

Alison Dean (00:09):

Theorem is the leading innovation and engineering firm for the Fortune 1000. We design, build and deliver enterprise-scale technology solutions and are very excited to present The Breakthrough Podcast, an ongoing series where we interview technology leaders to share their experiences and perspectives on what's next in tech. Welcome to The Breakthrough. I'm Alison Dean, VP of operations at Theorem.

Alison Dean (00:42):

And today we are talking with Trent Johnson, the senior vice president of corporate ventures at Cie. In his current role, Trent drives the go-to market vision and corporate capabilities of Cie's team of experienced innovators to enable corporate venture acceleration on behalf of Global 2000, private equity, and early-stage companies through build, acquire, license, and fund strategies. Trent sent me this quote from Lao Tzu, "When I let go of what I am, I become what I might be." So hi Trent.

Trent Johnson (01:18):

Hi, Alison. Thanks for having me, how are you?

Alison Dean (01:20):

I'm good, I'm good. I want to know what that quote means to you. Let's kick it off with that.

Trent Johnson (01:24):

It's interesting. It's actually in line with this theme of your show, The Breakthrough. But I think of late what I've been realizing is this idea that we have this goal that we're chasing and that incrementally, it's always a bit of a different mask. And then once we let that go, we discover who we are intended to be. So I'm still figuring that one out, but this is a good quote to define that story arc.

Alison Dean (01:47):

I like it. Your career began in international management consulting and your current focus is largely centered on innovation. So I'm curious when you realized that that was a niche that was really compelling to you.

Trent Johnson (01:59):

Realize is a strong word. I graduated from business school kind of in the middle of the dot-com era. I got out of school at a time that feels a lot like this current time. And what was interesting about it is everyone wanted to create a startup and make millions of dollars like other tech entrepreneurs and things, and eventually that bled over into corporates. So I started my career at a time when KPMG basically partnered with private equity and venture funds, basically trying to take a number of their clients' innovations to market as their own commercially viable things. I got to be one of the cool kids that worked on the innovation stuff and it was probably right around the mid to late twenties basically.

Alison Dean (02:39):

And then it was just rapid-fire thereafter?

Trent Johnson (02:41):

Yeah. I mean, as you can typically do in management consulting, you have the ability to see new and different things and try a number of things out. What's interesting is innovation and particularly digital innovation, and I would say enterprise value has always been kind of at the heart of everything I've tried to pick up along the way.

Alison Dean (03:00):

Right.

Trent Johnson (03:01):

But yeah, it was just a number of projects and things that all had those as common themes.

Alison Dean (03:05):

Cool. Does a corporate innovation strategy differ for a startup versus an enterprise client?

Trent Johnson (03:12):

That one's really interesting because you'll upset somebody in the answer, right? Interestingly enough, after having worked for a few decades with corporates and startups, the biggest thing that jumps out is the stage of the business model that either one is in. So a corporate is already a going concern, they figured out a business model, all they're doing to some degree is figuring out how to make it bigger. Whereas a startup is basically an idea in search of a business model, right?

Trent Johnson (03:39):

How do you take something really tiny and small that's a concept, prove that it's a business model and then help it to achieve escape velocity? What's different in terms of the strategy for both is on the startup side you have to help them to focus on answering the right questions because you're going to run out of cash. And in the case of corporates, cash is not the issue, but they have all of these other constraints that come along with the party.

Trent Johnson (04:04):

You have these governance structures, you have technical debt and just the inertia of how long it takes stuff to get done. And in many cases, you have to build your strategy to accommodate those things and oftentimes you need a sherpa to help your corporate friends get out of their own way. So that's my high-level view on the difference between the two.

Alison Dean (04:23):

Everything that you've said rang true, at least for me. Brian Paradis, he's a partner at CSuite Solutions, he was recently on the podcast and he has this question for you: "What is the most significant barrier to focused and sustainable innovation in company culture?"

Trent Johnson (04:41):

Two sides, one more abstract and the other more tangible. So the abstract one, that's people's want to. If you don't have an executive mandate of sorts to pursue this, I've seen organizations never get the want to internally or from the bottom up to do anything that moves the needle. More practically for him in particular, I would say technical debt is the number one biggest issue because it will be

your governing constraint on how fast you can move particularly when digital is going to be your access to relevant data at scale.

Alison Dean (05:13):

I like it. In your opinion, what is the most crucial aspect of a company's IT strategy?

