URL: https://ecorner.stanford.edu/videos/problem-solving-for-a-unique-market-entire-talk/

Dave Vasen is the founder and CEO of brightwheel, the leading subscription software platform for early education. In April 2016, Vasen appeared on ABC's "Shark Tank" and secured a $600,000 investment at one of the highest all-time valuations for the TV show. In this conversation with Stanford lecturer Emily Ma, Vasen shares his experience creating a software solution customized to fit the particular needs of the early childhood education space.

Transcript

(electronic music) Narrator Who you are defines how you build.. 00:00:11,176 - Today, I am so excited to welcome Dave Vasen to ETL.. 00:00:13,800 Dave is the founder and CEO of BrightWheel, the number one platform in early education and one of the fastest growing private SaaS companies.. With BrightWheel teachers save valuable time in the classroom, administrators can oversee the business, and parents get a real-time view of their child's day.. BrightWheel is the top reviewed product in early education, a 175 billion US market.. Throughout his career, Dave has been a passionate leader in education technology at companies including Amazon, Cisco, Teach for America, and he was a consultant with Bain and Company as well.. Dave is also a first generation American.. He holds a BA from Stanford University, class of 2003.. Woo-hoo! And an MBA from the Wharton School.. He lives with his wife and two daughters in the Bay Area..

We're gonna kickstart with a video and huge welcome to you, Dave.. - Thank you.. 00:01:10,744 (intense music) Hi, sharks.. My name is Dave Vasen.. I'm the founder and CEO of BrightWheel, and I'm here seeking a $400,000 investment for 4% equity stake in my company.. - Ah.. 00:01:25,080 - Brightwheel is the mobile app 00:01:27,360 for preschools, daycares, and families.. And we are completely revolutionizing early education.. Now, I believe all of us are parents here, and I wanna ask, when you come home after a long day and you asked your kids, "What did you learn in school today?" Does this sound familiar? - We did everything.. 00:01:41,277 I did..

I'm not gonna tell you.. (Barbara laughs) - I don't know.. (Barbara laughs) - Right? 00:01:50,216 This is the experience for millions of parents across America every single day, and especially for younger kids.. You've been apart from your little human being for 6, 8, 10 hours a day, and that is all you get.. You know, you wanna be a part of their day.. You want to add to add to their learning once you come home and you can't, and it's gut wrenching.. And on the other side, on the school side is no better.. In addition to actually educating our kids, teachers are managing a ton of paperwork.. Let's face it, they're actually managing parents.. And on top of that, they're even running a business..

The system is broken and BrightWheel is the solution.. So let's jump in and take a look at how BrightWheel works.. So with BrightWheel teachers can easily check kids in from the mobile app.. They can log activities and assessments during the day.. They can send quick updates and they can even manage their business all in one place.. And we're just seeing an amazing

amount of photos every single day on BrightWheel, and this is the reason.. You take it, you tag it, and you are absolutely done.. And now we're gonna look at the teacher app.. So this is the teacher's room and we're gonna click on "activities" at the bottom here.. And this is all being done on paper today..

And so we've taken it and combined it and made it super fast and super easy.. And so we're gonna click on "nap" here and then we're gonna tag three kids that just went down for a nap.. And the key about BrightWheel is that we're saving teacher's time.. You actually have measurably more time with kids every single day.. And now we're gonna flip over real quick to the parent experience.. So let's jump to the mobile app.. This is actually my little girl Serena, and this is her day.. And as you can see, I get a sense of not only what she's doing, but what she's learning.. And so when I come home, I can actually have a conversation with her about it.. My connection with my little girl is so much deeper because of BrightWheel..

And by the way, in the middle of a pretty tough day, it doesn't hurt to get a photo like this.. (investors laugh) Sharks, this is a unique opportunity to build a massive business that has a massive impact on people's everyday lives, and that's something that we hear every day.. So hope you're joining Serena and our team in bringing BrightWheel to every preschool, every daycare, and every family across the globe.. - Wasn't that cool? (Dave laughs) That was so cool.. (audience claps) I've watched that so many times, but I'm gonna keep them all in suspense and not talk about Shark Tank until the very end.. - Deal.. 00:03:49,800 - So let's start with actually how this all started, 00:03:50,970 like the origin story.. So you know, you've been interested in education since your days in Stanford and then Teach for America and Amazon.. And even when you weren't working directly in education, you still sort of carried the through line.. - Yeah..

00:04:04,156 - And so you have a pretty special story 00:04:06,120 about how this all got started.. Would you be open to sharing with our audience? - No, of course, yeah.. 00:04:09,630 For me it does go way back.. So personal actually and it has relationships to my time here at Stanford.. So both my parents are immigrants.. They came to the US, the very classic immigrant story.. They kind of paid their way through school.. Were were able to get an education.. Like literally my, you know, my dad washing dishes in the cafeteria to make their way through.. So growing up it was always very clear that education was their bedrock and enabled our family in a very real, very tangible way to have the life that we had..

So that was always there growing up.. And then actually when I, I don't always share this part of it, but when I came here, literally my very first week on campus, I was in (indistinct) if anyone, if that speaks to anybody.. And so my very first week on campus, we have like our first dorm meeting.. I'll never forget this.. And like we had a guest come in and it was a teacher from Teach for America who was over in East Palo Alto.. And she came in and basically just asked for help.. And she actually got emotional in the moment just saying that she was really struggling with these fourth and fifth graders who were in a tough spot.. Now I'll date myself, but back in like 1999 East Palo Alto was not what it is today.. It was one of the worst zip codes in the US and it was really tough.. And so I went out there, you know, that week and kind of every Friday over the next four years..

