur, and the market looks really good, they may still not want to fund you. So I think that's one thing that we have to figure out how do we how do we get more domain expertise with money behind it, that are looking at these companies differently? Because there are a lot of companies that are not doing martec in India that are doing some incredible, incredible things.



21:44

Well, the thing is you look at and I'm on the and Daniel's with me on it on the venture club board. And one of the things we're focused on is how do you bring more capital into and how many how do you bring more funds and but there's a good point though, if we're always looking to bring other funds to Indiana to put money in then when there's a big Exit that money actually goes outside of Indiana, so it doesn't stay in here. So we do have all these entrepreneurs that when they have a successful exit, they stay, they do something else, they contribute back to the committee community, they invest more. But how do we take all that residual capital that's around the state of Indiana, there are a lot of, you know, successful people that are in Warsaw with all the med device companies that are there. They're successful people all around the state that are all in different

industries outside of just the marketing tech industry. And so how do we get those people to kind of come together and I'm hoping with like the next level fund and things that are going with that, that we can get more people to put funds together. But we also need more fund managers because the only way you're going to get funds that are here is if there are people that you can feel confident and doing it. You see it with Dr. And Columbus having two former Sequoia people, you can pull together residual capital from the rest of the state. So how do we find ways to collectively aggregate that capital so it can go towards other investments in other areas and really help kind of spur that growth in Then potentially leverage the money that's coming from next level the next level fund and so it's not just supporting the funds that are willing to invest in it we should we were capital, wherever it comes from, is needed to help our companies but it'd be fantastic if we could find ways to do it with inside our state as well. Let's activate those silent angels. are you silent angels out there?



23:18

Come on out. I love it.



Matt Hunckler 23:20

Yeah, dude. accredited investor. That's right. For a lot of entrepreneurs. Yeah, exactly. JOHN, I know you had a little bit different experience raising capital. And what was that? 2008? Maybe 2006? I think six.



23:34

Okay, I've been I've been very blessed on that. My, my personal commitment, kind of listen to your stories, is I want to make 10 investments this year, right. Small investments. I'm personally passionate about those that are in a really, really early stage. And I just kind of want to make 1010 small bets for many reasons.



Matt Hunckler 23:53

Yeah. And also, it's awesome.



23:54

I actually it's awesome. It's not completely altruistic. I want I want my 20 somethings

children to be exposed to 10 to 20 stories so they can see that, right? So how often are so much I wish I would have known in my 20s that didn't learn to my 30s or 40s. And so this is my opportunity to want to expose that to them. But also to be able to get those those individuals who are bootstrapping it in sometimes you know, the set 25 or \$50,000 makes a big, big difference. Yeah. And so not only do I want to do that, but I also want to bring in other people like myself and say, hey, let's let's make some bets down here, right? Because that's what's what it takes right starts and sometimes momentum is really tough there in India in early peace, I think as far as the speakeasy and launch fishers, I feel so blessed to be part of watching this excitement, I can see their their passion and I want to be able to be part of that on their journey right. And offer some some advice. I got some scars and I want to be able to take my battle scars. I was speaking to a young entrepreneur the other other day and and I really liked her And I thought, wow, this is this is great, I'm definitely gonna do something here. And I said, Well, you know, go raise this piece. And and she said, well the way you just say that she was but you're kind of like a known entity I have I got that. And I had never really thought about that, right? I just kind of felt like well just go go make that happen. And so that made me step back and say, Well, I need to find a way not only do it myself, but to encourage others to do the same. So



Matt Hunckler 25:24

how did they in calling you unknown entity? What was she talking about? And how did you become a known entity? You know, even even prior to 2006 when you raised your your first funding for blue lock, which is a great cloud computing company here in Indianapolis, I



25:40

wish I had a magic formula. I kind of feel like it was just kind of a long period of hustle and an investment in the community. If you remember, I used to have this thing to it peer group. I did it for five years, you know, like 100 people a month. And then you know, over time you meet thousands of people Have these thousands of connections, and I'm very passionate about making connections. And, you know, looking at the speakeasy is doing is actually making that happen. So, to me, I think that in my job, I think just getting being part of the community, you know, it's like, you know, from a sales standpoint, someone say, wow, I worked all all quarter to make this one thing happen. You got to call on 30 minutes. And you and you did something three times as large. I was like, No, no, no, no, you missed you missed the five years. You missed the time where I missed this opportunity three times. It's my fourth time, right. So I think it's just just being consistent, genuine, authentic. Right. That's that rises to the top.



