



Henry Kaestner: [\(00:00\)](#)

Endeavor to understand the difference between being faithful and willful.

Joanna Meyer: [\(00:09\)](#)

You're listening to the Faith & Work Podcast, where we explore what it means to serve God, neighbor and society through our daily work.

Joanna Meyer: [\(00:17\)](#)

Hello, and welcome to the Faith & Work Podcast. I'm Joanna Meyer, and I'm joined today by Jeff Haanen, Denver Institute's founder and CEO. Hello, Jeff, how's it going?

Jeff Haanen: [\(00:28\)](#)

Well, I'm doing very well today. How are you Joanna?

Joanna Meyer: [\(00:31\)](#)

I'm great. You had mentioned that you have a warm dog sitting on your feet, so it sounded like a wonderful way to record a podcast.

Jeff Haanen: [\(00:37\)](#)

It's a good way to have a podcast and to be sort of in the end of the holiday season.

Joanna Meyer: [\(00:42\)](#)

Jeff would be listening to Christmas carols in July if we let him. This is your favorite time of the year.

Jeff Haanen: [\(00:48\)](#)

And indeed I do listen to Christmas carols in July, because the incarnation is part of the gospel and the gospel belongs in all seasons.

Joanna Meyer: [\(00:55\)](#)

I love it. Okay. Changing subjects, today's topic really intrigues me. We're talking about spiritual and emotional challenges that entrepreneurs face. Even if you're not an entrepreneur, I want you to keep listening because there will be wisdom in today's conversation regardless of what you do. Anyway, I looked up some stats from the small business administration. It says there are currently 31.7 million small businesses in the US. Not every entrepreneurial venture ends up small, but they all do start small. It's amazing. It thinks that more than 99% of all US businesses are that small, started that size.

Joanna Meyer: [\(01:30\)](#)

They are the anchors of the American economy and yet, some of the pressures that entrepreneurs face, even the most successful ones we see in the news, people with names like Musk or Zuckerberg, face immense pressures in their role, pressures that can really take a toll in their emotional health, their



spiritual well-being and their relationships. Today we're talking about soul care for entrepreneurs. I want to know, Jeff, from you, what are we talking about when we say soul?

Jeff Haanen: ([01:57](#))

Well, yeah, there ... The soul of course, is a part of our spirit and our emotions. It's that thing that drives us. The realities of the challenges that entrepreneurs face, they're very spiritual if we have ears to hear that. As I think about even my own entrepreneurial journey, starting Denver Institute for Faith & Work, I think of two things. One is speed. The world doesn't care about your idea. I realized that over time. So, you have to make up for that with more context, more conversations, more drive, more hopefulness.

Jeff Haanen: ([02:33](#))

The real danger I think for entrepreneurs is you just are continually moving fast and you're going and you're building. The other side of that then is the linking of your heart, your soul, to the identity that you've built around it in your business so that people know you as this person that can take any hill and grow this thing where you really feel a little bit lost. I was sharing a story at an event we did here at Denver Institute years ago about what it feels like to be an entrepreneur. I likened it to one of my daughters swim meets.

Jeff Haanen: ([03:13](#))

There's this little boy, his name was Reese, six years old jumping into the pool and everybody is cheering for Reese. He's just jumping into the pool, cheering for him to make the other side. We're pretty sure he's just going to drown. He's just not moving anywhere at all. And everybody's cheering for him and it feels like he is just treading water. I actually think that's what a lot of entrepreneurship feels like. It's like, wow, you have a startup, you have your thing, but here you are moving fast, worried about who you're becoming, not sure if it's going to make it out. There becomes this dichotomy between the external self and the internal self and it's just very challenging. I'm excited about this podcast today as well.

Joanna Meyer: ([03:53](#))

Yeah. Today, we are talking to one of the wisest entrepreneurs I know, Henry Kaestner. Henry has achieved great success in the marketplace and he's also leading a global movement of leaders who are passionate about using their business skills for God's glory. It's an amazing conversation. Jeff, would you introduce us to Henry Kaestner?