And what we saw were kids that were really, truly headed like in the wrong direction and mainly through the work of their teacher but this program that we helped create, you saw like a complete change in the trajectory of their lives.. And so for me, having experienced that in my life, having seen it very real in theirs, the spark was there of like, how do you scale that? - Hm.. 00:05:35,550 - How do you create that experience 00:05:37,350 for ideally many, many more? Not one to some, but one to many.. And so actually my senior here, I created a piece of software to try to bring that to life.. It never launched it.. It was horrible.. Like it was, that was back in the day of like the dot com boom when software you thought could solve everything.. Classic like software eating the world.. But the spark was there.. And so from my journey from there to Cisco to Amazon and everything between has always been about whether it's the teacher, the parent, the child, how can tech be an enabler and an empowerer and ideally something that creates scale for impact? - Amazing, amazing..

00:06:10,110 So you talked a little bit about fourth and fifth graders.. So clearly you had already begun the discovery process even, you know, while you were an undergrad, but you didn't start BrightWheel until you had Serena in tow, right? - Right.. 00:06:21,233 - She was an infant.. 00:06:22,066 A lot of people think, "Oh, it'd be impossible to get a startup going like with like an infant." Right? - I don't recommend it generally, but yes.. 00:06:26,730 (Emily laughs) - But you did, and so like what inspired you 00:06:30,913 to take that on? - Yeah.. 00:06:34,003 - With Serena, you know, as, I don't know, 00:06:35,610 a 18 month old in your arms? - Yeah, so at that point I had, like, so at Cisco, 00:06:39,390 I worked on online learning, one of the first kind of main online learning courses.. At Amazon, I helped build the education team for Kindle, kind of taking that device to market.. I even, at one point, worked on physical schools, creating them.. So I had attacked and looked at education in a bunch of different ways, mainly in the K-12 space.. And so I think a lot of interest, investment, and just entrepreneurship ends up in that K-12 space, maybe in higher ed..

And so I was at that moment in my career where then Serena shows up our, our first child.. And I never thought about what happens before the K of K through 12.. And so, you know, K traditionally starts at age five or six.. In retrospect, it's very obvious the kids don't just show up ready to go at age five or six.. - Yeah.. 00:07:19,740 - But like I had been zoned into that segment 00:07:21,450 and never thought about what happens before.. And when she showed up, I was the parent in charge of childcare and I started going very, very deep on our space, and I can tell you more about it, but for me what was profound was just the impact that was there and the opportunity that was there.. And so that was the pull and it wasn't, again, I actually don't recommend starting a company with like a three, four, or five month old.. At the time, it's not the easiest thing,

but it was really inspired by, you know, by her coming into our lives.. - Wow, wow..

00:07:49,555 Well, if somebody did have a three month old, any tips for them if they were to start a startup in that sort of circumstance? - I mean, I think go in eyes wide open, like, you know, 00:07:58,640 I think both are gonna pull you in different moments in different ways.. And it's the early journey, in particular, entrepreneurship is really tough.. So I don't think there's anything you can do to blunt that.. I think it's just be ready for it probably.. - Hm, okay, well be ready for it.. 00:08:11,623 You can do it with a three month old.. So let's dive a little deeper in the discovery process.. - Yeah.. 00:08:20,040 of looking for childcare for Serena because both you and your wife at that point were also working.. - Yes..

00:08:24,870 - What was that like? 00:08:26,583 Like what were the steps that you took to really understand the pre-K space? - Yeah.. 00:08:31,140 So for me, the first thing that was really compelling was just understanding how important it was.. And again, I literally had just had, you know, blinders on or whatever it was to this part of the market and realizing that when you look at the child, the first five years of development are arguably the most important five years of development in development of a human being.. It's just so critical in every way for certainly cognitive, but physical, emotional, every type of development.. And then you look at the family, as you mentioned, families need, and I felt this very viscerally, they need childcare to go to work every day.. It's the number one determinant in women's workforce participation.. It's usually the biggest check the families are writing.. It's either rent or childcare.. - Oof.. 00:09:05,100 - And depending on your zip code or the number of kids, 00:09:06,583 it's usually often childcare..

So it felt profound in terms of how important it was.. And for me it was just that pull of like, okay, I've been looking for impact.. It's here, and what can I do? And the natural orientation for me was, I'm a parent, I'm gonna go out and solve a parent problem.. And so that was my first orientation.. And back then, this is 2014, I got really great advice.. Just go and try something.. Like I think a lot of people toil, design, iterate, think for a long time, you know, on their own.. And I was on my own at that point.. I got really great advice, just go out there.. And so actually early on in this journey, I was actually on parental leave, you know, for Serena..

I started going out and it started just trying to get her into actually a childcare space and feeling the pain of that.. I started kind of developing some parent-related products.. I quickly realized that I was off course.. And I think being able to really quickly, early talk to users and in particular who were going to be the determinants, like the buyers, in this case, it was the small business owners and the administrators and the teachers.. They were interested in the parent problem but that wasn't the biggest thing on their minds.. Like making parents happy actually wasn't the biggest thing that they needed to solve day-to-day.. And so it was a quick pivot into, okay, what are your biggest challenges? And doing a lot of observing and listening and just asking, like, not going in there with any predispositions of I know technology, I can solve your problems.. Just asking, "Hey, like what is most challenging for you? What's the most time consuming? What, if you can take one thing outta your day, what would it be?" And having those conversations as well as just observing the workflows that they had, which honestly were pretty tough to observe.. Like they were really painful.. These folks are, even in the hub of Silicon Valley, even in like the tech capital of the world, running on paper more or less..