26:42

No, I think that's a great point. That's like when some people ask me, like, how did you you know, how do you end up where you are and things like that. But when I came back to Indianapolis from Silicon Valley, because that's I went to I worked in Silicon Valley for three years. And I got an incredible experience learned a lot came back but I wanted to make partner at a law firm and I knew no one in the city because I I came here in high school from Texas. So I didn't have this like base of people even before I went to California. So I came back. And I was like, you know, and I don't always love going to all the events and trying to make small talk. But I had challenged myself, every time I go, I'm going to talk to one more person than I talked to the last time and I'm like, even if it makes me uncomfortable, I'm going to do it. But the more people you know, the more connections you make, when you make authentic connections, where you're not just, what can you do for me, it's like, what can I do? How can I connect you to you and like, I think that's what people miss is that you have to start to build that network. You've got to build those authentic connections where it's just you just are connecting people and you're getting to know people because then later that'll it'll be something that kind of comes back and I think, for when I've talked to the ladies in SAS and different I talked to the startup ladies this week, I think one of the things it's like, you know, when you're, you know, you're starting your business and you're a woman you're nervous about because you hear the diversity stats, and you know that it's gonna be more of a challenge you, you kind of internalize that challenge and you kind of stay within yourself and you're like, Okay, well, I'll do this, and I'll Proof people, I'll prove people wrong, but it's like get out there meet more people go. And I think that's what is so great about having these groups like ladies in SAS and the startup ladies and having the powder keg events where people can get together and go to the speakeasy. It's like, we've got to get more people around the table to say, you can do this, it is a challenge. But any startup is a challenge. And so you just have to meet that head on. And if we continue to have the conversations and open more people's minds and open more investors minds as well, you know, then they'll start to see these companies. But it also comes down to teaching people how to pitch how to present their company in a way that resonates. And so by having more conversations and getting more people together and saying, Okay, what can we do to help people get to that next level? I think that will be what's really powerful to get people out there and in front of the right.



Matt Hunckler 28:46

Well, I have to compliment you, Haley, because you definitely lead by example there. I mean, I remember when you came, you're fresh off the plane from Silicon Valley. You're like, Hi, I'm Hayley. I'm a lawyer. I know you've probably think that I'm here to tell people

but I'm just trying to help startups so they don't have to pay me I want to help. I spent all this time helping companies in Silicon Valley. And I mean that that made a huge, huge impact. And I think the community embraced you because you're like, Hey, I just want to help. And that sort of help first mentality.



29:16

And I want to I want to compliment you for being being vulnerable and recognizing, you know, a lot of people say, well, that's just not my thing. This is a muscle that you can learn. Yeah, right, right. And I'm a very introverted person, I actually went and got a book called The Art of mingling, and I read it. And I literally, I was reading all the moves, that I would go into these meetings and do that, but it was it was really uncomfortable. But then what I found is one of the things that moves me the breakthrough for me personally, was whenever I went into the room, I tried to find someone who is just as uncomfortable as I was. Yes, right. You can always find them on the corner.



29:54

hours Yeah, just



29:54

go and introduce myself and ask them how they got there and what they expected to be there for and then began so many conversations and and you're right it's a muscle that can be learned people should should recognize it



30:06

and you have to learn as you're you actually have to you have to learn right yeah. Yeah yeah



Matt Hunckler 30:15

a lot of people don't know this but I learned that skill from you john, you know working at Blue lock for a year and a half the your stories about starting at NIDA and IT professionals group. That was the inspiration for starting what is now



30:27

ours and founders are hackers and founders. They think about the first pizza I



Matt Hunckler 30:33

think you did. Exactly. This is no this is pre pre



30:40

room in the back of the data center.