Jeff Haanen: ([04:10](#))

Yeah, I'd be happy to. Henry Kaestner is the co-founder and partner at Sovereign's Capital, which is a private equity and venture capital management company. They invest in faith driven entrepreneurs in Southeast Asia and in the US. They have offices in Silicon Valley, Washington, DC, and even in Jakarta Indonesia. Prior to co-founding Sovereigns Capital, Henry was the co-founder of a publicly traded business called Bandwidth and at sister company, Republic Wireless. Together, these companies have grown from zero to more than 400 million in revenue.



Jeff Haanen: [\(04:42\)](#)

He also, in the last several years, co-founded Faith Driven Entrepreneur and the Faith Driven Investor Ministries, which really serve Christian entrepreneurs, investors, funds, partners through content and really community, which we'll hear a little bit more from Henry about that today. He also recently published a book called the Faith Driven Entrepreneur: What It Takes to Step Into Your Purpose and Pursue Your God-Given Call to Create with J. D. Greear and Chip Ingram, so I am looking forward to hearing from Henry today. Well, Henry, welcome to the Faith & Work Podcast.

Henry Kaestner: [\(05:14\)](#)

Jeff, it's great to be with you. Thank you.

Joanna Meyer: [\(05:17\)](#)

It is such a privilege to interview you today, sir, because we've admired your work and gotten to know you personally over the last few years. For our audience that isn't as familiar with your work, will you tell us a little bit about your entrepreneurial journey?

Henry Kaestner: [\(05:30\)](#)

Sure, I'd be happy to. My life began in Baltimore, Maryland. I went to school at the university of Delaware where I discovered my first love, and that was that I can make a t-shirt for \$5 and sell it for 10. I could even do that math. I ended up having some copyright challenges with some of the t-shirts I was selling on college campuses. My father said that I needed to get a real job. I went to Wall Street and pursued fame and fortune and all the different trappings with it.

Henry Kaestner: [\(06:00\)](#)

It wasn't until I was 28 that, actually it was 27, that I started a new firm to invest in electricity derivatives. It was the next year in 28 that everything changed when I came to faith, when I did pursue faith, when God revealed himself to me and let me know how much he loved me. Then I started a company called Bandwidth. Bandwidth is a company I started with David Morken, my best friend and business partner.

Henry Kaestner: [\(06:28\)](#)

We started on the cultural values of faith first, which was new to me, but David was a lifelong Christian. Faith first, then family, then work, and then fitness. Two and a half years into it, we were out of money and needed to raise capital, or so we thought, so we came out to where I live now in Northern California to try to raise venture capital and went up and down Sand Hill Road. We wouldn't talk about our faith in most instances on the first visit, though sometimes we did, but we would always talk about it on a second or a third visit because we knew we were going to be bringing on board a partner, somebody who would be at board meetings.



Henry Kaestner: [\(07:02\)](#)

So, we said, "Look, we are going to look to hire the best person for the job. We're not going to be a holy huddle, but we're going to do things like pray before board meetings." As we shared that with some of these folks that could be coming on board as investors, we got a lot of blanks stare and really feel like in a best case scenario, we were misunderstood. Worst case scenario, we were prejudice against and we went all though 40 in venture raises. It was just a long, hard slog. Through the grace of God, Bandwidth continued to flourish.

Henry Kaestner: [\(07:32\)](#)

We had to focus on cash flow and we had to grow much slower than we had planned. But as you fast forward 22 years, Bandwidth is a public control company. So, we're listed on the NASDAQ and make phone numbers in the software that enables them for companies like Microsoft and Google and Uber and Zoom and others. 10 years into that, the next entrepreneurial part of my career came when I went to David and said, "Look, I'd like to be able to take a step back and I'd like to be able to focus more on ministry. In particular, what does it look like for us to work with entrepreneurs that share our faith and how we might encourage and equip them?"

Henry Kaestner: [\(08:11\)](#)

At that point in time, we'd realize in our journey that we were in a great spot, of course, to love on our partners, our vendors, our customers, and our employees in a way that pointed to God, but having talked to other people that were in the entrepreneurial world that shared our faith, we realized that wasn't their, oftentimes their situation, so we started Sovereign's Capital. But maybe I'll pause there. That's a quick flyover of my entrepreneurial career, but continue to be launched more things on the entrepreneur side, but it tends to be more on ministry now.