Paper checks, maybe like really old spreadsheets, horrible software, and kind of band-aiding together these different systems.. We benchmarkED like 15 different tools - Wow.. 00:10:58,470 - that they're using to run their small business.. 00:11:01,680 And it's no different than a restaurant or a yoga studio or pick your small business.. But this was one market that really had never had adequate tools and really no one took a modern SaaS approach to saying like, "How do we solve those problems?" And it was at a time and there was a trend towards just building more dedicated software for dedicated verticals.. And it just happened to be that this was a very big one without frankly any, you know, real software.. - You know, you also pointed out, 00:11:27,321 I think in some of your other sort of talks, that this space is also pretty regulated.. - Yeah.. 00:11:31,816 - Which I wasn't aware about.. 00:11:32,983 It's mostly private business owners, if not all..

_ Yes.. - And it's all regulated.. 00:11:35,880 Could you speak to that a little bit? - Yeah, it's funny 'cause I got to talk to other founders 00:11:40,560 who are in healthcare or they're in transportation and they're like butting up against, you know, like if you think about the Airbnb or Ubers like fighting regulation all the time.. We love regulation.. Like we're like, you know, regulation.. So childcare is highly regulated and it's 'cause the age of the kids, like there's certain safety things you have to take into account and it's very different actually than K-12.. And so it's a small business and a childcare licensing component and they have to deal with that.. And so every day they have to know physically where kids are, they have to know the ratios of teachers to students.. If a kid scrapes their knee, they have to look at that in a certain way.. And the nice thing is like all of that was being done on paper, super labor-ist, like being saved in a file drawer for a year..

Software can solve that in a really easy way and can actually like, make things a lot easier and more accessible.. And so the fact that like, we don't fight regulation.. We don't mind it, even like when COVID brought all these new regulations, we were able to quickly pivot and solve those.. And so there's different relationships, I guess, to regulation.. For us, it was honestly an opportunity to solve a problem.. - Huh, huh.. 00:12:36,083 That's awesome.. That's awesome.. And you know, I also thought it was really interesting that, you know, for you, you were able to go in just to kind of highlight what you said and round it out.. Like you were able to go in and do research for inspiration..

You actually went in with no sort of like, agenda, right? And that was a big deal, going to these folks because you had

discovered that a lot of folks, I guess, or even maybe yourself, you went into, you know, in some of your earlier conversations, like, you're like, "What if we solved it in this way?" And they'd be like, "No, no, no, that wouldn't make sense." But if you like asked an open-ended question, they were like, "Oh yeah, this is what I would do." And so especially with like cash and checks, right? And so I really loved your approach in doing the research to really suss out the problem before trying to build a product and sort of selling it.. - I appreciate that.. 00:13:23,220 I did it the wrong way first, to be clear.. (Emily laughs) So like, I went in there and I said like, "You don't have a mobile app.. Would you use a mobile app? You know, you're literally going to the bank every Friday.. Would you use online banking?" And the answer consistently was, "No." And that was almost enough to deter me.. And I had plenty of people also just saying, "Stay away from this market." So I was actually going about it the wrong way and then stepping back and saying, "But there has to be a way, like there has to be something here." And so then it was reverting and just saying, going down to like the first principles, fundamentals of, what are the biggest pain points for these folks and how can we solve that? And not having a perspective on it other than just being really, really curious and letting them guide me.. - Yeah, so for all of these, 00:13:58,655 those of you out there who wanna start a business, right? It might actually benefit just to open up the question a little bit and reframe it a little bit, to start with first principles and pain points.. All right, well you started a company.. It was just you and then you started to add people to your team..

And then you established a mission of really connecting educators and parents and administrators so that, you know, the pre-K space could, you know, thrive and, you know, you're addressing all these pain points.. You had that mission some seven, eight years ago.. Has that evolved? Is that still true today? Or how has that developed over time? - It's pretty consistent, and I think that's nice for us.. 00:14:35,730 There are companies that will pivot in a completely different direction and become something else.. For us, I saw that there was a big important market and an opportunity to solve problems for those folks.. And you know, for us it was, our mission is now, which has evolved wording wise a little bit, is high quality early education for every child.. And we focus in on the high quality piece of it and the every child 'cause we want BrightWheel to be everywhere and serve everyone and to serve every constituent in the market.. That piece hasn't changed.. I think what we have evolved on step by step is what are the right tactics to get there? And it's, you know, it's a huge thing that we may never fully achieve, but you know, how can we learn and iterate along the way and figure out strategy wise, tactics, execution, like what is the right step to take towards that? And you know, increasingly improve what we offer and increasingly bring that, you know, to more and more folks in our space.. - You know, the other part of it is, 00:15:22,543 the question that might come up is, why not just use a generalizable platform, right? - Mhm..

00:15:30,630 - Yes.. 00:15:33,559 - Right.. 00:15:38,070 Mind sharing that? - Yeah, well it's great cause like for anyone out there, 00:15:42,450 like exploring things, there were so many people that tried to talk me out of this early on and that was one of the things they said of like, "Why would they?" Either, "Why would they adopt technology in your space?" Or "Why wouldn't they just use other tools like QuickBooks or Microsoft?" or whatever it is.. And you know, in some cases, maybe the market is too small where it doesn't matter to solve that problem.. But if the market is big enough, solving a problem that is, albeit, maybe small but meaty, can be really meaningful and the reality is trying to take QuickBooks or Square or anything else, then adapt it to our market or even, you know, tools built for K through 12.. It's really, really different the way that they run their business, the way that they manage their staff, the way that they are regulated, as we talked about.. All that's really, really unique.. And so I, you know, there's some things along the way that have been very serendipitous.. One was timing, where there was this trend of the verticalization of SaaS, which is like every major market now has actually one or two multi-billion dollar companies that are just dedicated to offering really, really great SaaS for that space.. And yes, you could maybe apply different tools, but the people in that space recognize that if I'm a restaurant, I wanna buy something that's gonna help me run my restaurant, right? And yoga studios I mentioned, or if you're a contractor or a plumber, all of that..