Matt Hunckler 30:44

My gosh, I remember that one. Table.



30:47

Yes, I'm really feeling old.



Matt Hunckler 30:49

It's awesome. Well, I want to I want to segue because there's a lot of topics here a lot in the Minneapolis tech census report, which you can download right now at powder keg.com. There's a link right there on the homepage. totally free. This is valuable not just to people in Indianapolis. So if you're tuning in from somewhere else, please learn a little bit about our ecosystem. I think there's a lot to learn, you can apply in your own ecosystem. And for those that are in India, there's there's a lot to be gained on how to plug in and how to take advantage of some of the strengths and figure out where the weaknesses are and how to help. The next topic I want to talk about is talent. You know, even if you do get funding, even if you are successfully bootstrapping, talent is still a huge issue. And I want to share a couple stats. First of all, as a community, we're ready to identify a talent gap, especially with regard to development talent. 80% of developers surveyed are 35 or younger, while a third of developers are 21 to 25 years old. The majority of developers have been members of the indie tech community for five years or less. So a lot of newbies in here, a lot of people just plugging in which is exciting. But I know that that causes some challenges and obstacles that we've got Gotta be thinking about ahead of there. JOHN, you talk to a lot of developers every day with what you do at 1150. And

soon to be developers. Can you tell me a little bit about what you're seeing on the ground with these newbie newcomers into the talent pool?



32:14

Well, I think there is a there's this growing interest of finding a way to get to the market faster. So I think kind of the immersive style is continued to gain some some credibility. I think there is a there's also kind of this challenge about I call the debate between education and training. Right. What I'm seeing from the employers is, it's not saying I don't have an educated people, I just don't have people who have the skills that I need. Right. And I think that is the shift that we're seeing, not only here, but everywhere. And I think from from the academy standpoint, we're trying to figure out how to get us up to par with the coasts and all those other pieces, right, and try to be really aggressive. So you have you've had to bring them in, right? And then you got to get them out there and get those early level. You know those first jobs right and that's what we're kind of really focused on. Is it early level talent. Here's the thing, everybody want somebody with three to five years experience? Who wants to make less than market? Okay? I call them unicorns, unicorns, purple squirrels, whatever you want to call those right? And have a herd talent. We're going to continue to to fight, right, we're gonna have to drag them here to Indiana. But I feel very passionate about all the talent, that potential talent we need is here. We just need to invest in it, train it, believe in it, and give it a shot



Matt Hunckler 33:25

to other companies that you're seeing in a speakeasy, getting the talent that they need right now.



33:29

Oh, my goodness, talent, especially tech talent. I mean, I can speak personally, that was the biggest challenge that we had for the company that I ran. We brought in someone who said that they were an experienced developer, and as soon as we got our funding, required a down payment and literally rode off into the sunset. I mean, \$40,000 of our capital raise just walked out the door and he didn't finish the project. I mean, it was a huge I mean, you want to talk about battle scars. That is my battle scar. Yeah, so You know, finding it and continuing to find a CTO for that company was just literally a daily battle that we endured. And so, I mean, I have to say, at the, we just need more. And we need good talent. You know, I think that there are more things and just, you know, there's there's education, and then there's the skills to know how to build it. And then there's also soft

skills of what you need around the boardroom, right. So if you're going to be a CTO, and if 80% of our developers are 35, or under, you know, there are some soft skills that need to be educated, you know, taught as well. So, I think that there are some companies that are really starting to wrap around that, you know, I think we have a great company. There's a company called apprentice of whom, essentially will take your tech talent and help to train them up while they're working on your projects. I think that's a really interesting idea and concept. And they're really they're passionate about teaching the soft skills as well, you know, they know that this is young talent, we have to take a risk on young talent, because that's where the majority of our



35:06

pipeline, you know, in three years, they'll have three years experience Exactly. We can sit around and complain for three years, yes. Or we can just do it, or start building it. And in three years, they'll be there,



35:16

nurture them, mentor them. I mean, that's what, that's what we need to focus on is me, as opposed to, you know, turning this into a competition to see who can get to see to the fastest, you know, take a risk, take a jump and commit to mentoring that person. I think that that is the biggest thing that tech leaders can provide to this talent pipeline that's coming up through the ranks. Please mentor them, teach them what you know, open up, be vulnerable, you know, thank you, Haley for being vulnerable. Tell them show them your battle scars, but also teach them how to how to be better, right?