Jeff Haanen: [\(08:43\)](#)

Well, Henry, let's hop into that. Really, what led to the starting of the faith driven family of Ministries, Faith Driven Entrepreneur, Faith Driven Investor, and I think it's now Faith Driven Athlete as well. Tell us what your vision is for that work.

Henry Kaestner: [\(08:57\)](#)

Sure. Four or five years into sovereign capital, which became a fun, and continues to this day. We've got about 25 professionals that invest in faith driven entrepreneurs around the world. About four years into that, we found our first problem. And that is that we were saying no to 99 out of 100 businesses that came to us for funding. And if you got into the business as we did, to be an encouragement to faith driven entrepreneurs and you say no that many times, you're not really being an encouragement. It all kind came to a head with a guy named Anatol Malancea. Anatol called in and said, "I'd like for you to invest in my business." And I said, "Okay, tell me about it." And he said, "Well, it's a real estate business and it's in Moldova."



Henry Kaestner: ([09:40](#))

And I'm thinking, this is going to be an easy no. And I said, "Anatol, I'm sorry. I can barely even calculate a cap rate. So I stand no business investing in real estate, and I'm not even really sure that Moldova is a country." I didn't said it exactly that way, but I know I was thinking it. But ultimately, I said, "I'm so sorry. We're not going to be able to invest in you. We have to invest in industries and stages and geographies that we know well, and this is one that we just don't know well."

Henry Kaestner: ([10:04](#))

But he wouldn't let me go. He said, "I need somebody to speak into my life. You have to understand that Moldova, there's not a legacy of people who are serious about their faith that are in the business and in the investing space. Will you please spend some time with me?" I remember the stage of my heart then, which is what it all too often is, even now, unfortunately, and that is that I'm just too busy. I'm just too busy to do anything but other than the things that I really feel that I need to focus on. And yet, I think the holy spirit convicted me, and so I said, yes.

Henry Kaestner: ([10:38](#))

We spent about an hour and 15 minutes on the phone and I prepared some notes and a talk that I had given about the 25 lessons that God had taught us at Bandwidth. I rolled through those with him. I thought that was rewarding for me. I think it was helpful for him. And maybe I should put this up on a website and as an encouragement for other faith driven entrepreneurs. That became the beginning of the Faith Driven Entrepreneur Ministry, which is, over the course of the last five years, has been about content and community and connections.

Henry Kaestner: ([11:06](#))

We have a blog and a podcast and a conference and a marketplace, and it's been just a great joy. The next thing that came along, a very similar story. About three years into that, I got a call from a guy named John Porter, who is an American living in Kigali, Rwanda. And he said, "I've got this business. I'd like you to invest in, as I'm still at the time at Sovereign's, and I still am involved in Sovereign's, to be clear, but I spend most of my time now in the ministry, as Luke and John Coleman do such a great job running Sovereign's.

Henry Kaestner: ([11:33](#))

But I said, "Okay. Tell me about your business and where you are." He told me about Masaka Creamery in Rwanda. I said, "Look, we can't invest in geographies we don't know, or industries, et cetera, but we've got this ministry. We've got this blog and we have a podcast and we've got all these different conference and things like that meant to be an encouragement to you." He was nice and polite, but I realized he was still looking for \$250,000 and a link to a podcast wasn't really scratching this itch.



Joanna Meyer: ([12:05](#))

[crosstalk 00:12:05].

Henry Kaestner: ([12:07](#))

It's another kind of Holy Spirit moment where I was listening to him talk, and as he's just talking Rwanda, I remembered that there were several of our 120 LPs in Sovereign's that had, had experience in Rwanda, and one even had lived there. I'm thinking, maybe I should refer this into them. Then this is kind of the dialogue I'm having while I'm listening to John talk. I'm like, "No, that's a bad idea because 80% of businesses in America fail. What are the odds in Rwanda? I mean, it can't be much better than 80%. It's probably worse." And then I'll be the one that made the recommendation and that's just not going to go well for me and my reputation or Sovereign's and its reputation, so I shouldn't do that.