And so we actually are, you know, we share investors with all the leaders of every major vertical.. And it is actually just a strategy now, which is like, go out and be the winning software for that space.. Emily Amazing.. 00:16:58,710 - And I just think you can't actually fundamentally 00:16:59,543 solve their problems.. If they can't bill parents the way they wanna bill parents, if they can't manage their staff or track immunizations the way that they're meant to, you're not gonna actually get very far with them.. And our ability to speak to them and understand them is what, you know, enabled us to get to the scale.. - It's amazing that you really spent time 00:17:16,249 understanding the business model behind it, right? - Yeah.. 00:17:21,787 Let's talk about parents since you brought that up.. - Sure.. 00:17:34,727 data about, you know, their beloved children..

Could you talk a little bit about like, what you had to do to develop that sense of trust with your stakeholders? - Yeah.. 00:17:52,084 And that's the perspective I took.. It was really important to change that early and figure out who are we solving the problem for? And I do think a lot of startups get stuck trying to solve everything for everybody.. And so early in our space, like there's 860,000 preschools and daycares in the US.. - Wow.. 00:18:06,847 - So there's more preschools in the US 00:18:07,871 than there are restaurants to give you an idea.. - What? 00:18:15,930 and then within that, let's figure out who are we building for and whose problems are we gonna solve? And if we tried to solve the problem of the owner, administrator, teacher, and parent all at once, we truly wouldn't build anything, you know, of value for any of them.. And so we actually even, for the most part, really just focused on within the school, the owner, the administrator, and now the teachers.. How do we solve their problems? And I was joking actually with somebody backstage who used the BrightWheel and I basically apologized 'cause they're a parent and we haven't touched the parent app in like five years and we've just been really, really focused.. Yeah, no, it's like embarrassing..

Like I'm not very proud of that app, but it's been like hyper, hyper focused and I think a lot of people, again, get stuck

trying to solve everything.. For us it was like, even now as a larger company, we still have very limited resources.. Let's know what we're solving.. Let's focus on that, let's figure out how we're gonna measure it.. And I'm very excited about addressing parent needs over time.. Emily Hm.. 00:19:06,570 - Thankfully, they've been happy with the experience 00:19:08,400 that we give them and we're hyper, hyper focused on the folks who are gonna buy and use the software every day.. - Hm, hm.. 00:19:14,430 Raise your hands if you are using BrightWheel as a parent in the audience.. - Really? 00:19:21,888 At least users..

- I think they're fans.. 00:19:27,960 It was kind of interesting.. Everybody was at home, you know, parents were with their children.. Like what was that period like for BrightWheel and your users and your stakeholders? - For us as a company, I'd say first of all, 00:19:39,450 like we had already had three offices.. So Bay Area, Denver, and Austin already.. And so we had already figured out in some ways how to work across time zones and, you know, asynchronously.. So in some ways, that transition was maybe less harder than companies who were all on a headquarters every single day.. - Yeah.. 00:19:55,770 - Still challenges in being fully remote 00:19:58,148 and really scaling a company and doing all that and things we have to be really intentional about.. On the customer side, it was really interesting 'cause everything got really bad for a while and you know, our entire space shut down and there was a lot of fear there and our belief was that, you know, childcare ultimately is a fundamental need..

- Mm.. 00:20:14,417 - It was classified early on as one of the core services 00:20:16,230 that, you know, that would need to be protected and reopened.. As we talked about, you can't, people can't literally go to work.. - Yeah.. 00:20:26,388 and there were regulations made to allow for that.. And then, you know, there were a bunch of new things that they had to do.. - Mm.. 00:20:31,710 - And for us, the ability to kind of 00:20:34,087 quickly change our roadmap and say, "We're gonna solve these problems." So we launched a learning at home product for them.. We launched COVID protocols.. We launched a bunch of things to solve those specific problems..

And it ended up being an accelerant for us.. It was, you know, at a weird time when things were really hard.. Our team took a lot of motivation in being able to solve these really, really tangible problems 'cause businesses left and right were going out, you know, going out of business.. So our ability to really solve the fundamentals for these folks, helped them reopen, helped them run sustainably, helped them like with these new regulations.. It was really an inspirational moment for our team and, you know, a moment of growth because we really could step up to that moment.. - Oh, that's amazing.. 00:21:10,183 Now that we're all going back to the office in the last year or so, parents who have been with their children, some, you know, their children don't know any other existence than them working from home.. - Mhm.. 00:21:23,246 spending all their time together at home? - I mean, from the company side, 00:21:26,040 we've been always very open about it.. If a kid runs across the Zoom screen, like we're gonna be very welcoming of that for our demographic and our type of work..

And then what we saw is basically our space returned to full enrollment pretty quickly.. - Mm.. 00:21:39,188 - There's some staffing shortages and some challenges there, 00:21:40,860 but I think this, you know, there's always more need than supply in our space.. And so the ability to go find the spot, get in, and go through that process is frankly like what it was before.. - Hm.. 00:21:54,240 through COVID for our space, but it's actually brought the attention to early education in a lot of ways.. Like in many, like even in political spheres, early education is now talked about more than higher ed and K-12 and really shined a light 'cause I think, as you said, parents are feeling the pain.. - Yeah.. 00:22:08,820 - And I think there's a lot of empathy there.. 00:22:10,410 Like they're dealing with their kid all day long..

