

Inspiring Women

Episode 39: Bettina Hein

Laurie McGraw:

Welcome to Inspiring Women with Laurie McGraw. I am your host, Laurie McGraw. I have spent the past 30 years in leadership and over the years I've come to learn one thing. Women need women, and not just any women, but inspiring women. Tune in every week to hear from women at the pinnacle of their careers and from others who are just starting out. Episodes can be found at InspiringWomen.show or subscribe on your favorite podcast app. Thanks for listening. And I hope you will be inspired.

Laurie McGraw:

In this episode of Inspiring Women, we are speaking to Bettina Hein. Bettina is a serial software entrepreneur that has built several technology companies in both Europe and the United States. She's most recently the founder of a digital health startup called Juli, which manages chronic care conditions for patients. She previously founded Pixability, which was a video advertising company in Boston. And before that she co-founded SVOX, which was a Swiss-based speech technology company, which she then sold to Nuance Communications for \$125 million.

Laurie McGraw:

Bettina has received numerous awards for her entrepreneurship, for her leadership. She was named the Immigrant Entrepreneur of the Year. She was the World Economic Forum Young Global Leader, Boston Journal's 40 Under 40, and many more. Bettina has a Master's degree from MIT, a law degree from the University of Konstanz and a business degree from the University of St. Gallen. And Bettina, she has software patents. She's a recognized speaker. And interestingly, she's also a shark on the Swiss version of Shark Tank. And Bettina, I am really excited to be talking to you today.

Bettina Hein:

Thank you. Thank you for having me on, Laurie. It's really great to speak to you today.

Laurie McGraw:

Well, as we get started with Inspiring Women, I always like to start with, what are you doing right now in your professional career? What do you do?

Bettina Hein:

Right now I am working on a digital health startup called Juli. I am the founder and CEO and yeah, I get to do all the fun stuff of founding a company, finding co-founders, finding our employees. And I've been at this since last March, so I have a total pandemic company. I've never seen any of their employees in person, two of our co-founders I've never met in person. So

it's a really interesting time for me, a really interesting time to work on chronic conditions. I'm also the mom of two kids that always have new things going on, so that's also happening in my life.

Laurie McGraw:

So that sounds very busy. A lot of the storied lines for starting companies, it all sounds very romantic and fun, but I think we also know that it's an enormous amount of work, that you started your now third company at the height of the pandemic. I want to talk a little bit about that, but let's start with, how did you get here? So Bettina, you have the law school, MIT, business degrees, and then several different companies. What's the trajectory. How did you land onto the serial entrepreneurship?

Bettina Hein:

I come from a family of small entrepreneurs, small time entrepreneurs. Both of my grandmothers and both of my grandfathers were entrepreneurs in their own right. And also my parents are health professionals. My dad is an anesthesiologist. My mom is a pharmacist and they always worked for themselves. So growing up, I did not know a nine to five lifestyle. It was just, the business was part of the fabric of your life. So when I went to college, I thought that I should probably take the route of working for a corporation and climbing that ladder, getting experience, and maybe later becoming an entrepreneur once I had experience.

Bettina Hein:

But my boyfriend at the time, and now husband said, you can do this. You can start a company and I didn't have the self-confidence, but he really, really supported me in that. And so I just founded my first company right out of grad school with two engineers from the Swiss Federal Institute of Technology in Zurich, and we were off to the races. And as you say, it was not easy. It does sound romantic, but it's a very hard road.

Laurie McGraw:

It is a hard road. Building from the ground up and taking a concept and turning it into a successful company launch. Usually these are 24/7 types of scrappy operations. And so from your family beginnings, you had people to look at who were doing things similar to that, but the word entrepreneur is something we use all the time today. I don't think that was the term back when you were starting out. So some questions that I have are, how do you know when to move to the next thing? You've done three companies, you've had successful exits from the first two. How do you determine when to move to the next thing? They're not all in healthcare. So you've also changed fields as well.

Bettina Hein:

Well, I really love learning new stuff, as you can probably tell from my degree collecting. I'm actually working right now on a Master's of Science in computer science, where [crosstalk 00:05:50].

Laurie McGraw:

You need more education. That's exactly what I was thinking.

