

Karen Zelnick:

Founder journeys are never the same. Today, we're talking with someone who started their career as a musician, had a layover as a financial advisor, and is now a founder of a startup that is currently raising in one of the toughest fundraising environments we've seen. Join us in today's conversation with Reese Harper, CEO of Elements, and investor Gavin Christensen as we bring you both sides of a Perfect Pitch.

Perfect Pitch is a podcast from Kickstart that reveals the minds of both investors and entrepreneurs throughout a startups journey. I'm your host Karen Zelnick, and I'm excited to introduce you to today's guests. I'll start out with Reese. Since 2020, you've been the CEO of Elements, which is a turnkey solution for financial advisors who want to provide a better user experience and more value for their clients. And before that, you founded Dentist Advisors and were a financial advisor for Northwestern Mutual. You are a mentor at the, this is a tongue twister for me, the Associate Entrepreneur Founders Organization, where you help mentor students interested in entrepreneurship and technology. You have a love for the arts including live music, theater, writing and you enjoy traveling with your family, community involvement and of course outdoor recreation, which includes one wheeling, which Gavin is a fan of. What else would you like us to know about you?

Reese Harper:

Gavin is one of my mentors in outdoor tech. He got me on the one wheel train. I'm now a semi-pro flight boarder.

Gavin Christensen:

Yep.

Karen Zelnick:

[inaudible 00:01:28].

Reese Harper:

I use that term very loosely, but really enjoying the flight boards, plural.

Karen Zelnick:

So you have multiple now. That's amazing.

Gavin Christensen:

For the record, actually, you sent me the text, and I was like, "That's so great. Getting a flight board." And then I think you'd bought two before I was like, "Maybe start with one." I mean, what an amazing experience it is to be on that board on the lake, feeling like you're flying above the water. I mean, it's just-

Reese Harper:

Totally, they should sell them in pairs. They don't right now, because it's like my birthday present for a several years now.

Gavin Christensen:

Yeah. Same here.

Reese Harper:

My wife and I have had conversations about how much more she still gets to buy now. Since I splurged on this family toy.

But yeah, I came into my career being a financial advisor. I did start at Northwestern Mutual back in '03. I started my own firm about four years later.

I learned kind of quickly that being a financial advisor was not what I thought it was cracked up to be. Meaning I didn't find there was as many mentors and kind of competent service providers as I was hoping. I came from a non-financial background into the financial services industry, which is actually really common, which tells you a lot about its professional pedigree as well. Because I was a music major for my undergrad. I did a master's in finance, but apparently as a music major I was qualified to be a financial advisor. So they were recruiting me hard out of undergrad.

I was being employed by some other financial advisors, and I would kind of see that it was the same answer to every question. It started making me really uncomfortable, and so I left. After a few years of working there and getting some experience, I had enough confidence to start my own business, and that was Dentist Advisors and grew that for a long time, and still own that today. It has just been a great experience.

I learned a lot about how to give advice to dentists and dental school, to really wealthy dentists that own large franchises across the country. Then during that process, decided that there was a platform to build and a piece of software that could emerge from that experience, and now I'm doing that at Elements full-time. Elements is helping financial advisors around the country lower the cost of giving really good advice.

Karen Zelnick:

Thank you for adding that context for everybody.

Reese Harper:

Yeah.

Karen Zelnick:

Gavin, it's always great to have you back on the show. I do want to clarify, though, have you guys been one wheeling together?

Reese Harper:

We've done a few rides, I'd say.

Gavin Christensen:

Kez, I heard there's a rumor that you may have tried the one wheel or thinking about it.

Karen Zelnick:

No. I haven't, but I want to. I love stuff like that. I wish that I had skateboarded more when I was younger. So really the takeaway from this conversation to me is that I really need to step up my game with my outdoor electronics. Reese, I am told that you are also a talented content creator. In fact, Elements actually provides a wealth, see what I did there of educational resources on your blog and

social platforms. So as a founder with limited time, what led you to devote so much time to this initiative?

Reese Harper:

Well, that's a great question. Number one, there are some really amazing content creators in the world and I feel like I learned from them every day. I think genesis for wanting to create content was the leverage of being able to share something that has a larger impact on the audience that I care about. I didn't really think about it in terms of making money or anything, but when I have an answer or I have something I believe is important to say out loud, there's always discomfort of, should I say this or not? There's always tension in life of like, am I going to say what I think is on my mind or am I just going to shut up and not say anything? The people that choose to open their mouth and say what's on their mind start to get feedback really quickly, and usually what we hear is that people disagree with us.