They feel a lot more for, you know, the teacher, the preschool teacher, the childcare worker who is like literally doing that work across many, many kids every day.. - Yeah, I've had colleagues who are like, 00:22:24,025 "Oh, my kids don't wanna eat what I cook them anymore.. Like, I understand now what, you know, pre-K was doing for my day-to-day." So thank you for that.. Let's talk about a little bit more about people.. - Great.. 00:22:37,726 you have a very strong philosophy of how to build a team and how to hire, how to find great candidates that, you know, fit with BrightWheel's strategy and culture.. Mind sharing a little bit about that? - No, of course.. 00:22:47,945 I'd say like for me, some big learnings are, well one, the biggest wins and misses for me have largely come back to people.. - Hm.. 00:22:55,020 - And then two, is you can have the most amazing idea, 00:22:57,246 the biggest market, the best product, whatever it is..

But if you can't bring the right people around you to go solve that, you're gonna be, you know, on your own and never get to that point every time.. So for me, like the importance of people was something I didn't fully appreciate when I got into this journey and figuring out really who we were going to be as a company, - Mm.. 00:23:19,260 as well as the times that we brought on folks who weren't a match, - Right.. 00:23:22,140 - really taking those moments to be introspective 00:23:23,790 and say like, "Who do we want to be?" And I think, I didn't fully appreciate it until this experience that, you know, you'll have someone who really is excited and thrives at company A like Amazon and then they go to Google and they hate it, and they bounce back or vice versa or whatever.. And each company, rightly so, is gonna develop its own DNA that makes it's successful.. Understanding that, actually defining it, reinforcing it, making sure it lives throughout the organization, particularly now being remote, is one of the most important things that I have to do day-to-day.. And again, I didn't fully appreciate that.. So, you know, whether it's values or we call them leadership principles, the things that make you super unique as a company that are gonna allow you to achieve that huge vision, that huge mission.. You have to be vaguely kind of uncompromising in those things and help people understand that.. And one of the best things that we can do is in the

interview process, be very open..

'Cause some people are gonna come in and they're gonna be super excited about that and some people are not, and we'd rather be very open about that and then help people understand what we value in terms of their growth at BrightWheel.. - How do you test for that in an interview? 00:24:25,785 - It's tough 'cause at this point now, 00:24:27,667 like the standard thing is, "Oh, like let's look at your resume.. Let's look at your LinkedIn.. Whatever it is, it's a match.. Let's go." We put way less emphasis on that now.. - Mm.. 00:24:39,900 like we have a leadership principle called think critically, move fast.. - Hm.. 00:24:42,990 - And so we're gonna really probe 00:24:45,385 and go deep on example or give you a hypothetical and really figure out, are you a critical thinker? And at the same time, are you gonna just sit and think or can you take action and do you have a bias for action? - Hm.. 00:24:57,390 and so we're gonna understand how you value customers and bring that into your process..

So we have literally, we have these eight leadership principles.. We divvy them up amongst the interview group.. We put scores against those.. We debate them.. If we don't get enough data, we go back and get more.. And so it's being really, really direct.. This is something I learned at Amazon, frankly.. Amazon has 14 leadership principles.. - That's right.. 00:25:15,856 - Everybody splits them up..

00:25:17,725 You figure it out and you really, again, are uncompromising and like the bar is so high and you feel really great that by the time you get to hire somebody, they're really, you know, the right person for the right role.. And so I've, you know, in a more nimble maybe startup way, have brought that into BrightWheel.. - That's awesome.. 00:25:33,616 That's awesome.. Okay, now we've made them wait for a very long time.. Let's talk about Shark Tank.. (Dave laughs) - Okay, let's do it.. 00:25:39,259 - That's been kind of an unconventional decision 00:25:43,179 upon your part as a startup to decide to pitch SaaS, a SaaS company on Shark Tank.. - Yeah.. 00:25:48,510 - Like maybe a little bit more about the experience, 00:25:49,999 like what was it like meeting Mark Cuban? What was it like talking to Chris Sacca? Like what happened? - Yeah, first of all, I never thought, 00:25:59,070 I told you I got into this path very organically..

Like I'm getting pulled into this industry and I wanted to solve problems.. I never thought I would end up being on reality TV.. So it was not like a path that I sought out or ever thought about at any point.. And it still feels honestly foreign to me to like look at that screen and see like myself up there.. So it was very like serendipitous how it all unfolded.. Like but I was intentional about it.. - Mhm.. 00:26:22,004 - And the reason I went and went to a live tryout 00:26:23,901 with like my daughter Serena in my arm, which I think helped a lot.. She was like year plus at that point.. - Okay..

00:26:32,985 and did a live tryout.. It took the time, at a time when we were like four people in the company really struggling.. We had just launched.. It was the worst time to go like invest a lot of time in trying to get onto Shark Tank.. But when you think about our core audience of, you know, small business owners, preschool teachers, parents, there's few places to go reach them in the way that you can through that medium.. And so it was intentional and it wasn't, it was about BrightWheel.. It wasn't about trying to get on reality TV.. (Emily laughs) - But for me, 00:27:03,450 it was a really eye-opening experience.. They take it very seriously.. So when you say like, "What was it like meeting Mark Cuban or Chris Sacca?" When I walked out on that carpet, they had no idea who I was..