35:50

We want them to be ones.



35:51

They're sponges, they are desperate for this.



35:54

They're hungry for it. So we have our VP of engineering came from a lot of experience. He had 16 years of experience. But when we were looking to hire a team, you know, we had a

tech fellow that we started with. And Ben has been incredible for us, like he just jumped right in. And then we also can talk a little bit about what the tech fellowship



Matt Hunckler 36:11

is.



36:12

So the the tech fellow is a program through tech point that helps identify, you know, kind of computer science majors, other people that have you know, kind of tech experience coming out of Purdue and other universities, trying to get them into and get jobs at Indiana companies doing you know, engineering and technical work. And so, you know, right out of college these kids are jumping in and jumping full force into into companies and so we were fortunate that he was able to jump in and like the learning his acceleration has been incredible. But then we also brought in three people from the iron yard, we were looking for trying to find at different points in time, people that had a little bit more experience, but we couldn't and we were like, you know what, we will take the risk and we will, we know we have a good leader that is an incredible mentor. Moses just works with all of the team and just makes them better. They have lunch and learns they have all these different things where he teaches them more stuff. And so, so you know, Maggie and Isaiah and Kendrick, all came from the, the iron yard, and they are all incredible, but they're so hungry, and they're so driven to succeed and to grow and develop. And so, you know, we have a young team, but they have built so much in you know, in in less than two years. And so it's really exciting to see and, you know, we also have an oral Fellow at our company as well. And you see these, you know, these opportunities and nd around you know, tech, the tech fellowship and the or fellowship, and you know, more of these different things, if we can have those, they they not only provide people with the skills to get started, but they also provide some of the soft skills as well. So the more we can do that, the better and easier it'll be for people to bring in people with that earlier level of experience. You



Matt Hunckler 37:48

mentioned though, or or fellows, and we all not our heads because we're insider baseball here, but I was an oral fellow and John was my mentor. Yeah, you were an oral fellow in the class that recruited me into the fellowship. Could you talk a little bit about what the or fellowship is like? Oh, rr Yeah. Named former Governor Bob or Yeah, fellowship?



38:08

Yes, absolutely. So the fellowship was actually started by the founders of Angie's List. And I think one of the big things so below stirley was a big driver of that, who worked with Scott Brenton and Angie to launch a fellowship. And what they were seeing was they they're building this company, it was, you know, they're one of the ogis in Indianapolis building tech. And they were struggling to find talent. And it was it was a hard pitch to make to these, these students that are graduating from school. And their first instinct is to go to the coasts, because that's where tech happens. Right. And so they tried to think through, billers really had his own fellowship with Governor Bob Orr. And that's where he kind of created the name for this



Matt Hunckler 38:51

and has offered with him recently, did you and he actually mentioned that it was sort of modeled after the Kauffman Foundation fellowship. fellowship. Yes. Never knew. Yeah. makes total sense when Yeah, about that. Yeah, that linear that. Yeah, I didn't mean to cut you off. Oh, no, that's great. It was something I learned recently that Yeah, I want to share.