Trent Johnson (05:19):

What I would say is it's how it creates value quickly. At the end of the day, you hear a lot of talk about cloud or digital. Those things degrade into either revenue recreating, or it's going to be SG&A and expense saving, right? Some are bigger than the others. And at the end of the day, that's to me, the biggest arbiter of what's most important is how quickly can I get enterprise value from it. Because if I can't, it just becomes this long albatross of like, "Oh, it's a project plan and it's a critical path and it's death by a thousand cuts." So I think unless you can get speed to enterprise value, all the other stuff is actually secondary in my opinion.

Alison Dean (05:59):

So I guess the question that pops up as a follow-up to that is in the world of custom software engineering, for instance, there are so many surprises that happen along the way as you're creating something new. So as much as speed might be a major factor for the client, how do you reconcile those things that arise that were not planned for and keeping expectations realistic?

Trent Johnson (06:23):

There are two sides to the question you posed, right? So when I think of custom development, custom development can live on two worlds. It can live in a world that is enabling back office system that you have for which you need custom development to do something. And then it could be greenfield technology for which you were creating a new organizational capability, you're going to touch new customers, break open new markets, that type of stuff. I think the way you answer those questions are different.

Trent Johnson (06:51):

Any good program manager or technologist understands The Mythical Man-Month and best-laid plans on the back office kind of existing tech stack side of the house. That's necessary and I think to some degree that gets baked into a kind of the rubric of how to decide one project is more valuable versus the other. I think on the other one when you're talking about greenfield technology creation, I think that's where you have to be a bit more measured in the approach that you take to validating that that thing is the right thing to pursue.

Trent Johnson (07:21):

A lot of the lean startup methodology is just basically what's my hypothesis, how do I create a low-cost prototype to test, validate, test, validate, test, validate? And when I get to a point where I have some conviction, then I'm all in from the perspective of an investment and that being a thing that I'm going to pursue.

Alison Dean (07:38):

Right.

Trent Johnson (07:38):

Hope that gets me there.

Alison Dean (07:41):

Oh, that's good. Early in your career, you founded a management consultancy. What was the most memorable project you worked on and why?

Trent Johnson (07:49):

That management consultancy was in the Gulf South. And one of the interesting things we got to work on was early-stage tech company due diligence. It was part of a Capco program, which is a fancy way of saying public-private partnership between government and private equity VCs. And what they were attempting to do is basically use things like tax credits as an additional incentive on top of venture capital in order to incent investors and corporates to invest in some targeted cottage industry. In this case, it was tech.

Trent Johnson (08:22):

Well, my role in that as part of working with one of the Capco companies was doing tech diligence on the would-be startups that they were going to invest in, I learned a ton at that time, and coming out of the dot-com era it was now going to be not only private capital being deployed, but also taxpayer dollars also being deployed against these things. So doubly important to get it right. That was pretty cool. I learned a ton about how to look at early-stage technology startups, and what allows you to pick a winner, and what are some of the missteps that you could potentially take, and quite frankly, upset some investors along the way if you don't get that right.

Alison Dean (08:59):

I'm curious, any of the companies that you work with, are they winners that we know of now?

Trent Johnson (09:04):

They've been acquired by winners. A lot of these fledgling companies were probably sub \$10 million at the point where they likely get acquired by somebody else. This was a good 15 or so years ago, but I would suspect that yes, many of them have been. But there's also, if you look at a typical venture scorecard, there were some dead carcasses along the way as well, so-

Alison Dean (09:25):

Naturally with the venture landscape.

Trent Johnson (09:28):

No doubt.

Alison Dean (09:28):

It happens. Can you talk about the global transformation project that you worked on for Sony in Tokyo, Japan?

Trent Johnson (09:36):

Sony, and like many companies at the time, and this was at a time coming out of the great recession, were focused on basically leaning up against their balance sheet. What are the things that we can do to drive enterprise value? Although this side of the coin was very much focused on kind of leaning up and getting more efficient. And this was a project in Japan that lasted almost two years and I didn't speak Japanese. So it was really interesting. My English changed significantly after doing that project.

Trent Johnson (10:04):

But it was a lot of stuff that was pretty much focused on how can technology create enterprise lift in the organization. So what you saw was a lot of projects that could be anything from RPA, robotic process automation and how do you use that in order to do headcount reductions, whether they would lead to restructuring and basically shared services. It was a portfolio of activities, but it resulted in significant cost takeout under the then chief transformation officer.