Henry Kaestner: ([12:47](#))

Again, I felt the Holy Spirit convicted me like, that's economics of scarcity. That's not way you need to be thinking about it. So, that began faith driven investing. Really, in one fell swoop, as Luke and I processed it at the time, we realized that, if we had come across somebody who is a faith driven investor, we would say, "Gosh, you should invest in Sovereign's. Through the grace of God, Sovereign's has had great returns and we're expanding and doing new things with different funds. Yet, it was almost presuming as if there weren't other great funds in other investment opportunities, whether direct investments in Rwanda or other funds.

Henry Kaestner: ([13:24](#))

We both felt convicted that we needed to get out there and find out who else was in the space that was investing in managing money in a way that was driven by their Christian faith. We had our first conference, I guess it was three years ago in Deer Valley, and got up in front of a bunch of people and said, "Listen, we feel called to this space. It feels like it's a new industry. We feel like it's like, this industry, is like a Russian grocery store in the 1980s where there's not really any product on the shelves, but we feel convicted that we need to figure this space out because there are great opportunities all around the world. And it really takes a community and an industry to figure out how to do real estate investing well, and how to do investing in Eastern Europe well, and in Africa well, and Sovereign's is not the answer to all things. In fact, Sovereign's isn't the answer to most things.

Henry Kaestner: ([14:14](#))

We had found, in preparing for the conference, we found a couple real estate investors that had good returns and had employed chaplaincy in their model. So, we had some of them talk about it, but ultimately, other than that, we didn't know much of what's going on. But over the last three years, we found an incredible growth in a really vibrant industry and movement that God is doing around the world. We found that there are funds that existed that we just hadn't known about, but the larger number comes from the final two categories, which are funds that have been launched over the last three years.



Henry Kaestner: [\(14:50\)](#)

By funds, I think about ascend capital, \$500 million plus fund that invest in physician practice management companies in the New York Area. They've got a chaplain, they've got a seminary on staff. Zuckerberg Chan is their largest LP. Great spiritual integration. I think about Lumos Capital. I think about Victor Hu, who started the educational technology practice at Goldman Sachs, and then left Goldman with Goldman has his largest LP to invest in educational technology.

Henry Kaestner: [\(15:17\)](#)

There are 40 or 45 funds that we now have on the FDI marketplace. So, as investors driven by their faith want to understand this space, they can understand it. Actually, yes, I can not only give money in a way that advances God's kingdom, and I might be able to invest it as well. That's been the ministry that we've had over the last three years and had a lot of fun doing it. We also have a blog and a podcast and a conference. On the podcast now we've had people like Frank Chen from Andreessen Horowitz talk about how his faith informs his investing. Same thing with Trae Stevens at Founders Fund.

Henry Kaestner: [\(15:52\)](#)

Our conference, we had Tim Keller talking about the identity of investor and Cathie Wood, probably the most famous investor over the last several years, her and Warren Buffet, but Cathie's done a lot with technology investing, talking about how her faith informs the way she thinks about investing. So, it's been a lot of fun to do that. In addition to that, we started a ministry in the Bay Area here where I live called Generosity Bay Area. You mentioned Faith Driven Athlete. Faith Driven Athlete was a fun ministry project. We ran on the side during COVID, because just in our network, we knew a lot of reasonably famous athletes.

Henry Kaestner: [\(16:27\)](#)

Nick Foles and Kirk Cousins and others, and the head coach of Baylor basketball. So, we had 30 or 40 episodes of Faith Driven Athlete for us to do while we're kind of all locked up. But our primary calling are to supporting investors and entrepreneurs. Really, of the two, I get most excited about supporting faith driven entrepreneurs that are wrestling with things like identity, and purpose, and mission, and faithfulness, and money, and things like that.

Jeff Haanen: [\(16:55\)](#)

Henry, I will have a quick follow up question for you. What exactly qualifies as a faith driven entrepreneur rather than somebody that maybe has faith, but it's really on the side? What does this mean for you guys?

Henry Kaestner: [\(17:10\)](#)

Well, for us, a number of different ways in answer that. One way to answer to that is that we look to minister to Christians who are entrepreneurs or business owners, but rather than calling it something



like that, we love the fact that our title begs a question, and it also comes from a belief, and I'm a big Tim Keller fan. You may have picked up on that, but I'm a big Tim Keller fan. When he says, ultimately, we're all driven, we're all motivated by a faith, a belief in something. The question of being a faith driven entrepreneur is, what's driving us? Are we driven by the prospect for market share gain? Are we driven by money? Are we driven by the approval of our peers? Where is our faith? What is it in?

