CEOCFO Magazine

Michigan Software Labs with a team of Software Developers and User Experience Designers is building Software, Websites and Mobile Apps for Fortune 500 and Middle-Market Companies from Healthcare to Technology, Logistics and Finance

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> **"For us, it is about helping the business win as well as building great software."- Mark Johnson**

CEOCFO: *Mr. Johnson, what is Michigan Software Labs?*
Mr. Johnson: Michigan Software Labs is a custom software development company located in Ada, Michigan. We have a team of software developers and user experience designers. We are building software for large companies, mainly the Fortune 500 but also middle-market companies and various industries from automotive to healthcare to technology, logistics, finance and basically serving custom software needs for those clients. Many people ask us in three words what we do and we say "we make apps", which is a good overall description of what we do. This includes web and mobile apps.

CEOCFO: *There are thousands of companies that do app development. What do you understand at Michigan Software Labs on a fundamental level that allows you to provide a quality service?*
Mr. Johnson: We hire for three things: we hire for hunger, humility, and smarts. Our team is very capable but doesn't have any ego. And, rather than just telling the client what they need, we actually go out and help do user research to find what they need at that level. That has been helpful for helping our clients grow.

CEOCFO: *What might you look at when you are developing an app that less thorough people would not take into account?*
Mr. Johnson: When we go in and do this, we will do the "five whys" with them, which is an approach to get into the root of the problem they are trying to solve instead of just asking if they want an app. We get at why they think that way. If you ask "why" five times, you will get at the core of the problem and we found that approach helps our clients.

CEOCFO: *How did you grow into so many different industries along with the Fortune 500 companies? How did you get from co-founding to where you are today?*
Mr. Johnson: We started and it was just I and my business partner Josh Hulst. He had the technical side of the business and I had more of the business side. We learned each other's approaches as we have grown. We have been doing more word of mouth and somebody will work for us through a different industry and it does not compete with them so they want to refer us over there, so we will start meeting and talking with them and it snowballs from there. We try not to be experts in any one industry. We are experts in developing world-class software. We want to be broad and try to serve people in various industries whether that is any of those numbers that I listed. We are pretty selective on which projects we take on.

CEOCFO: *Where do regulatory issues come in, both in security and if it is something related to medical?*

Mr. Johnson: Security is so important. For us, whether it is HIPAA or financial security if we are dealing with a bank, basically having users' information, they are entrusting that to us, we want to make sure we are in a place where we are serving the end user while serving the client. Apple is very restrictive and very good at making sure the apps we launch on their system are built in the best way. The best way to do it is thinking about us on occasion and having that two factor where it texts you and you also get a confirmation code. Then it is just protecting the data. In your cloud service provider whether it is Amazon Web Services or Microsoft Azure, making sure that information is secure and you are treating that in the best way possible.

CEOCFO: *How do you ensure an app is really user friendly?*

Mr. Johnson: We have had a lot of experience making apps for non-technical users, whether that is going to be the user of an application and let us say they are not experienced at all, so they need to have some sort of training work flow that they are learning about the app before they dive in there, so it has curated prompts around where to click on next, teaching them how to use it. You have to be very intentional around what they can do on each stream, so you do not want to overwhelm them on options and all these advanced features and you need to make is simple. Look at the data. If people are not getting into those really detailed screens, why are they on there? It is kind of dropping them off later as you learn about how the user interacts through the process. The number one thing is listening to them, learning from them on how they are doing a current process and how it could be better.

CEOCFO: *Michigan Software Labs is listed as one of Inc. Best Places to Work. Why is Michigan Software Labs in that category and was it that way from day one or did you realize over time the importance of corporate culture?*

Mr. Johnson: Winning the Inc. Best Workplaces award was a big honor for us. I think Michigan Labs has been able to have a good reputation because we do put the team first even above other really important things like clients, vendors and all those other things. Sometimes that leads us to make really hard decisions but we also provide all the things that you would want. Competitive salaries, we pay 100% of the premium for the health insurance so they can have a benefit there and that is something that we have done from day one. We are trying to be generous and true to our team members like we would want to be treated. That has helped us to have a good reputation and be sought after by candidates.

CEOCFO: *Are you finding it difficult even with that to attract talent these days?*

Mr. Johnson: When the Inc. announcement came out, we got a lot of attention, so that helped. As we think about growing the team and as we think about trying to find the right people, it is that. Are universities and colleges producing the right type of talent that is going allow us to keep growing and serve our clients? We think about it a lot. I would not think we are in a crisis at all; we actually have a good number of applicants for the openings that we have.

CEOCFO: *As shown on the Michigan Software Labs site, giving back is important/. Where do you focus your efforts and why is it important for you?*

Mr. Johnson: We want to encourage students to take an interest in software development. That is why we help out with BitCamp, Girls Who Code, Junior Achievement, Women in Computing; we are interested in sponsoring events that can be giving back to the community and helping them. We not only host it but we have gone into schools before and given our tablets to kids and really tried to encourage them to pursue software development as a career.

CEOCFO: *Are some of your clients on an ongoing basis or is it mostly project by project?*

Mr. Johnson: Most of our work is developing custom software and apps for them, so it is ongoing, but different projects have different release schedules. For example, you might release a project every other month because that is what your users require and other times you might just release once per year. It depends on how iterative and frequent you need to be pushing new content to users.

CEOCFO: *What are you personally surprised we can do with technology today and what are you surprised we cannot?*

Mr. Johnson: I think the surprising thing is the disruption of how one small app can change an entire industry and change the world. You think about the Ubers and AirBnBs in the world that are disrupting this whole industry, which is something that fits into somebody's pocket. That is always surprising to me, how technology can be so powerful when it truly focuses on what the user wants, not necessarily what is always best for the corporation. That is surprising for me. I think AI and the way that it is being used is really good at the prediction engine but not necessarily great as a decision engine. It is still coming around to where it can make better decisions. Right now it is a really good predictor and when you get enough data into your algorithms and your models and it can be a good predictor but it is not quite there in making decisions as a human can. That is yet to come.

CEOCFO: *What is next for Michigan Software Labs?*
Mr. Johnson: We are going to continue to grow and hire great people and do meaningful projects. We are looking at expanding our office to double in size over the next few years, so that is going to continue to be our focus based on if our clients want us to grow. Now that we have won the Inc. Best Work Places award, we are also looking at other ways that we can give back and celebrate those in our community, so we will continue to do that as well.

CEOCFO: *Final thoughts? Anything that people might miss when they look at Michigan Software Labs?*
Mr. Johnson: I think when you think about a custom software company that is just doing services, I think you can miss how important that business consultation is. We have seen many projects and we have developed a lot of software, but our impact can also be helping the business. That is why we have created the tagline around "building software, elevating business". If you build great software but the business does not win, we have not truly fulfilled your mission for the project. For us, it is about helping the business win as well as building great software.