Alison Dean (10:34):

Awesome.

Trent Johnson (10:35):

A lot of good food.

Alison Dean (10:36):

My mind was going there so thank you for bringing that up. Did you learn any Japanese?

Trent Johnson (10:41):

Just a bit. Interestingly enough, I had some gracious hosts that didn't want to see me fumbling around at airports and trying to get on the train so they taught me the rudimentary bit so I wouldn't look like a complete outsider basically.

Alison Dean (10:52):

Right. The necessary things that you must know if you're going to be living abroad. I'm curious about RPA and how much that's coming up in your day-to-day conversations that you're having with clients, or just in conversation in general with your internal teams. I'm starting to see the use case for it operationally for my team, so wondering the frequency with which this is happening now.

Trent Johnson (11:18):

Probably over the last five years, I've transitioned away from working with a lot of really large enterprises, so just almost an even mix of early-stage in some large enterprise. With large enterprises, it's primarily going to be more innovation-centric. But what I have seen of the corporate side is the front end of that is a pretty well-articulated business process mapping exercise. And if that doesn't exist, that is in fact, the front end of that exercise that needs to happen.

Trent Johnson (11:48):

The other thing that I seem to recall is if you don't have volumetrics that basically helps you to understand how big is one process versus the other, how much throughput does one get versus the other, how much subjective decision-making does one have versus the other, absent those things, it's pretty interesting in terms of how you make the call on which process. I suspect there are specialists firms out there, I know that do that stuff.

Trent Johnson (12:13):

It's a pretty sizable company that can make use of the RPA stuff at scale. I suspect startups do it all the time as a mechanism of we've got a dude and a dog, what can they do to expand their footprint? That's probably a less complex way of how we use RPA, but you'd do it nonetheless as a mechanism to help you on using your value-added capacity the best way you can.

Alison Dean (12:35):

Cool. What are the biggest challenges and possibly biggest rewards that you've faced with the digital and margin enhancement projects for private equity clients that you've done?

Trent Johnson (12:46):

It's an interesting dance that happens with a PE and a portfolio company, potentially that they just acquire. They are even trying to figure out who each other are. And then here comes you, some magical leprechaun third party that's just trying to tell them stuff.

Alison Dean (13:01):

Right.

Trent Johnson (13:01):

I would say the first thing is being able to navigate that relationship. Everyone's still figuring out who everyone is. The other thing is PEs in particular are really focused on a couple of things, enterprise value, one, and then this kind of holding period or this investment horizon. So what it forces you to do in both of those types of projects, be it an innovation project or a margin enhancement is you really do have to dial in this idea of what are the things we're going to do, how quickly, and when do I start to realize the benefit?

Trent Johnson (13:35):

Because if it falls outside of this specific window where PE can see the effect on a multiple, then use that multiple to understand what the market will bear for a potential sale or the new owner of this thing, it's like, "It's interesting," but it's going to happen way out in five years, it doesn't do me a whole lot of good. So I think those would be the things that I would say.

Trent Johnson (13:55):

And then the other biggest thing that's pretty challenging is I call it calling somebody's baby ugly syndrome. You're walking into a portco and there are times when there are things they need to do and you have a PE firm that's willing to bring down the hammer, but then oftentimes you get blamed as the, "Well, you were the one that made the hammer come down." It's just the deft touch of navigating those kinds of dynamics.

Alison Dean (14:20):

So fun. For a \$13 billion REIT, what were expectations from the client and what was most memorable about that?

Trent Johnson (14:27):

They weren't always a \$13 billion REIT. They started out as a startup and I got this really interesting time in my career to see something go from a startup to do an IPO and then stay in touch with them a number of years later and watch them have grown through that continuum. But the digital strategy was really easy in the beginning. You start with a problem statement. What that company was doing that was actually really, really different at the time was picture us coming out of the great recession.

Trent Johnson (14:56):

Housing prices tanked and there were these institutional investors that said, "Hey, we're going to go roll up 200,000 single-family homes." Think about Alison, any mom-and-pop landlord that has two or three rental homes and they're just kind of like, "How do I manage these two or three rental properties to create value?" These guys eventually had a portfolio of 52,000 single-family rentals.

Alison Dean (15:20):

Wow.