39:08

Yeah. So like in that looking at that model, two years where you can get exposure to senior leaders, if you've got an interest in entrepreneurship, as a student coming in, coming out of college, getting access to that building a network, so moving to New City, you don't know, you know, anybody there and so instantly getting that that peer network, and you're hungry, and you're driven. So that's what the fellowship kind of pitches to students. And it's an opportunity that a lot of people just, they feel like they can't pass up. And so, you know, for for maybe 10 or 15 years now, it's probably not that long, maybe 10 years, the fellowship classes were only eight to 10 people. It's a small cohort, and that momentum starts to build and you see that those fellows kind of graduate and they're having their own success and they're starting their own businesses. They then understand how powerful that network was. So they start hiring or fellow into their organizations and it kind of snowballs from there. So I think our fellowship has done a tremendous job of elevating the brand of the Indianapolis tech sector within that university system to get those students to look at Indiana Indianapolis as a place where tech is actually happening. So



Matt Hunckler 40:17

I know it kept me in Indiana. Yeah, me too. Yeah. It's pretty awesome. Yeah. Well, I, I would love to talk about talent all day, because it's clearly a big issue. But one of the things that came up in the report is around the topic of diversity, which I think it's really awesome that we were able to fill this room with a diverse group. Of course, we could always have more diversity. But I think getting some different perspectives on this would be really helpful, but wanted to start by sharing some of the stats from that section of the report. Of course, there's a ton in this report. Again, you can download it at powder, keg calm, totally free. The goal of the report is to give a snapshot of the Indianapolis tech community and the snapshot of diversity is that diversity and equality is the issue. The tech community would like to address most, I thought that was really cool that the entire Tech Community overwhelmingly said that diversity is the thing they're most passionate about making an impact on. That said, I think that that's because of some of these other stats, which is that on a scale of one to 10, one being last and 10, being more respondents give the tech community an average score of 4.4 on diversity, and a 6.3 on inclusivity. So I think we've got some work to do there. But then also, we have 30.4% of the workforce respondents that were female, and 9.61% only 9.61%. The fact that is less than 10% is shocking. We're part of an ethnic minority. So interesting stats there, but I wanted to start first about the stat of diversity being diversity and quality being the most important social issue. And I was really pleased to hear that John, is that surprising to you? We were talking on the elevator coming up to office today. And we both kind of said not surprised at all that this is



42:03

Yeah. You know what's interesting, the academy standpoint, right? We were really focused on diversity. I think in Indiana, if you look at computer science is about 7%. We're at about 35%. And I can go over and over as we watch these teams, we put them together. All women team, men team, it's the women and men team that outperforms every time it's, like obvious. So there's there's that issue, I think the the issue that we see consistently is we got to figure out the hiring managers, how to help them get past that release, right? Because we know that it's effective, you see it over and over again, right? As far as this diversity of thought and a diversity of gender, race, all those other pieces, right, it really plays into a high performing organization. And when you don't have it, you're missing out on it. Just a tremendous amount of opportunity from a talent standpoint.



Matt Hunckler 42:53

Day. I see you nodding your head over there. Can you tell me a little bit about your own experience and building teams and what you're seeing on the ground at Speakeasy. Sure.



43:04

Well,



43:05

where to begin? So much to say,



43:09

exactly, you know, a common thread and a common connection that, you know, I think a couple of us have here is Scott Jones. You know, I I really commend him for he I don't think that he saw gender or color when it came to the team that he put together for the many companies that he was working on. And you know,



Matt Hunckler 43:33

10 years ago and Scott for those that don't know Scott Jones being the guy who invented voicemail, yes, invented gray snow founded several companies here in Indiana, including cha cha, soldier, Abner, where



43:44

the academy started in his house. So sorry, I



Matt Hunckler 43:48

didn't mean to cut you off. But for those that maybe don't know, yeah, the legend of Scott Jones.



43:53

Yeah. So I think what's interesting is, as we sit here today, you know, none of us really I don't know how I even as I was creating my company, I was so laser focused on getting things done that I really didn't think about diversity, to be honest. And because of the nature of the industry that my company was in, which was a beauty, SAS, beauty SAS platform. We a lot of women that worked for us almost exclusively women, the only men that were awesome team or developer.



44:21

So we're going to change that.



44:23

Yeah, right, exactly. So we actually I take that back, we did have one female developer.