They knew nothing about me.. They weren't allowed to.. And I've heard that people even got kicked off the show if they tried to create contact before.. So like, it's completely cold.. It's a long pitch.. Like that was, the whole thing was 12 minutes of screen time.. I was out there for about an hour and a half under like very, very hot lights answering questions like down to like, what payment processor do you use - What? 00:27:41,646 So I was really impressed with like the realness of it.. And then certainly, it's been really great for us to tell our story over time, you know, to our customers, to our schools, to employees, you know, who'd want to look at BrightWheel.. They did a really nice job of kind of packaging it in a way where we got to, you know, show who we are on Friday night, ABC primetime.. - It's amazing..

00:28:01,253 It's amazing.. Any tips for folks out here who might wanna go the Shark Tank route? - First of all, know like it's a serious investment 00:28:08,033 if you're actually thinking about it.. Like I didn't appreciate.. I was like, "Oh, I'll go to this tryout with my daughter and then we'll, you know, I'll go to Hollywood if I get there." There were like 20 rounds of like- - Geez.. 00:28:17,477 - I got through the first one.. 00:28:18,484 (Emily laughs) fill out a 6, 70-page handwritten essay.. You can't, you know, they really are trying to weed people out and then like 15 different video tryouts.. Emily What? 00:28:26,940 - Finally, you get there and then they still tell you 00:28:28,440 that they're gonna cut 30% of the people who actually get, who film.. So no, it's a huge in my, the entire time my team is like, like our founder is like off doing this stuff.. (Emily laughs) Like why aren't you with us? Like they were questioning me a lot obviously during that time 'cause it was a very expensive time to be investing in that..

So just know that they take it seriously.. It's a huge investment.. If it works out, it can be great.. And I've helped folks since then who've gotten that opportunity to go on.. - Wow, thank you for that backstage glimpse.. 00:28:58,260 That was pretty fun.. - Yeah.. 00:28:59,880 - Okay, final question and we're gonna open up 00:29:01,780 for questions on Zoom as well as the audience here in person.. - Great.. 00:29:07,502 - So at one point, many moons ago, 00:29:12,240 you were sitting in these seats and if you could go back to that sort of first week freshman orientation at Stanford in 1999, Dave Hm..

00:29:21,720 - and you could channel a piece of advice 00:29:23,422 or some wisdom to young Dave, (Dave laughs) what would that little bit of advice be? - I won't take that as a knock 00:29:30,840 against Young Dave versus now, (Emily laughs) but well, part of it is, you know, for me it was being, there's some serendipity, right? I told you like literally allowing myself to go explore that first Friday and go over to East Palo Alto.. So part of it's just take opportunities and I think that would be the main thing is seek out opportunities and take risks.. Like I think the moments along the way that I challenged myself, that I put myself, you know, outside of my comfort zone, whether it was on campus or off campus or traveling or taking a job, you know, whatever it might be, those are the moments when I most, you know, figured out what was possible, what I was capable of and where I wanted to go.. And so seeking out risk in some manner, you know, in a thoughtful way, depending on your risk tolerance, and seeking out opportunity and fully kind of wrapping your arms around it.. I think that's a big one.. And then I guess for me, like, I mean, I know this is like an entrepreneurship course.. - Hm.. 00:30:28,890 there's a lot of spotlight on it that makes it seem very, it's all like rainbows and unicorns and it's all very sexy and it's all really great.. And I think there isn't a lot of attention given to just the grind, and I think a lot of people get into it and they read the tech (indistinct) articles of all the funding.. That's obviously, the narrative is changing a bit now, but there's a lot of emphasis on the big milestones, the big funding coming through the big wins..

The reality is like, you know, it really is tough and I think if you get into it for the wrong reasons, if your heart isn't in it or if you're not ready to sign up for a long journey, it's gonna be really tough.. And so I think folks need to go in eyes wide open that you're signing up, you know, if you make it, for seven, 10 plus years through a lot of ups and downs, a lot of sacrifices along the way.. Like whatever, it might be family, friends, like pick your sacrifice.. But I think the glorification sometimes of founders or startups can sometimes then surprise people when they actually get into it.. Now I would admit I was surprised so.. - Hm.. 00:31:29,250 And you were already prepared.. You had thought through some of these things.. - I, yeah, but I think just like how there's, 00:31:36,000 it's unnatural, I think, what startups do.. - Hm..

00:31:50,310 like we're creating, you know, in what we do in one year is what companies used to do in 15, right? - Yeah.. 00:31:54,840 - And so I think to get through those hurdles, 00:31:56,430 it has to be hard.. Otherwise, everyone literally would do it and there would be a ton of BrightWheels.. - Hm.. 00:32:00,813 - And so I think knowing going in 00:32:01,830 that there are gonna be challenges, there are gonna be hurdles.. You have to be willing to stick with it, yet also know when to learn and change course and kind of be headstrong all the way that like you're doing it for the right reasons.. - Hm.. 00:32:14,940 It's a grind.. And so I think I would at least coach myself a little bit to know going in and then also maybe say, "Don't do it when you have like a three month old (Emily laughs) that isn't fully sleep trained yet." 'Cause that, yeah, those first couple months were tough.. - Oof, oof..

00:32:27,766 But worth it.. - Oh, no, yeah, 00:32:31,290 I wake up every day super grateful to get to do this.. Like we are at a size and scale now which is like incredibly rewarding.. And like I tell the team, literally when we grow and earn money, so when we add a new school, we make the world a better place.. Every school we add, we have a profound impact on all the constituents, even the community around that school.. - Yes.. 00:32:53,970 you know, the value of the work that we're doing.. So rewarding without question.. - Incredible, incredible.. 00:33:07,620 I got a PhD in WE from here, from Stanford, and in one of these talks I met Elon Musk 20 years ago so (Dave laughs) wishing he would come..