Trent Johnson (15:20):

Their challenge was, how do you do what mom-and-pops do at scale? A lot of what those guys did that was a really interesting digital strategy is they figured out, and to some degree, pioneered this idea of a person list tour of a home. Literally, if you think about any time you've ever gone to rent a home, you're usually meeting a leasing agent and the leasing agent shows you around. They're like, "This is new granite countertop so we just had a water heater put in." And like, "Hey, what do you think? You're going to sign the lease?" So imagine that scenario, but without the leasing agent.

Trent Johnson (15:51):

At the time, they created tech that allowed you to take a credit card, swipe, get the key from the door, open the door, do a self-showing. And the minute you open the door, they know that you're in the house, they'll give you a call on your cell and they will do a voice-directed, "Hey, check out the new granite countertops and those things. Do you like it? If so, there's an iPad on the kitchen counter. Why don't you fill out your leasing application, hit send." And before you leave, you would know if you were approved to rent that house.

Trent Johnson (16:21):

What those guys did that was actually really cool is they took something that is a very complex transaction and they made it an impulse purchase. What that allowed them to do is scale and rent at a rate that nobody had seen in the industry before then. Managing that just started with that problem statement, and then you built an MVP because people were actually using whatever that thing that you manage to band-aid it, tape together. You set up an agile team so that we continue to iterate on the thing, "Oh, you need this," and we'd add a feature. It was a very wild west time, but it was an awesome experience.

Alison Dean (16:55):

The first thing that came to mind when you were talking, now they're doing those virtual tours. The layer that's missing from that is someone on the phone with you saying, "Did you see this?" Which definitely more high touch, gives you those feelings of, "Ooh, I want this now." So from a psychology perspective, helpful to have someone on the phone with you.

Trent Johnson (17:14):

Think about the leverage Alison, that you get if you are a real estate agent that has to go and schedule to do all these showings as opposed to somebody's just teeing up the next showing for you and you have a queue, you never leave. And this was before Zoom and 360. This was probably 2012, 2013ish. It was well, well ahead of its time.

Alison Dean (17:37):

No, it sounds genius. Given the velocity that technology changes, what recent projects have you learned the newest things from recently?

Trent Johnson (17:46):

I think the biggest thing that I learned is there's so much innovation that has been created in the last couple of decades. And the biggest learnings, I think that I see are the more you see, the more you have a boundaryless approach to problem-solving. And the example that I'd give you is every fungible widget you could possibly ever think about exists under the sun right now, all that's missing is somebody says, "Oh, that thing would work with this use case." And you merge them together and you get something that's new and different and all of that stuff. And there are examples all over the place.

Trent Johnson (18:21):

When you look at the venture stuff, there was this time when everybody was doing Uber for X, right? Like Uber dog washing and Uber delivery food. And that's what I would say, it's just like much of my recent learnings have just literally been the extent to which models can be transposed to other industries and other use cases and extract similar value. I think that's been the biggest learning outside of research.

Alison Dean (18:46):

Anything interesting from an innovation perspective that was born out of the pandemic?

Trent Johnson (18:54):

I've seen some really interesting things with, they call it the fourth place, right? So if you think about a dining experience, you can dine in, take away or have something delivered to you, right? What you started to see is this proliferation of the fourth place, which was I'll deliver food to a locker or something like that. That was in Japan 12 years ago, right? These little food lockers, you pulled your little phone up, you opened the thing and take food out.

Trent Johnson (19:18):

But during COVID, you saw a couple of really interesting features. One, stay away from other humans, and two, if I didn't have to handle cash, that kind of stuff, and three, it cost a lot to have

Postmates and some of these other guys that deliver stuff to your house. They were like, "Okay, I'm willing to go somewhere else to get it." So some of these other models are actually really interesting.

Trent Johnson (19:39):

I think you had Drew Martin on as a guest previously. And I know Jack in the Box was at the tip of that sphere in terms of some of the new things that they were doing. Other restaurants were experimenting with things like robotics and the dark kitchen. Like, "Yep. That's just how I want my burrito made, with some little robot arm." I digress. But those types of things I think are really interesting. One thing that was really interesting is to blend in some of those ad companies and basically how they would look at the word searches that would come in.

Trent Johnson (20:09):

And when you look at the word searches right in the heart of COVID, you would see things like, cut my own hair. And it was really interesting, but you just saw them showing up all the time, cut my own hair, build my own deck and all these things. And what it gave you is a bit of a glimpse into changing customer behaviors. Those changes to customer behaviors are kind of like the canary of the coal mine of, hey, there's a thing coming that if I get out in front of that thing, there's a potential to create new innovation and take something to market. And potentially if you're lucky, sell a startup and make some cash. That type of thing I thought was really interesting coming out of COVID.