Bettina Hein:

Everybody teases me about that to no end, but yeah, I just have a really curious mind and I want to learn new things. So when you start a company, you have to be passionate about aspects of it. Some of them may not be an extreme fit for everything that you do, but there have to be these elements of passion around it. And the companies that I found have a certain recipe to them. I found venture capital, financed, scalable, high growth technology companies. And those are created essentially to be sold or to exit on the public market, which means that there is an inherent boundary to what you're doing.

Bettina Hein:

It's not a family company that stays in the family for 150 years. So for me personally, the time to move on from companies was ... Well, there were personal situations. My husband wanted to go to the US when I stopped working on SVOX, so we moved to Massachusetts to both do a program at MIT, get our Masters there, and the second one, actually, we wanted to go back. My husband wanted to go back home after 12 years in the US so that our children could go to school in Switzerland and be closer to their six cousins.

Bettina Hein:

So there were personal things, but also once a company has scaled to a certain size and is profitable, I think it's okay to move on, but I tell young entrepreneurs, you have to think about doing this for a decade. So is this area, is this idea worth a decade of your life? If not, you probably shouldn't embark on it.

Laurie McGraw:

Because it takes that that much work and endurance to move a company forward. I also wanted to talk to you about, Bettina, just being a woman as an entrepreneur, so you're not coming in as one of the first employees of a company. You are the founder of the company. You are the CEO of the company. And so do you see differences being a female? The statistics and the studies show that there are far fewer women in those types of positions, there's far less money that is being given to female entrepreneurs and founders. What are you seeing? What is your experience?

Bettina Hein:

Yeah, the statistics show it, as you say. Less than 5% of all venture capital financed companies have a female CEO. That's already a stat in itself. It's also there's statistics that female CEOs have a harder time finding co-founders, because people just don't have as much confidence in them. There's also research in that if the same pitch is given by a female voice versus a male voice, everything else is the same, the women are less likely to get buy in from investors. So yeah, you've faced their ... The odds aren't great, but that hasn't kept me from doing other things. I do things against the odds all the time. Many people have disadvantages in creating companies. They may have a really strong accent. Their skin color may be not what is seen. They may have a disability that creates bias among people.

Bettina Hein:

So being female is just another one of those, and I feel that I was able to do some jujitsu moves around that. For example, I raised funding twice while pregnant. And the first time I really tried to wear these big blazers that hid my bump, because I was just thinking, oh God, are people going to invest? They did. I successfully raised funding, but I also had to endure some questions around how committed am I going to be to the company once I have a baby, la la la, just stuff's [inaudible 00:10:51] I don't know, unfair things. But the second time around the company had grown and I had another round of investment and I used it to my advantage. I pointed to my belly and said, well, if you invest before I pop, you'll get a discount. Otherwise it's going up in price.

Bettina Hein:

And it worked. It really worked work because there was this inherent deadline and yeah, this sense of urgency and yep, I did it. And so there are other things, like you go to a conference and there are 500 men, three other women, and you, and the three women are people, the marketing person or the person that's the event manager. So of course you're going to stick out, but isn't that great? You get to stick out and you can be memorable.

Bettina Hein:

I also have a name that's not so common in the US, so when people see me with my coral colored blazer in this sea of black suits, awesome. People will want to talk to me because I'm standing out. So those are things that you can use. And I think every entrepreneur can find those kinds of things that will turn a disadvantage into an advantage. You just have to think about it enough. Women can do that, but other entrepreneurs can also find these little things to help them along.

Laurie McGraw:

I really appreciate those stories, in terms of how you experienced some of those, what the statistics actually support in terms of the ... You can call it uniqueness, but more often than not, the barriers, the questions that perhaps are a bit tone deaf in terms of pregnancy. I'm glad to know that pregnancy is the new tool to get to funding. So that's a good tip for women founders out there. And also I've read about you that you are a grammar fanatic and pronunciation fanatic, so I thought that was also a very interesting tidbit about you.

Laurie McGraw:

But you also are on Shark Tank. So this is just wild to me. I think in the United States, we're all familiar with Shark Tank and Mark Cuban and all of these fantastic investments. First of all, that is incredibly cool. Tell us a little bit about what Shark Tank in Switzerland is all about. How did you become one of the judges on that show? What do you see there?