(audience member laughs) He gave the talk about the SpaceX.. - Oh.. 00:33:18,782 - [Audience Member 1] You can find it in YouTube.. 00:33:19,642 - Cool.. 00:33:20,475 - [Audience Member 1] And there was less people 00:33:23,284 then than here, so probably you'll do much better so.. - Yes, I dunno that bar, but thank you.. 00:33:26,766 (group laughs) - [Audience Member 1] So the question is, 00:33:30,606 why did you decide to go that route and not the traditional, I mean, a lot of people go the traditional route, like in Page Mill Avenue.. What was so attractive about that, was the experience of it? I don't think it was any easier because 20 rounds was the money that you wanted to raise.. - Mm.. 00:33:44,779 - [Audience Member 1] So what made you go that route 00:33:45,612 versus other routes? - So I should say I did go the Page Mill route too, 00:33:49,803 so I had already raised some funding before that..

And so for me, it was really the value that Shark Tank uniquely brings, which is exposure, right? And you know, like I would say that both Mark Cuban and Chris Sacca have been far more helpful than I realized.. They treat it as a real venture investment.. They're frankly very accessible.. They check in regularly.. They've continued to invest over the years.. So they, you know, it basically is, value is just immense.. Like when you think about it, this is ABC primetime television.. People are spending hundreds of thousands of dollars for a 32nd spot on, you know, on during that show, to show a commercial.. I walked away with 600 grand.. (Dave laughs) And, you know, and got a couple, you know, a good amount of time..

So it really was that opportunity to tell our story more than anything.. And again, I probably undervalued that in some ways as well as undervalued, you know, the contributions that Mark and Chris and their teams would make over time.. Yeah.. - [Audience Member 2] Dave, thank you very much 00:34:48,240 for sharing your story.. As a fellow parent, I can definitely relate to doing a lot of things with a little child at home and just the general experience.. My question is this.. So it sounds like the idea was born around the product, right? First because there was a need for this product for you as a parent and so forth.. At what point, as you were building the company, at what point did you transition from product focused to more kind of operationalizing it and building really the company and operations and healthy pipeline? - Yeah, it's a really great question.. 00:35:23,430 So part of it, I would say, it started with the pain of it.. And so it was actually eye-opening, frankly, I could feel it viscerally, the pain that these folks felt day to day of managing a business and, you know, a preschool or childcare being

highly regulated, managing staff and families..

It was overwhelming.. And I think I borrowed a phrase early on that, that we were gonna be a painkiller, not a vitamin.. And so figuring out, you know, like I say, you'll forget to take the vitamin day to day, but when you need the painkiller, you're gonna seek it out and use it every day.. And so we wanted to solve that pain.. So my starting point was just cataloging that and understanding that.. And there are different ways to go from there.. There are people who build quietly for a long time and then launch something and I decided that we were gonna move really fast.. I read a book early on called "The Lean Startup" that was really influential for me, which is get something out and iterate and learn.. So we launched in 2015 with a free product, very basic, doesn't do, you know, a fraction of what we do today.. And we didn't charge for it..

We actually lost money on every transaction.. But we learned, and we learned all the time.. And so when we eventually, you know, over the next two years, I figured out roughly what the business model was gonna be, what people were roughly willing to pay, and how we were gonna kind of carve things out.. We only launched a paid version of BrightWheel, you know, which is the core of the company today, two years later in 2017.. And so again, some people might wait and launch that, you know, a year or two in, and for me it was, no, let's just get out there and, you know, earn some respect, earn some love, but learn every day through the product.. And so, you know, different ways of going about it, but that's been kind of generally how we've tried to run the company.. - [Audience Member 3] Thank you for sharing.. 00:37:00,630 In the beginning of your talk, you mentioned that rather than like sitting and designing and kind of thinking about it, that someone told you to just go do it.. Can you kind of describe what that step from like step zero to step one was like, and kind of how that propelled you forward? - Yeah, so I felt very blocked early on 00:37:17,820 'cause it was a lot to go do and think about and solve in our space.. Like you have the business owner, the administrators, the teachers, the parents..

And as I said, I actually was focusing on the parents first wrongly and started thinking, "Okay, I'm gonna go build an app, I gotta go figure something out." The best advice which I now am offering for free, I guess, is just literally go test something.. And so I created a, I don't even know what it was on, but probably had some PowerPoint slide or whatever and acted like I had a real product and I went door to door and showed it and got feedback on it and basically got beaten up through that process 'cause it just, people were like, "That's fine but not the thing." And if I had like toiled away and built that thing for a while, it would've been totally the wrong thing.. And so quickly getting that feedback of, this is not our biggest problem.. Let's talk about what is.. Then I went back and built another fake thing and at the time, we called Kid Casa and that was just a way to get to market quickly.. I created that, I created, you know, list of seven names, pick one, and then put it on paper and said, "Okay, now we have this.. What do you think of this? It's ready to go.. Let's talk about like what you need for it." And then through that process was able to convince, you know, one, eventually, two small childcare providers in San Francisco, just to beta with me.. And so then eventually, just build with them.. And so it was kind of an iterative process to like figure it out until I had enough to know what I could build, built a really, you know, not great early version of Kid Casa..

