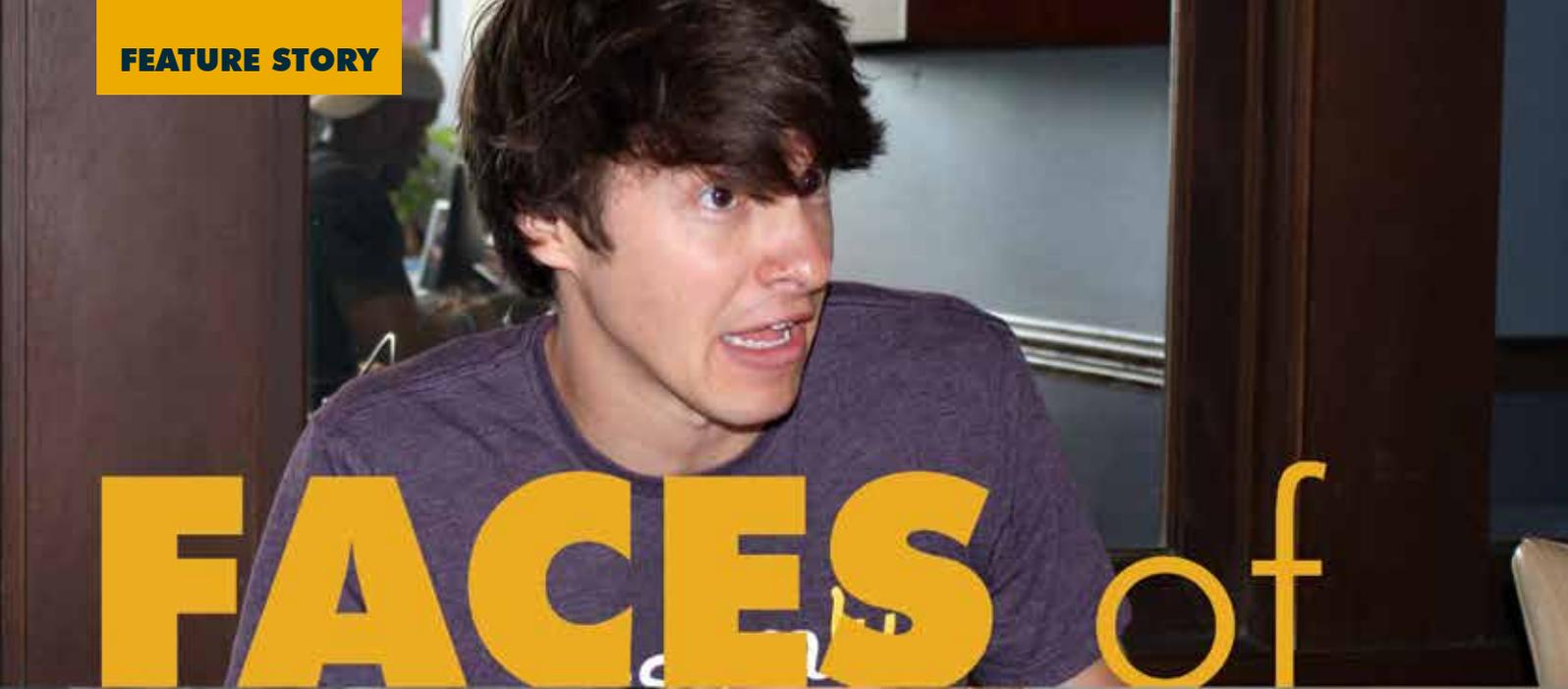


FEATURE STORY



FACES of



ENTREPRENEURSHIP



Don't Worry; Just Be Successful

By Tom Schuman

Max Yoder talks – a lot. He is the first to admit that. But the 27-year-old CEO of Lesson.ly (the 2015 Mira Award winner as Tech Startup of the Year) has a great deal to say. And many people are paying very close attention to his words.

In the first five minutes of a 55-minute conversation, Yoder says he is a worrier. When asked to explain that seeming contradiction with leading an entrepreneurial venture, he clarifies:

“When I say I’m a worrier, that doesn’t necessarily mean I worry about everything. I don’t worry about my abilities. I often worry about things I can’t control; there are a lot of them,” he shares.