That's the first thing, is a lot of disagreements, a lot of tension, especially in a one-on-one conversation. Because we're not super good at communicating, and sometimes we communicate in a judgmental way or very critically, or sometimes we're a little harsh. We've experienced tension of why don't I have friends, or why do people seem to not like me? Or why does no one my posts, or why is no one reading my articles? That's the creator's journey most often. Occasionally, you're Seth Godden, and it's just like somehow, you're the voice of God and everyone just reads you from day one. The rest of us didn't have that natural voice, that natural kind of candor, the brevity, the wit, the humor. Some of those are just gifts that people are born with. The rest of us, our cross to bear is sort of like, can we speak up and share what's on our mind, or we just going to be silent for most of our lives and just not say what we think?

And so as we learn to share and we learn to start talking, I feel like we get feedback. It starts shaping the way we see the world, and we start developing so much more empathy for people around us. Because we see that the way we saw things was not necessarily the way things are. To me, that's why I love content creation, because it teaches me the truth about what a customer really thinks. I just have never really viewed content creation as building a business. I've just viewed it as learning about people that I care about that in a very specific audience, and it just brings a lot of people with different ideas together and helps create better understanding and more empathy. So that has obviously deep implications into entrepreneurial strategy and go-to market and demand gen, but it starts with just being curious and trying to learn about people that you care about.

Karen Zelnick:

We've spoken before on this podcast about the importance of being curious and really understanding your customer and finding ways to speak to them and get them to speak to you. And so I think content creation and thought leadership and that aspect is interesting, in addition to all the things you said about just being curious and getting to know people. But Gavin, I would love to know your thoughts on founders devoting time to thought leadership.

Gavin Christensen:

I think we're moving into a period where it's not always required but often can be, especially in the broad categories that we'll call vertical SaaS companies; where you're essentially automating business for a specific industry, and so you're therefore getting really deep into workflow and industry, and really helping people do their job better. And so really being able to speak in an intelligent way to their experience, to their way of viewing the world, their language and how your solution helps them solve problems that are not technology related.

One of the thoughts they had on some of Reese's comments is content creation has obviously been incredibly changed by the rise of social media and sort of instant reaction. It's not for the faint of heart. There's a lot of ways for it to go sideways. What you don't want to do is end up with a message that's so nuanced you're saying nothing, which [inaudible 00:08:59].

Reese Harper:

I think you could sense from my comments, that's one of the things where you can tell if you're not careful, you can be just kind of word vomiting on your audience. It's confusing and it isn't focused and it doesn't support any of your business initiatives. I think for me what's been helpful is having a daily writing practice for 30 minutes, and I just write what's on my mind. I don't just publish that, I don't just push that out. I do have a filter that I pass it by that knows me really well, and that helps me kind of get a sense if anything I'm saying is sort of so far off message, so far out of bounds that maybe it shouldn't be said. I think that's really important. I really instruct that first person not to edit me too heavily. Don't be too scared to let me say the hard thing.

I think podcasting very different than written content, but I published my first draft light edit into a private blog that's not in our corporate brand. I started just a year ago developing a new audience. Because I hadn't been writing to financial advisors before, I was writing to dentist. My dental podcast had 30,000 dentists listening to it, but I didn't have any financial advisors who I was speaking to.

And so, I got to start building this new audience. I felt more comfortable having a private place where I could just say what was on my mind that people opted into and said, "Oh, that's Reese's personal blog. They're just his thoughts as a financial advisor speaking to other financial advisors." And I published to that audience rather frequently. But from that, we get a lot of our inspiration that then helps us establish a marketing cadence that's more in-line with our product releases on our quarterly kind of rocks that we're working on. So it's helpful to kind of have a place where I can dump and a place where I can publish that's also a safer place.

Blogs are kind of going out of date. Blogs are not as effective as they once were. But for me, they're the best place for me to start working through my ideas that's not just mired down and overly filtered and overly edited. Then I'm able to allow our business strategy to take from my vision and modify that. I trust my team's input on that. So that's important for me.