44:30

Now that I say that she works remotely, but we did have one female developer. So anyways, all that to say, I was I was really oblivious to it. While I was starting and running my company. It really wasn't until I took the job at the speakeasy that this issue really started to pronounce itself and make itself known, you know, seep itself into our culture. And I think that what's interesting is in awesome about our communities that were being really intentional about talking about it. I was at an event last night And we had some political leaders that were talking about, you know, different things that make our city interesting and how we talk about our city interesting. And one of them said, you know, we're not hiding anything. We're not we're not here to hide anything. And, you know, we're putting, we're putting our, you know, our deficiencies out there. But we're intentional, you know, the key is being intentional about fixing those deficiencies. And I think as you look around the table here today, we're starting to see progress. And, you know, that's a testament to you, Matt, you have taken this head on, you know, I know that it's not a comfortable. I can tell you, you know, personally, that's not a comfortable thing to talk about. I appreciate you being willing to talk about it. Absolutely. It's scary. I've been on the powder keg stage many times, but I will tell you that diversity conversation was one that I was the most nervous about, because I felt like I was, you know, stepping into landmines all over the place. You know, as I look at the numbers, I'm a numbers person, right like I was raised up and trying to understand my business through data analytics. And the numbers aren't there yet. That's what I see. And if they're not there, you have to be intentional about fixing it. And if you're intentional about fixing it, you can change those numbers. A single person can do it. And so go do it. People. I mean, we've got it. It's out there, right there is a there is a diverse talent pool to pull from pull from it be intentional. Yeah.



46:24

And I got a confession to make. Right. So I've been looking at this myself, right. And what I've found in the last year, I've always, it seems like I naturally fell into looking for someone,

a young person to help mentor and how often I just looked at at some young male to help. So I really started challenged myself going away, man, let me open my mind. Why am I not looking for someone else? Right to help, because if you think all of you have had someone who's tapped you on the shoulder, saw your potential and started investing in you. Yeah. And I was like, but I don't think it was intentional on my part. It just, just somehow it wasn't I didn't thoughtfully think about it



Matt Hunckler 47:02

by now is a human thing.



47:06

Recognizing the bias and then saying, Okay, well, what am I gonna do about this? And I love that we're talking about it. Hmm. But you know, I got this like, Dude tattoo. There's what people say. And they're what they do. At this point I, I'm a little older, and I only care about what people do the same piece, I can keep talking and talking and typing a mouse, but I really interested in what they do. So I've been really trying to my purposely being thoughtful about who I mentor and opening winding that up. And I challenge every one of you here and yes, on there, to take a step back and say women, is that a bias that you stepped into a step back and see if you can make a change?



47:39

Thank you, john.



47:40

I think for me, it was interesting. I didn't really notice it for too long, because so I grew up my mom was always like, you can do anything. I didn't even have any sort of belief that there was anything that I couldn't accomplish, like I used to swim and I would practice with the boys like rj hollier and I guess one of my first friends in Indiana and we and he's now the CEO of quantify and we would swim together and I'd never been thought about like that there was something and then I was fortunate to work with people and legal which legal is still a very male dominated industry and corporate legal is probably even more predominantly male. But, you know, you know, ice Miller was one of these great places, they're, you know, they're open to technology, but they're also open to being, you know, kind of trying to see about challenging the diversity side of it as well in the firm. And

so I felt like there was nothing that was going to keep me from the opportunities to advance in the firm, and I had great mentors, although when I looked back at it, a lot of my mentors were male. And so I didn't have that, you know, when I then came over into the tech side, and then someone asked me, well, who are your mentors? And I was like, Oh, my gosh, I don't I don't know if I have them anymore. And so it's like, what how do we find more ways to get more women the mentorship they need to get that like kind of leadership coaching to help them figure out how they're going to get to that next level? Because I think that's if you if you don't see that pathway forward, and there's no one there that can like go Due to those points, then then it does, it does become a challenge. And so so it wasn't until, you know, I was able to kind of step outside of the the world that I had kind of grown up in that you start to see a little bit more, you start to see and hear other people's struggles of where they're going and, and it changes, you know, as I've gone through it, but now I see it's like, we've got to find more ways to mentor and give people opportunities. Because if they can move up into leadership roles in their will feel more confident to strike out on their own and start their own company. So it's really that having that conversation and giving people more opportunity and being intentional about how you hire and how you do things.