But again, just continue to, even to the last question, just continue iterating and learning.. - Let's take a Zoom question.. 00:38:46,249 So Mandy, if you wanna read the top one.. Mandy Yeah, all right.. 00:38:51,300 Most up-voted question on Zoom.. Can you elaborate a little more on the value added for teachers? Do you notice some kind of initial pushback from teachers? It seems to be more work overload for them.. - Hm.. 00:39:03,510 So it was interesting.. Coming in, I think there are really different approaches.. I consider us ultimately a SaaS company, but when you look at education companies, there are a lot of folks that come in and say, "Look, we know better, we know how to solve your problems." We took a very different approach, which is what are your pain points? What are the most challenging things, whether you're an administrator or a teacher, and how do we solve that? And what are the things that we can do to solve that and do it in a way that feels intuitive? And so, like even to the early iterations, it was figuring out how quickly can we get that job done? Like there's a framework called work to be done or jobs to be done..

How do we get that done as quickly and efficiently and easily as possible to the point where they can pick it up and get the stuff done that they're doing anyway really, really easily? And so we don't come in and say, BrightWheel does an insane amount of things.. We don't say, "Do all these things." We say, "Take the things you're doing today and we promise we'll make life easier and save you measurable time." And then earn their respect with that, and then over time, we get to do more and more for them.. But we take a very teacher, educator, owner centric view of we want to solve your problem, whatever that problem is, and do it in the best way possible.. - All right.. 00:40:11,337 You've been waiting so patiently.. - [Audience Member 4] Yes, and I know you mentioned 00:40:16,286 the importance of hiring and I was just curious if you'd speak a little bit about your first few hires.. Were it people that you knew like engineers or what was it that you started with for your first or your core founding team? - Yeah, I did it the wrong way 00:40:32,460 because I was, I built up a group of folks up at Amazon that I got to know really well and built trust with them and then decided to relocate to the Bay Area to start a company with my wife.. So at the time, it was really starting fresh and really in that time, this is back in 2014, you really only worked with the people that you were physically around day-to-day.. And I didn't have a great group of folks to bring in.. And so, you know, it was really like putting out job postings at the time on Angel List..

And saying, you know, I had some hope of like the mission that would speak to people and then really like literally meeting people every single day and trying to convince them of it.. And there were a couple early folks who were willing enough to take a gamble, you know, helped that we had some funding early on.. So it wasn't, you know, fully risky for them.. But in particular, I think it spoke to people who wanted to do something meaningful, do something good.. Like one of the very first

engineers that I hired, he knew nothing about our space.. He didn't really even care about it that much, but he wanted to do something good for the world, and he wanted to leave where he was to do that.. And so we struck up a conversation around that, convinced him, he stayed on for five years.. But a lot of the early work, to your question, is like being the champion and the motivator and the person who can paint that vision enough so that you can get a couple people around the table and then, you know, once you get that core group, it becomes a lot easier.. - [Audience Member 5] Okay, hi, thank you so much 00:41:55,590 for sharing your story about working with students in East Palo Alto as somebody who does the same.. So given the long history of inequality in ed tech and how it can sometimes be something that really exacerbates existing inequalities, how is BrightWheel or how have you made BrightWheel not something that's just for wealthy preschools? - Wow..

00:42:14,569 - That's a great question.. 00:42:16,063 So there was a lot of skepticism I had early on, whether it was folks interested in impact or even investors and they thought, "Oh, this is gonna be a Silicon Valley wealthy preschool product that certain demographics will buy." And I felt confident enough early on that the pain that we were solving was gonna be universal.. And I had to test that, you know, throughout different markets throughout the country and different demographics throughout the country and every round of funding that we've taken on, it's been really important to me to bring on an impact investor who actually is gonna help us think about this and help hold us accountable.. Hopefully, you heard from me, it's been a big part of my life and my work and so, you know, having them around the table is a part of it, and a part of it is just what we care about and what we prioritize.. And I think that the main thing I can say now is BrightWheel is in, literally if you took a paint can and like threw it against the wall, we're in every type of school across the country, certainly all 50 states and global, but all types of schools, all pedagogies, all price points, all demographics.. And some of the biggest impact that we have actually is in schools in disadvantaged areas where, you know, for them, it's actually less a question of funding.. We're not a super expensive product, but the impact is outsized 'cause they don't have access usually to tools like this.. And a big part of what we want to do is actually democratize really great tools.. And so, and then in some cases we have partnered, like we serve a lot of nonprofit organizations and head starts where we work with them to discount in the right ways.. But the really rewarding thing has been, you know, for us we have kept price low in a number of ways and focused on the value that we add..

And I really, you know, what we hear and what we see is that BrightWheel really is accessible to everybody and we're able to then measure the impact.. And so if you go into a tough area and you're able to save them measurable time, so we save up to an hour per staff member per day and give them time back to spend time with the kids or to even frankly, just go home on time.. And then if you're helping on the parent side as well, it has a huge impact and frankly, an outsize impact in those types of scenarios.. - I know we have a few more questions, 00:44:15,428 but I do have to bring it to a close.. This was an amazing conversation and I learned so much about ed tech today.. So couple of comments and then we're gonna give him a huge round of applause.. So next week, we're gonna have Entrepreneurial Thought Leaders series again at 4:30 here.. And our speaker will be Nikil Viswanathan, who is the co-founder and CEO of Alchemy.. So come and learn about web tech, web three.. If you're curious about these talks, go to the Stanford eCorner, ecorner.stanford.edu..

You can find more talks going back 20, 30 years.. I guess, you and I were here back then.. - Yes.. (Dave laughs) And there's podcasts, there's articles.. There's much more content on entrepreneurship and engineering at Stanford.. So let's give Dave a huge round of applause.. (crowd claps) And that concludes.. (electronic music)..