Alison Dean (20:47):

What about the shift that you saw with how many companies obviously moved to remote first? And I think in general, I'm just curious what your thought process is overall on what really benefits companies the most.

Trent Johnson (21:03):

I got to tell you, as a former management consultant, my entire career has been remote. I think perhaps what some companies that you're hearing about maybe shortsighted about is something that consultancies have learned a long time ago. I'll give you a great example. So when I worked at KPMG a number of years ago, I just remember us going from what was a really fancy downtown building that was very ornate. They were like, "Wait a minute. If everybody's doing what they're supposed to do and you're no longer sitting here, why am I paying this really expensive rent?"

Trent Johnson (21:36):

And what they ended up doing, at least in our industry, was they ended up moving offices closer to the airport. Because most of the time when you get off the road, you're going home. But if you come into the office, you're at the airport, here's a quick stop for you and then you go home and then you get back on a plane and do the same thing over. So I would say the biggest thing that large companies need to embrace is things like hotelling, optimizing the real estate footprints, and just kind of locating them at the hubs of where their people are.

Trent Johnson (22:02):

And not necessarily in big monoliths either, but even, almost like a hub and spoke model where if you must go into an office, here's the smallest footprint that would accommodate all of you that are

geographically disposed to this area. I think there's a lot of really cool models that have already been done somewhere else that can be applied here, I think folks just have to know where to look.

Alison Dean (22:23):

This is a running question that I ask. What does digital transformation mean to you?

Trent Johnson (22:29):

For me, it's ice cream. I don't know. No, it just depends on who you ask.

Alison Dean (22:33):

Right.

Trent Johnson (22:33):

But to me, there is the definition I prefer and then the catch-all definition. So the definition I prefer for digital transformation is understanding those customer interaction points that add value and how you take the friction out of that customer interaction in order to create greater stickiness with the customer: digital. Then the transformation is to pick any garden variety technology, apply it to a corporate set of operations and infrastructure, take out cost and make things more efficient: transformation.

Alison Dean (23:07):

I like it. You're the first person that has broken it down that way so well done. Is there a project that comes to mind for you that's most representative of a digital transformation?

Trent Johnson (23:19):

The REIT example that we talked about was pretty groundbreaking because it started with the customer and it worked backward. But what was interesting about that model as you look at that company 10 years later, and they've actually built up systems that are customer interaction point-centric. So even the way that finance and accounting work to take care of invoices and billing, even the way property management seeks to capture data on a move in, move out inspection, those types of things, all of those things are pretty interesting.

Trent Johnson (23:51):

In kind of our own world, we've actually built startups for corporate clients that basically help them to take market share and to create a digital footprint for themselves where they had none. One interesting example that gets touted all over the place for a company that does middleware APIs that shall not be named, our firm actually did all the innovation and they just kind of connected stuff and they were like, "Oh, look at this thing that we did." There's a lot of that out there.

Alison Dean (24:19):

Is there a recent digital transformation where you look back on that and you're like-

Trent Johnson (24:24):

Pilot Flying J. The Pilot Flying J example is probably one of the best examples I've ever seen of how digital can completely transform literally a company and an industry. So Pilot Flying J truck stops.

Alison Dean (24:39):

Been to one, been to a few.

Trent Johnson (24:39):

But if you were a trucker, what you would understand is that truckers typically live truck on to truck off 11 hours by law. And one of their number one pain points is the fact that they spend an inordinate amount of time in fuel lines. So if you think about how much time they spend in fuel lines, the PFJ example is really great because what we did with digital is just from that one problem statement, we said, "Okay, what can we do with technology? Oh, we could do something like integrate with the fuel server. We can geo-fence the location." And basically, I can now direct trucks to which pump they should go to and give them a six digit code much as you and I can put in our zip codes with our credit card.

Trent Johnson (25:19):

And what something like that did is it unlocked for that client something like 50% more throughput on their stations, which cost around \$12 million per station, by the way. So just think about just the excess capacity utilization that you get out of that station. You can also do digital where, how do you monetize their parking lots? Well, let's think about this for a second. So for Pilot Flying J, it's basically like a hotel for truckers because those parking places are where they spend the nights when those 11 hours are up.