49:38

It's cliché, but be the change that you want to see in the world. You know, Haley, you're that role model, you know, yeah, you're that role model, please do it. And I don't think that this Well, I don't think it's exclusive to just women either. I think that there is a conversation to be had around ethnicity as well. I mean, let's start having it and let's get intentional about it. You know, start working on it. start pushing off Because if we you know, we're the ones around the table that can do it. Yeah. And and pull those people up through the ranks.



50:07

Yeah. And I get excited about our 35%. But I don't get so excited about the 6%. On ethnicity. Yeah, trying to figure that piece out kind of scary. And I have three daughters



Matt Hunckler 50:17

9%, but not that much better. But no, I'm talking about our numbers. Oh, you're good. You know, your numbers. Yeah, we're looking at all the time.



50:26

But But not only, you know, that side of it. I have three daughters, and I want them, you know, to have this opportunity to see that, but also have a son and I hope that there's a woman who might mentor him and start breaking down some of his biases when he's early, when he's younger, to start thinking about what it means to be a leader, right? So I'm actually looking for that anybody like that? He's 20 years old. He's and I you but,



50:50

but in my way, john is



50:53

part of part of that journey also is teaching the next you know, group of young men, right what that expectation should look like. So they don't fall into the same expectations.



Matt Hunckler 51:02

Yeah, I'm curious. You know, when I first met you, I really looked up to you as a mentor, you know, being the cloud class above me. I still looked I look up to you, man like the in terms of like what you guys are doing it sticks and leaves and you're tech savvy is awesome. I always saw you just very fearless in the community. Yeah, you're always encouraging me to come out to events. Yeah. And I was just kind of following your lead. When you were plugged in to the tech community here when you first came to Indianapolis. When you were at Rose hulman studying and in Computer Engineering. Any experiences that you've seen shift over the years?



51:39

Yeah, so I'm going to be super politically incorrect because I feel like these conversations are less



51:44

yeah marriage. That's the real dialogue.



51:46

Yeah, exactly. Right. If we're not gonna be real, then why are we even going to talk about it? So coming to Indy like I was scared like when you when you hear about a state where the the KKK had a significant presence or possibly ruin It even started in that state, like, you're going to be very considered about where you go and where you spend your time. And I don't think a lot of people understand like, what that really means. So whenever I walk into a room, you know, if I'm the only African American in the room, like there's a signal that that's, that gets, you know, portrayed to you are implied, whether that's real or or not. In the back of your mind, you're always it's always going on, right? I went to the in a conference for women several times that as a male, that that that signal is there, right? Where you you don't see other people there that look like us. So the thoughts in your mind are, Oh, do I really belong here? Is this a place for me to feel safe and comfortable? So as an entrepreneur, I've always had that going on. So even if I you know, I'm in a room and I look very comfortable. There's a layer sweat.



Matt Hunckler 52:55

Appreciate it, man. It's hard to imagine. I mean, it's hard to imagine. Yeah.



52:59

It's It's gotten, it's gotten better. So even there's an there's an uncomfot when you're an entrepreneur where you're going into a room, so we, with my first company, we raised capital, but we didn't raise in Indiana, and there's a thought in my mind was, was it because I was African American, because I saw a lot of people that I associated with, or that I thought, you know, I was on the same level with that we're getting funded, and we weren't and we actually, we got our funding from the east coast, and then tried to come back and raise a second round of funding and still couldn't get funded. Or I walk into a meeting where we're trying to land deals, and I wondered to myself, well, did I not get that deal? Because, you know, I'm, I'm African American, or, or because we really didn't present the best case for that for that project. So one thing that now that I that I do constantly is whenever I whenever I go, look at a business that I might try to work with. I go directly to the leadership page, and I look at what's the what's the makeup of that page. Because if you're around people, well, you people tend to associate themselves with other people that are like that. So, it's natural. If the leadership looks like one, they're gonna attract more people, because that's true. On average they spent a lot of their time with, if we can find more ways to elevate people who don't look like yourself, you go out of your way to try to find those people, they're going to know others within their networks that they can