Gavin Christensen:

One thing I would jump in here and say is, you heard about Reese's background; you heard about his career journey, where he started in financial services, launched his own services firm, did really well with that and is now building a SaaS company for that industry. This is a great illustration of, you take an inventory yourself; say, "Hey, I'm not technical. I didn't have a CS background. I don't have a coding background. I may not even have a product background." But you can see how Reese has parlayed some strengths in communication, being a creator. Of course, has a master's in finance; he's built a lot of the other rocks around quantitative ability and understanding of this industry, the ability to execute... Just recognize there's a lot of science ability in technology companies, there's a lot of art, too, and a lot of the special stuff is combining those two things. I think what you're seeing with Reese and many other entrepreneurs that we're fortunate to work with, is they're able to combine those two in a magical combination and also find folks who fit. Reese has done this recently, with bringing on folks like Wade to really make the trains run on time, for example, or other key design and engineering heads. But it's cool to think about how his background has come together for this startup, and how you might think about it for your own startup.

Reese Harper:

Yeah, that's a really important consideration. I, probably four years ago or five years ago, would've not seen myself as a venture-backed founder. But found myself in the last year... I mean, we took our seed round from Kickstart at the end of 2021. I've totally fallen in love with the industry of venture-backed startups. I would've been so nervous about that, so worried that maybe this background I had as a services provider... I mean, I have a large services enterprise, I would've felt like the speed and the difficulty and the heft of going into a grind would've been a little destabilizing. Maybe I didn't have the chops, maybe I didn't have the expertise.

I think if you actually have a really clear vision of an improvement or a change that you want to see made in the world, and it's a strong belief, a strong vision that's been shaped by experiences that you've actually had, people around you can feel that and they can sense it. It's been really incredible for me to watch how many people with different skills that are not my skills show up to support and back that vision, because they see that it's something that should exist. That's a gift. Just witness the goodness of all those people that come together.

Karen Zelnick:

Gavin, you hinted at this a little bit, Reese's ability to attract top talent. I want to shift gears into that because I think it's a really important takeaway for listeners. Could you speak to Reese's ability to attract talent and what you think it is that allows him to do that?

Gavin Christensen:

Yeah, you bet. When Reese met with us, he did a good job of meeting with us through some people we really trusted early on before he even decided to build Elements to kind of get our advice on pursuing that path. We were impressed with him during that process, thought, "That was a pretty interesting founder." The bet was could he bring the product and engineering chops and marketing chops around him to scale a different kind of business?

What we saw was great vision, which was very transferable between the one business to the next; and a real ability to story tell around that vision and attract people of rare talent. Certainly in the services business, but even next level as he started to build the product-based business.

What I always say about great entrepreneurs, it's analogous to kind of getting a fire going. Here in the mountains in Utah, it's cold. There might be some snow falling, and the entrepreneurs are there working the wood, the kindling, the flint and steel, whatever; and there's a lot of smoke coming up. Even though you're like, "That doesn't look very promising, but boy, there's a lot of smoke coming up." Entrepreneurs do a great job of making a lot of smoke come out of an early fire or early flame when they really shouldn't; and one of those early smoke signals is definitely incredible people leaving jobs, leaving great careers, having great personal brands to follow the lead or the vision of an entrepreneur.

We saw that with Elements consistently throughout, and that's been true of many of our best entrepreneurs we've backed, is the ability to get incredible talent advisors and eventually funders to do the same. And it's based on these signals of like, "Wow, this person is leading somewhere interesting." It's actually kind of one of those really profound things you learn in backing entrepreneurs, is that people want meaning in their lives; in their careers, in their personal lives, and we all have ways to make that and realize that. A great entrepreneur takes a business challenge and problem, and wraps it in very actual meaning. So it means something, it's important. Something that humans care about, and then great people are drawn to that.

Karen Zelnick:

And Reese, how do you go about, for lack of a better word, promoting that?

Reese Harper:

There's a lot of people doing this better than me. My feeling on this is that it's more about authenticity around your belief than it is how you're articulating it. When you've got two weeks of payroll left in the bank and everyone knows it, the question is why are they still there? The odds are very much not in their favor, and somehow their talent is just standing there still.

It really does start with does the founder actually have clarity of their vision? Have they done the work to articulate it to themselves? Have they written it down enough? Have they spent those 30 minutes in the morning I talked about doing a writing practice? That's what gets you to your vision. It's what gets clarity of thought.