Trent Johnson (25:52):

If I know that Allison's going state to state and I know what your route is, I can say like, "Hey, Alison, I have a room for you at these PFJ locations." And you can literally go into any one of those. Now you have a hotel room, what do you need when you're in a hotel room? You need food. I have coupons that know what you eat. So you'd like hot dogs and coffee. I can reserve a shower for you and give you information about the local town that you're in. PFJ is one of the best digital examples of what digital can do to completely disrupt and overhaul industries. That was one that we did at Cie that we're really proud of.

Alison Dean (26:26):

That's a great example. And I'd be curious on Pilot's side, was there a transformation officer leading that, was it a CIO leading that?

Trent Johnson (26:35):

No. Again, as you'll find with a lot of companies that aren't necessarily in the digital fray, in many cases, you're talking to the board or the CEO. And kind of like we talked about at the top, this idea of, if you don't have a champion, you don't have somebody that has that mandate or that agenda.

Alison Dean (26:52):

Right.

Trent Johnson (26:52):

And then you just leave it to the throws of us people who work in the day-to-day, it gets lost. Initially, like in the case of the Pilot, our principals worked with the CEO and his executive team. But later you basically helped that client hire their teams. Center of excellence is a term we've thrown around, but no differently than we would, as you're going from early-stage startup to something that's getting ready for series A, you're putting the right team in there to help it achieve escape velocity and scale. It's no different.

Trent Johnson (27:22):

In the case of a corporate like PFJ, you're transitioning back the knowledge to them of how do you run this really cool thing we all created together? But also you're helping them to basically run it themselves. So who are the product people, who are the technology folks, who are the digital marketers and performance marketers that you need to put in place? Potentially some of them are homegrown and they exist in the organization, some of them have to be built for purpose or acquired from the marketplace. So you basically help them with that for something that is going to be a digital venture that lives within your four walls.

Alison Dean (27:54):

There are so many things going through my brain right now, Trent. I want to talk about centers of excellence because you brought it up. I think I just want Trent's POV on centers of excellence.

Trent Johnson (28:05):

There are three perspectives I get from three different hats that I've worn at different times of my career.

Alison Dean (28:10):

Right.

Trent Johnson (28:10):

So the perspective of a consultant when they hear a center of excellence was like, "Awesome. I get to build a thing that gives the clients my skills in their four walls." And I basically see my fate as the future ongoing work with this client. Center of excellence definition number one. Corporate definition of center of excellence. I see some things outside that I would like to bring into my four walls, but then I have the job of running that thing as a going concern. That's either good or bad. I get to have this thing that's kind of where the cool kids hang out and I get to build it, add value to my company, and so the second perspective.

Trent Johnson (28:49):

Third perspective is kind of a venture builder person. That perspective of a center of excellence is in order to make a center of excellence work, meaning you want to create a center of excellence or digital or innovation as an example, you're going to need a sherpa. And the only reason I say that is because anybody can go read the books and put together the org chart of what they think the thing is. But unless you have somebody that's been there and done that, that knows where the bodies are buried and how to avoid the minefield and all that stuff, you're only going to get the dregs. You're never going to get the real thing that creates that value.

Trent Johnson (29:29):

So in our world, I would always say, I've seen what serial entrepreneurs do and I've seen what people in centers of excellence do. And they're vastly different in terms of leveraging instinct to get to the endpoint, leveraging infrastructure, methodology, and all of those other things. So I'd say that to say, the center of excellence, awesome if they're conceived for the right reason, and if they're gone about the right way.

Alison Dean (29:56):

What is the ideal person to really run a center of excellence so that it really drives value?

Trent Johnson (30:05):

So in the VC world, we rely pretty heavily on an entrepreneur in residence. An entrepreneur in residence is somebody that probably has had a few exits to her credit. She may have operated as a chief technology officer, have run ops, have gone to market and executed products and understand how to take it to market, have hired teams. So this entrepreneur in residence, she has what I've heard the guys up at Stanford call that T-shaped person.

Trent Johnson (30:39):

They're really broad, but they have domain expertise that are one or two things that they're really, really good at, right? But those most often are what we see in VCs. I think when you're talking about a center of excellence in corporates, you also have to add this other little component of who is somebody that can navigate the politics of corporations. Because you can have that person, but if that person can't navigate the environment, it's a long painful road and that person taps out because there are other things that they can be doing with their time.

Alison Dean (31:12):

That makes sense. What are the biggest lessons that you've learned from being a leader in tech?