help pull those individuals to your to your business. So I think indies done a great job of elevating the conversation around diversity. We haven't solved that problem. I don't think it's ever going to be a problem that is solved. But we've we've made a lot of strides in in bringing that conversation to the surface, and really a lot of people that are advocates, trying to bring clarity and conversation around it, I think only only helps us move in the right direction.



54:45

Diverse inputs create diverse output. Yes,



54:48

yeah. Yeah.



54:50

Yeah. I want to thank you for the way that you you positioned that because I know for me every time I find myself in a public forum, and I think you alluded to this earlier, I I think it's like a roomful of mousetraps. Yeah, I'm not. I'm not sure what I'm going to say. So it's going to set up someone's trap. And and they're not listening to my intentions. They're there. They seek to be offended first and not seek to understand. Yeah, yeah. And that's a real challenge. So I really like the way you position that. So that really listening and understand what your intentions were and not seek to find. Yeah, that one way to be offended. I see that, you know, I think that's a cultural problem. States. Yeah. But I think that's when you get the real dialogue. People can be genuine and vulnerable. And this is how I feel and, and I don't have to become offended or you don't have to we can say, well, that's the real deal. Now, what are we gonna do about it? Right. So,



Matt Hunckler 55:40

yeah, thank you. I appreciate all you guys sharing your perspectives. I could go on and on. It is cool to see a lot of companies in Indianapolis making that effort to promote a diverse culture, diverse leadership. RJ Tahlia, who you mentioned previously, his team when you go to their company At quantify, it is clear that they've been very intentional. You mentioned it as Rise of the rest pitch it the the stats are there to back it up. And I know there's many, many other companies in Indianapolis powderkeg. Included, you know, as we think about how we continue to grow and scale, how do we make sure our team is

diverse because, frankly, right now, we don't have a lot of diversity on our team. So it's like, we've got to be very intentional about not hiring another six foot four white guy. Right. So how do we continue to grow and scale? Right, Meg? So I really appreciate this discussion. I would love to continue this discussion. If you're watching on Facebook Live, would love to continue the discussion in the comments on social media. Let's not let this be the end of the conversation. And let's bring these numbers up for the next report. Indianapolis tech report is just a benchmark for the next one. And would love to see those those numbers go up. And I know we will if we continue to do the work and have these conversations. Thank you guys so much for being here. And thank you you, the viewer. The listener for tuning in and being a part of the conversation, you can go to powder keg calm right now and get the report absolutely free. You can learn more about each of these entrepreneurs on the show notes page for this or on the Facebook Live page. Please check out their companies, please check out their organizations. They're doing some amazing work right here in Indianapolis, Indiana. And if you're outside of Indy, and you want us to come do this tech census, and tech census report for you, please reach out because we are doing these nationwide. And we're really excited about about the tech and innovation that's going on outside of Silicon Valley in the coasts. Thanks so much, guys. That's it for today's episode, I highly encourage you to visit the show notes on powderkeg.com to get the Twitter handles and social links for each of our amazing guests on today's show. And again, please check out tech census.org to participate in your tech hubs census and download the finished reports from other cities when they're available. It's a great way to learn more about others. Tech communities and learn what you can bring to your own community. By 2020. We'll have data on more than 50 tech hubs throughout the United States to get links to the resources and people mentioned in this episode, as well as more stories on entrepreneurs, leaders and professionals, building high growth businesses outside of Silicon Valley, subscribe to us on itunes@powderkeg.com forward slash iTunes. You want to subscribe because we have some great guests coming up in season two, so please don't miss it. Thanks again for listening to a special roundtable in between episode you'll be hearing from us again soon on powderkeg igniting startups