But leaving no doubt that worries will never get in the way of action, he adds, “We just live one time. I don’t want to not do something from fear of not doing it right. At this point, there’s not much to lose, right? I don’t get another chance to come back and live again. I don’t have a wife, don’t have kids, don’t have a mortgage. I graduated from Indiana University and I’m confident if all goes awry, somebody will hopefully give me a job. So at this point, I might as well take that chance.”

After a wide-ranging discussion, Yoder offers this admission near the end:

“I was uniquely gifted with some charisma that’s really helped me. I used to be ashamed of that. But I’ve come to the conclusion that I should not shy away from the things I am good at, and man I’d really like to help more people do that. It’s very empowering when you say these are gifts and I have a duty to use them in a way to help other people. I’m just a fortunate dude.”

And yes, he does have charisma. But also humility, as you will soon learn.

On his own

Yoder’s grandfather started a funeral home business in Elkhart



Music (guitar and microphone are nearby) is more than a hobby for Max Yoder, who plans to release a four-track extended play record in early 2016.

Lesson.ly

- **Vision:** An affordable, easy-to-use software tool that helps mid-size businesses train their people
- **Funding:** Additional \$1.1 million in November 2014, primarily from angel investors
- **Team:** 17 employees
- **Growth:** 850% in 2014; now more than 150 clients
- **Max Yoder:** “Recruiting people to come to Indianapolis: I didn’t have to do it 10 years ago, but I’m sure it’s easier now than it was then. That is the result of a bunch of people working really hard to make this city a great place. I have no intention of leaving, and I’m really grateful to all those people. It’s just really important to me that we stay humble around here.”

County in the 1950s. The approximate \$250,000 he raised then was very close to what Yoder and colleagues put together to help get Lesson.ly off the ground. As his father and uncle assumed control of the business, Yoder says he “got a picture of what life could be like if you were really in charge of your own destiny.”

His mother was employed in the much more volatile recreational vehicle industry, with Yoder terming it “scary” for her job to be in jeopardy.

“A lot of people talk about their jobs – you know, I have my job – but that job is often on loan to you from someone else,” he submits. “I don’t think I have the constitution to deal with a world where I can walk in one morning and someone could go, ‘Hey, your job is not your job anymore.’”

With that entrepreneurial mindset, Yoder matriculates to Indiana University where he participates in an individualized major program. Again, he explains.

“I could go to all the colleges on campus and pick the classes I found interesting. Essentially, what I was able to do was get a liberal arts major with a very business-sounding name (brand management and advertising), which I would recommend to anybody. There’s a lot about the business world you can learn by doing the critical thinking part of liberal arts.”

Role models

The next phase of education came on the job – first a design internship (he knew nothing about design) at Kristian Anderson + Associates (now Studio Science) that was followed by an Orr Fellowship spot at Compendium Blogware. ExactTarget co-founder Chris Baggott launched Compendium which, in Yoder’s words, was striving to “put the ability to share and publish information in the hands of every employee and have that information be under the masthead of the business. That was pretty radical back then.”

Compendium struggled in the beginning, providing Yoder with a learning experience. Plus there was the added benefit of being close to Baggott, who had failed in a dry cleaning venture prior to his ExactTarget days.

“What I essentially got to do was watch Chris Baggott and Ali Sales try to build a market in probably one of the most difficult ways, which was by brute force. That had its

ups and downs, and I got to watch that and learn while being paid, which was a really cool spot.

“Chris was such an inspiration to me. He doesn’t get scared. He doesn’t worry like I do, and that’s one of the things I really admire about him,” Yoder continues. “What Chris realized, and what he helped me to realize, is that failure puts you in such a great position to try again, to double down. When you do double down, you have so much more information, you are so much more equipped to do it right the next time.

“He told me, ‘Save your money; you can do whatever you want. Just save your money and try.’”

Yoder tried first (more on why that failed a little later) with Quipol, a polling service. He was then recruited by old friend Anderson and two other Indianapolis tech veterans – Mike Fitzgerald and Eric Tobias – who were developing Lesson.ly under their Gravity Ventures investment arm. The company was incorporated in November 2012 and officially launched four months later.