Trent Johnson (31:17):

Developing empathy. And this could be a factor of a dormant midlife crisis that I'm not aware of or something like that. But I think you get to a point in a career where you look back and you do an assessment of the things that you've done and the things that you could have done better. I think the one thing that I have learned personally is this stuff isn't easy, getting out of bed to come and do this thing and constantly assess your why.

Trent Johnson (31:41):

In and of itself, you get a participation star for waking up, right? But I think understanding how it can be and personalizing it for yourself to understand what your people are going through, I think is the first ingredient. You get a lot more earnest conversations that will help you to find the balance between being a person and being a leader.

Alison Dean (32:02):

I like it. What do you want your direct reports to remember you for?

Trent Johnson (32:07):

Just to only ask the questions that matter. My wife has this thing that we laugh about, it's just like, "Since I've met you to now, you speak less." So I've noticed that as a theme of people is like, as they get older, maybe they have... when you have enough experience, you get to some kind of pattern recognition. There are only three or five questions that really matter that they get to the heart of the thing.

Trent Johnson (32:26):

So getting my people to understand from my experience and the experience of other mentors, "Oh, I would have asked 30 questions to figure that thing out loud, just ask that one question and you'll get there." It's just that, because it's a constant time and frustration saver to just know what the best questions are, the right questions to ask are.

Alison Dean (32:47):

So your direct reports are going to walk away from a relationship with you as better and more efficient communicators.

Trent Johnson (32:55):

Yeah, that sounds right. Or consummate, not time-wasters.

Alison Dean (33:01):

I think parts of what you just said tie into this. How has your leadership style evolved through the years?

Trent Johnson (33:06):

It's really interesting. I think that as a career evolves, you go less from finding out what you should do to running on autopilot, to asking why. That's what I've learned about myself. If I understand where on that journey I am, am I trying to figure it out? I haven't figured out I'm just running on autopilot. Now I'm asking, why am I running on autopilot? What's the point of all of this? But I think if you kind of understands that trajectory, it saves you a lot of extra cycles and frustration and that kind of stuff. I think you become a lot more deliberate about how you're spending your time because it's really valuable.

Alison Dean (33:43):

And I think the approach that you're taking with your team, depending on where you're at in those three categories. So yeah, that makes sense. What are the most important lessons you've learned from your mentors?

Trent Johnson (33:52):

It is the why, they knew it all along, early in my career. Why are you doing that? If you interpret it the wrong way, it sounds like, "Why are you doing that stupid?" No, it's not that, it's just like, "Why are you doing that?" It is just understanding the why. Even if it's a client thing, what you think is their why may actually be very different than what the motivation is driving their behaviors and driving their need for a solution that you're seeking. Once you understand it and you apply it to yourself, I think it becomes easier to seek it in others because it uncovers true motivation.

Alison Dean (34:28):

So for everyone listening that doesn't know their why, how do they find their why?

Trent Johnson (34:32):

I'll let you know when I figure out mine. I'll let you know, I'm happy to. Yeah, I'll let you know when I figure it out. I spend a lot of time speaking with mentors and the wisest folks I know, be them, family, friends, other professionals, it does start to get very philosophical once you start to go there. Is the why the same thing as my breakthrough?

Alison Dean (34:56):

Could be, what do you think?

Trent Johnson (34:58):

I'll tell you what, my working hypothesis says there's something that I'm seeing now that is a factor of success. And I think the factor of success is that once you get there, you look around and you have a, is this it moment, right? Because in your head you may have thought of like, "Oh, the skies will open," and whatever it is, right? The notion that you get to success and it's not what you thought it is and there's this moment of dissonance where you're trying to figure out, "Well, this wasn't it. What should I be doing?" I think that's the moment where you take a step back and ask the why. Like, "Why am I on autopilot? Why am I looking for another thing to go chase?" Because I think at the end of that answer, you'll find that thing that you're seeking. I don't know what it is yet, I'm still looking.

Alison Dean (35:42):

Well, we can use that for the next time you're on the show. What projects are you especially interested in pursuing as you continue on in your career? So things that maybe you haven't touched yet and want to, but also things that you have already touched from an innovation standpoint, and you want to do more of that.