And if you feel like those conversations with each team member, each employee, starts leaning towards compensation or starts leaning towards equity, or starts leaning towards benefits; and you can tell that this person isn't really content building the vision with you, they're caught up in kind of a periphery part of the job. I immediately try to get to the place where I'm like, what is it about this person's experience that I missed or that they haven't had that didn't get them onto the vision with me and get them aligned with vision? It doesn't mean they're not going to have great benefits or great compensation or a reasonable compensation package; but as long as you have that anchor, then I think people can just feel that. They'll go, "I don't want to know what it would've been like watching from the sidelines. I want to be there." I mean, we all want that. We want to be there when it happens. We don't want to be the ones that left. That's just human nature, and I think it's a beautiful part of startups. It's a lot of belief from investors to employees, to advisors to consultants, to service providers that service the startup community. It's a beautiful thing to watch.

Karen Zelnick:

Thank you for that very specific insight. That's what we're always really hoping to get to on this podcast.

I want to shift gears again and talk about fundraising. It's always on founder's minds, but I think particularly right now and the environment that we're in, looking at what's going on and you're actively fundraising. So I would love to know what you're seeing, any insights you have that you could share with listeners.

Reese Harper:

I would like everyone who's fundraising right now to know, I thought I was a good fundraiser and this market has made me wonder if I'm a good fundraiser. This is a challenging market. I have deep conviction in my vision, and this market has made me question my vision more than any other market I've been a part of.

So in one sense, it's been some dark days and some difficult times where you're like, "Dude, why did they say no? It doesn't make any sense." And it's also been the most rewarding, the most fulfilling to see after dozens and dozens and dozens of pitches, it wasn't my first five pitches this time.

I called one of my friends, Davis Smith, who's a founder at Cotopaxi. I was certain that I knew the answer to this question, but I just said, "Dude, how many times did you have to pitch to get a round raised?" I'm going to try to quote him verbatim and he'll probably have to clarify this with everyone that floods him on social media after this, but he said, "Dude, you'd be surprised. It really just always came down to one term sheet." He's raised for so many great VCs, you'd assume that this was a second, third, fourth, fifth

term sheet behind dozens of people that wanted to fund the rounds. But he just kind of jokingly told me, he's like, "I think I have over a thousand people that I've had to talk to, over all of my years of fundraising. I think the first lesson I've learned is nothing is going to make up for grit and volume during fundraising. It's just about volume. If you get 20 nos, that's just one more no towards a yes. If you get 40 nos, there's another yes there."

The second thing I'd say that I learned a lot from this was pattern recognition in the nose is really, really valuable. Don't let anyone ever say no and not give you something substantive. You invested time in going through a process with them; they owe you something substantive. And make sure that you don't leave until they give you something a little bit more substantive than like, "Ah, it's just not good timing. We'd like to stay in touch." That's not quite enough. You don't have to be uncivil, but sometimes I've had to be kind of assertive and just say, "Look, I realize you're slammed, you're busy. Can you give me a little bit more concrete feedback on the one thing that made you walk?" I was able to take those one things from this fundraising process that we're going through right now, put them in my spreadsheet and start to narrow down and pattern match. Where are the one or two things that seem to be repeating in these nos? And man, that made it real easy to go find where the yeses were. Because when you saw yes and the yes didn't contain those nos, then there must be a reason why they're saying yes despite those nos.

So I found in this round there was a class of investor and an investor type that had experience at my stage and with my customer, that was palpably different than someone who was trying to get up to speed on my space and my customer. Some investors are just going to naturally understand your customer. There's nothing quite as resonant as meeting with an investor who deeply understands your customer, too, because they've sold into your customer. They know where the bodies are buried. They know where the lions are hiding behind which bushes. That person will generally say, "I still like it, but here's how we're going to get there." That's beautiful. I think it's amazing process for founders to go through, and I love fundraising. I want to be done, I want to be done. But I learned so much in that 90 day process that you go through that it will shape the business for the next decade.

Gavin Christensen:

I think those are great insights, and I think it underlines just how much fundraising is an enterprise sales process; you can't take the volume or the grit out of any sales process. I think that approaching it with curiosity and humility, and saying, "I have the chance to interact with all these individuals who are smart, accomplished individuals. Hey, they're VCs and they're flawed and all these various ways, but they're smart, intelligent people who are meeting with me and looking closely at my business. What can I learn? What can I gain out of the process, in addition to money that I raise?" That's the right mindset, I think, to take into it, and I think that more entrepreneurs need to have that approach of it's going to be volume and grit that gets us there.