Bettina Hein:

It was total coincidence. I was on a night train from Zurich back to my town of St. Gallen here. And somebody got in that was a friend of the person that I was in the train with, and he told me that they're starting this show and they're looking for lions, as we're called in Switzerland. It's called Lion's Den, not Shark Tank. And being an entrepreneur, when in doubt, you always say yes. So he asked me, do you want to talk to them? And I was like, hmm, not sure. Okay, I'll do it. You have to know that I can absolutely not watch Shark Tank. As an entrepreneur, I always want

to scream at the TV and tell the entrepreneurs, don't do it, don't give away your company for so little money. And so it was weird. I was a little conflicted.

Bettina Hein:

I also thought I'm not, I'm not a TV person. I'm not an actor. I don't know if I can do this. But lo and behold, three weeks later, I had this part to be one of the sharks on Swiss Shark Tank. What you have to know about that is that Shark Tank is actually internationally licensed format by Sony. It started in Japan, where it flopped. Then it went to the UK where it's called Dragon's Den and it was super successful. Went to the US, Shark Tank also really successful and since then, there are about 30 countries in the world that have this format.

Bettina Hein:

Switzerland started three years ago. We just finished taping the third season. And it's really cool. I like my co-stars on the jury there. And the reason I like it is I've always been promoting entrepreneurship. I'm not just an entrepreneur, but I try to pull other people into this line of work. And this is a way to educate the broad public about what it's like to pitch for investment. And that if Joe or Jane on Shark Tank can do it, people can think well, I could do it too.

Laurie McGraw:

Well you are a TV personality now. And so in terms of all these different pitches that you see, what makes a successful pitch in terms of what you've seen? You know how to do a successful pitch as being an entrepreneur yourself. What do you look for when you're evaluating others on the other side of the TV aisle?

Bettina Hein:

There are a couple of things that we always look for. The first one is, is the entrepreneur really committed? Some people do this on the side. You know, they have a secure job and they want money to get out of that secure job. That's often not something that we would want to do. We look for founders that have already given up their day job and are really in it completely. Second thing that we look for is has that person been able to attract co-founders? So do they have a team around them that is doing this. Third thing is what's the market that they are addressing is that large enough? Because if you address only a niche market, you don't have much room for mistakes.

Bettina Hein:

If your market is big enough, you can pivot your company within that space a couple of times, and you will find some slice of that market where someone will pay you. Other things are, is it scalable? And what are the economics of it? What are the gross margins? How do you acquire customers? All of those things. Oftentimes at the end, though, there's this gut feeling that you have about the entrepreneurial team? Like, can they do it? And also do you gel with them? Because if you invest at this early stages that these companies are at, you're going to be with them for 6, 7, 8, 9, 10 years. And if the personalities, the chemistry isn't there, it's going to be hard.

Laurie McGraw:

Well, Bettina in terms of just the outline for what makes a successful pitch, it's the same one that's the recipe that you use for building your own companies, as well as how you talked about the things that are important to you when you are pitching yourself. So it's very, very interesting, and that is great advice. This has been a great conversation, and I wish we had more time, but as we close out here, I'd love to hear a little bit about what's the best advice you've ever received, and what did you do with it to build your successful career?

Bettina Hein:

I think one of the pieces of advice was for me that if you found a company, you have to be in it for a decade. I think that when I started out my first company, I was 26, 27. And I thought well, I'm going to do this, and in three years, this is going to be super successful. Well, I got the advice from my grandmother, who had started her own corner store. And she said, "You know, the first three or four years are really hard until you establish yourself, and that's going to be tough on you."

Bettina Hein:

And being a good granddaughter. I said, "Yes, yes, grandma." But in my head, I was like, you had a corner store. I'm doing this scalable software company. This is totally different. Lo and behold, I went to work for five years every day thinking, why the hell does the baker make money? Why the hell does the dry cleaner make money? And I cannot for the life of me figure out how to get people to pay me for this software. And so I actually went to my grandmother and I said, "You know, I didn't quite believe you when you said this, but you were so right." So my advice is listen to your grandmother. She's almost always right.

Laurie McGraw:

That is fantastic advice. I think we'll close out with that. This has been an excellent, Inspiring Women conversation with Bettina Hein. Bettina, I really appreciate talking with you today. Thank you so much.

Bettina Hein:

Thank you, Laurie. This was fun.

Laurie McGraw:

This has been an episode of Inspiring Women with Laurie McGraw. Please subscribe, rate, and review. We are produced by Kate Kruse at Executive Podcast Solutions. More episodes can be found on InspiringWomen.show. I am Laurie McGraw, and thank you for listening.