Trent Johnson (36:00):

That one's easy. It is finding out how to apply all of this really cool stuff we learn from technology and how to be innovative and how to make markets and accelerate things, but to do it to further good, social good in particular. Like right now, I think there are a few projects that we're working on at Cie that are in kind of the civic tech space that are potentially game-changing, but things like law enforcement and things like school nutrition and things like that, and the ability to earn a living, do stuff that you've learned, but then do it in a way that it's just not helping a bottom line, but it's helping other people and folks that otherwise wouldn't have a fair shake, I think is particularly interesting and very fulfilling. I don't know if the right answer to the thing we were talking about ends at this intersection, but I definitely know it has something to do with helping others.

Alison Dean (36:57):

We've talked about various innovations. So any future innovations personally that you're excited about, but also professionally on the enterprise level?

Trent Johnson (37:06):

The enterprise things are really interesting. In terms of the personal ones that I'm seeing, working with a few startups, some of them operating stealth that can't completely disclose-

Alison Dean (37:16):

Totally fine.

Trent Johnson (37:17):

But the things that they are doing with and around law enforcement, this company pro forma that's in our portfolio, that's pretty cool stuff. On the enterprise front, I think one of the things that's really interesting, it's really hard to have the kind of effect on enterprise that I could have in kind of early stage. It's not for lack of want on the part of the principals in enterprise, it's quite frankly, for their ability to get out of their own way. And I don't mean this as a personal dig.

Trent Johnson (37:48):

I just think that much of how enterprise is set up in terms of its hierarchical structures, in terms of its business case that has to be done, in terms of this process or this box, or you're just stepped on my toes and my domain, those things I think are so problematic to creating real value, running fast, doing real innovation. And I think the thing that I'm always heartened by is C-suite execs that recognize the inertia that's created by just the very nature of their organizations and they step in basically to clear the way for some of that real stuff to happen. We see a lot of it in the trenches in kind of startups, but I'm hopeful to see more of that in enterprise as we go forward.

Alison Dean (38:28):

All right. So some people were like, "Robots," and all that other stuff, but okay.

Trent Johnson (38:34):

Dark kitchens cool, robot making my burrito, where do I sign up for that? There is no lack of really cool, interesting examples.

Alison Dean (38:44):

Right.

Trent Johnson (38:45):

I think the question is how are you allowed to get some of those interesting examples for your company? How can you manifest some of those examples within your company? That is a far bigger challenge than the challenge of actually creating the innovation.

Alison Dean (39:01):

I think for me, the future innovations that I'm very interested to see are the ones that have a lot of that social good impact. One that comes to mind and I know various companies are taking steps with this, but the cleanup of the oceans. So then if we go higher than that, it's how can we eliminate plastic?

Trent Johnson (39:23):

I know. And like the examples of like 4ocean, that's a great example. 4ocean and there are a lot of these little startups that basically are farming plastic from the ocean and using it as cloth to create whole lines of clothing and things like that. I think that's awesome. I think the other one that I saw that's really promising is there's a company called Icon. And Icon uses either plastic bottles or recycled items to create the material that they use to 3D print a house for the homeless.

Alison Dean (39:50):

Oh yeah, yeah, yeah. I did see that. That's awesome.

Trent Johnson (39:53):

I think that's just where innovation can take us. But I love the fact that it's a double bottom line, right? The venture makes money, but also the other bottom line is the benefit to social good and social causes.

Alison Dean (40:04):

100%. Now's the question. Can you speak about a breakthrough that you've had recently?

Trent Johnson (40:09):

The breakthrough that I've had recently is it seems, working hypothesis, that the 'there' we're all trying to get to is to help others.

Alison Dean (40:18):

Oh, I like that. I think inherently all humans may have that desire. So I love that. I have not asked this to a previous guest, but I'm going to ask it of you based on the lunch I had today with Kevin.

Alison Dean (40:33):

The question is, what question related to technology did I not ask you that I should have?

Trent Johnson (40:41):

When shouldn't technology be used?

Alison Dean (40:44):

Ooh. So let's end it with that, when shouldn't technology be used, Trent?

Trent Johnson (40:50):

When a human being leveraging what makes us unique is a better alternative, reason, empathy, all of those things.

Alison Dean (41:02):

I think that's a great way to leave it. Thank you, Trent.

Trent Johnson (41:04):

It's been awesome, Alison. I really have enjoyed the time.

Alison Dean (41:07):

Good. Thank you for tuning into The Breakthrough, brought to you by Theorem. Make sure to hit that subscribe button and leave us a comment. You can find us wherever you listen to podcasts. And for more great content, follow us on Twitter and Instagram at [breakthrupod](#). That's break, T-H-R-U-P-O-D. I'm your host, Alison Dean, until next week.