For Kickstart, I've raised, I'm close to half a billion dollars and there's been a lot of nos. I always joke that for so many years, the last thing I need to do is give someone another reason to not invest in Kickstart. We're at a better place to raise money now, but it's a lot of nos. You never know who says no once and says yes the next time you might need, and so play a long-term game. Treat people, be assertive in trying to get something of value for yourself. I think that's great advice from Reese and recognize that this environment is uniquely challenging. Reese is an incredible fundraiser. He's got a great business. This hasn't been easy for him. I think it's good to recognize that this is uniquely challenging for everybody right now. So sometimes your best fundraising strategy right now is to not fundraise, or find ways to avoid it, push it off, simplify, reduce, get money from customers; because it is going to be tough for a while.

Karen Zelnick:

I love that it speaks to that curiosity that you have that you mentioned the beginning. I know you do need to go, but we like to end the podcast asking all the founders the same question. So I would love to ask you, Reese, what's an effective practice that you've implemented in your work or personal life that you think has had a great impact on your success?

Reese Harper:

I would say, oof. I'll give you a threefer. They're short, but three things that kind of all are in line.

One, I never start my day before I've got my heart rate up to 150 for at least 30 minutes. So I'm never going to get into talking to people or engaging with other humans until I've made myself a really nice black coffee and exercised for at least 45 minutes. So I want a morning routine that's exercise-oriented, and I read a book for 15 minutes. I just don't let myself get into the hustle too quick.

Second thing is I write every day for 30 minutes. Even if I don't want to write, I write and I get it out because it helps me document some patterns, maybe how I'm behaving and seeing the world and thinking, but also gives me a chance to sort of think through the problems.

The last thing I do is once a week I will meet with somebody new who I've never really met with before, and I'll present them something about my business that I'm thinking about that week. I'll just give them the facts and say, "What would you do in this situation?" Sometimes it's an email, sometimes it's just like today I met with a VC that about a month ago passed on funding our round. And I just said, "Well, you're in Utah, though. I'd love to meet and just keep the relationship going." Sometimes it's hard to meet with a VC that says no to you and want to be friends. But I wanted to lean into that and just met with them over breakfast and gave them a set of facts I was looking at, and said, "What would you do?" You don't always have to agree with them, but man, this morning I got some incredibly valuable advice from this person; and it was very confirming of something I was contemplating, but I was thinking about it a little off. So those three things work hand-in-hand, because after I have that meeting, I want to make sure and write things down. I think that just having a little bit of time to get your heart rate up and move helps you be able to process all of that feedback in a little bit healthier way.

Gavin Christensen:

I love what Reese said. I'm a big believer in morning routine, setting the table for the day, and I love the idea of making time to write in a way that's broad-based and open versus directed. It's a practice I would like to reinstitute for myself. I try to protect my mornings a little bit so I can have time to think more creatively about the business and across what Kickstart's doing and not specifically on a to-do list.

I know for me the problems seem more overcomable and solvable once I've gotten through kind of the exercise process in the morning and competed on something generally lost, but feeling energized to take on these more long-term problems. So I love what he said about writing and morning exercising. Those are really powerful. Simple, but powerful tools that I don't know that many people who are successful who don't certainly have some of that in their routine.

Karen Zelnick:

Yeah, there's a group called Creative Mornings. You get together, it's been on Zoom since COVID. But you do a writing exercise together, you do something. Sometimes it's a half an hour, sometimes it's 40 minutes, and it's just amazing what it can do for your day.

Thank you so much for being on the show with us today. I've loved all of your insights. There were so many of them and we are very grateful. So Reese, Gavin, thank you for being on the podcast today.



This transcript was exported on Jan 25, 2023 - view latest version [here](#).

Gavin Christensen:

Thank you.

Karen Zelnick:

And of course, thank you for listening as we dive deep into what it takes to create the Perfect Pitch. If you want to learn more about our investor, Gavin Christensen from Kickstart, or our CEO, Reese Harper from Elements, we'll have a link to the company and a longer bio in our show notes at [kickstartfund.com](http://kickstartfund.com). You can listen to more episodes of Perfect Pitch wherever you listen to your podcast, and if you like what you're learning, leave us a review or rating. We'll be back next time with more insights from entrepreneurs and the investors who fund them, so be sure to subscribe so you don't miss a thing.