Pivotal moments

The first hire for Yoder in September 2013 was Conner Burt. Coming out of high school, Burt had selected Butler over Michigan State to continue his soccer career because he wanted to play for the underdog instead of the more established program. After business success at iGoDigital and ExactTarget, he made the same decision in signing on at Lesson.ly.

“We were losing money every month,” Yoder recalls, a fact that turned around immediately. “Conner has an attention to detail that I don’t have. He’s got a spirit that I admire so much. So many people came after him that he attracted.” (Burt continues as head of relationships for the company from his new home in North Carolina.)

Another turning point, Yoder confides, was the loss of a major client. While “we didn’t see that coming and it was tough for us,” words from co-founder Tobias the next day put things in perspective.

“He said, ‘When you win that huge account, you’re no better than you were the day before; when you lose that huge account, you’re no worse than you were the day before.’ You’ve got to stay right in the middle. If you go up with every up and down with every down, you’re going to burn yourself out.

“It’s incredibly hard. I’m not great at it. But there are people around here who are very good at it, and it’s my job to be better at it. That was really big for me. We’ve got a team that can take those blows.”

Straight shooter

Remember, Yoder talks a lot – but

provides solid insights.

- **On hiring,** he cites the additions of Corey Kime (director of client experience) and Mitch Causey (director of marketing) after Burt: “By no means was it comfortable for me at the beginning. By no means do I feel I was all that good at it. In a lot of ways, you make those initial early hires and they set the stage for everybody else that comes afterward.

“Everybody looks for smart people and we’re no different; second, we really want conscientious, empathetic folks – what we’re looking for is big hearts; the last part, rounding everything out, is self-awareness. You know what you’re good at and what you’re not good at; you know what you like and what you don’t like. Our entire goal here is that people will fight for this business; they won’t treat it like a job.”

- **Advice for others looking to start a business** (here’s the return to the earlier Quipol reference): “I really engineered it in a vacuum, tried to create something that I thought was perfect. I waited a very long time until I revealed it to the world, and as soon as I did I realized I had not accounted for a lot of things other people, who were clearly smarter, saw as flaws.

“My advice: If you’re going to sell something in eight months, start selling it now because you’re going to learn so much more getting in front of people. (He gives the example of Jeff Ready of Scale Computing going door-to-door with a busted server rack to

gain guidance from potential customers). We started selling with Lesson.ly, and I wouldn’t do it any other way.”

- **Biggest challenges in Indiana:** “The biggest problem for anybody, whether they’re here or in Silicon Valley, is themselves. You’re your own worst enemy. The quicker you realize that, the better you’re going to do. I don’t think that’s unique to Indianapolis. There is not a ton of capital around here compared to a lot of other places, but there is more and more every day.”

- **Fear of failure:** “Some failures are just plain failures; they’re not badges of honor. Sometimes you do the wrong things and you pay for it. ... If you’re a jerk along the way, you’re probably not going to get a lot of love around here.

“The proof is usually there when you went about things the right way and the markets didn’t work in your favor. I think there are a lot of people who see that as a negative. I think the people who understand what this world is really like will embrace folks who are trying.”

Stay or go?

Final questions: How long does Max Yoder stay in one place? Are you a builder for the long term, a starter who is intrigued by the next great idea or both?

Yoder: “That’s still to be determined because I’ve never had anything work well

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Two rooms in an historic schoolhouse on the east edge of downtown Indianapolis serve as home for the Lesson.ly team.

Max Yoder

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enough that I've had the opportunity to say, 'Well, I've done my job here,' then pass the reins to somebody else. I still have a lot to do here. A lot of people have come on board and made commitments to this place. If I don't honor my commitment, how can I expect them to?

"I don't know if I'm going to be, when we hit the 50- or 100-person mark, the best person to be leading this team because it takes a very different skill set to take a mature organization and make it work than it does to take an early stage organization and make it work. I have no idea if I'm equipped to do that.

"I've been out of my depths since day one. Every time I get more out of my depths, I get a little nervous. I take some time to get comfortable, then we grow again and I'm uncomfortable again. It's just a cycle. This could be the most trying time or it could be the easiest. I don't know how Lesson.ly is going to do in the next three years. I'm hopeful I recognize when it's time for me to go and somebody else can do a better job."

RESOURCE: Max Yoder, Lesson.ly, at www.lesson.ly