Henry Kaestner: ([18:00](#))

Hopefully, by an entrepreneur coming and getting engaged with our ministry, it allows them to ask themselves, what is driving me? Is my Christian faith driving me? Is my belief that I was created in the image of a God who worked six out of seven days, and the gospel of John says his work continues to be done, is that what drives me? Is it a gratitude of the gift given me, is that what drives me? We are all driven by something. The reality is that very, very, very, very few of us, if any of us, are 100% driven by our Christian faith. On a good day, maybe I'm driven 35%, but I'm driven by some of these other things.

Henry Kaestner: ([18:46](#))

All of a man's ways seem pure to him, but his motives are weighed by the Lord. I'm so messed up. I don't even know what ends up, but I do know that I want to be driven 100% by my Christian faith. By engaging in a community of peers, I stand a much better chance than if I go at myself.

Joanna Meyer: ([19:03](#))

Henry, I'd like to follow up based on something that I'm seeing over your shoulder. Our listeners, they're only hearing audio, but Jeff and I are seeing video of your home office in Silicon Valley. Right over your right shoulder is a painting of the Tower of Babel by Pieter Bruegel, a famous Belgian painter. I wondered if you could tell us about it, because I think it's very reflective of the answer that you just gave.

Henry Kaestner: ([19:27](#))

The Bruegel painting though, to your question is, and very ... I tell you, I do hundreds and hundreds of video Zooms. You're only the second person that has recognized that painting.

Joanna Meyer: ([19:37](#))

You know why, it's because I study European history in college to be a social studies teacher, so I spent my days looking at stuff like that.

Henry Kaestner: ([19:44](#))

It is an amazing, and for your listeners, maybe we'll give them permission to just Google really quickly, Google's painting of the Tower of Babel. It is amazing. It's an amazing story in the Bible, of course. And then it's also an amazing painting in so many different ways. And I'll just explain it real quickly because it of course is germane to what we're talking about. When people, when humans get together and work on a project, they're capable of incredible things. The intricate see of this painting, the detail, the size and





the scope is unbelievable. By the way, I mean there's some incredible detail that Bruegel painted 500 years ago. There's actually, if you look very carefully, there's actually a man who is mooning the king.

Joanna Meyer: ([20:25](#))

That's Bruegel for you.

Henry Kaestner: ([20:26](#))

Yeah. It's amazing.

Joanna Meyer: ([20:29](#))

If you want to a wild ride, check out his garden of earthly delights. That has some humorous images.

Henry Kaestner: ([20:34](#))

Yes, yes, yes, it does. Yeah. For our listeners that are 16 and older. Bruegel's amazing. But really, of course, what again, what really impresses me is, what are humans capable of when they work together? But also understanding that it failed because they built this incredible majestic tower with this incredible detail for the wrong reasons. So, they were all spread out and they couldn't communicate. But my hope is that the body of Christ can come other with the right motives. I've alluded that before with proverb 16:2 and 21:2, all of the man's ways seem pure to him. But if we can work on something to make God famous, rather than in ourselves famous, something amazing could be built.

Henry Kaestner: ([21:20](#))

I think that's really what the body of Christ has an opportunity to do, is we're invited to the work that God is doing in the world, and I think we're an active participant in the coming about of his kingdom on earth as it is in heaven. What we pray for in the Lord's prayer, I believe that God is inviting us into that work, out of gratitude for the gift given us, but it's an invitation to come in, in the restoration and redemption of all things. I'm channeling my inner ante right here a little bit. But if we can get together as a community and focus on the alleviation of poverty, both financial and spiritual, the removal of injustice, the love and care for the widow and the orphan and the alien, and we do it together as a body of Christ, making him famous.

Henry Kaestner: ([22:05](#))

Rather than buying artificial into a secular spiritual divide where we don't make him famous and we don't worship him in a way that is hopefully [inaudible 00:22:13] and respect. But if we can do that, we can build a tower like this. We can build industries that alleviate foster care, the foster care issue or adoption or so many of the things that ail us. It's just that, too often to times, our motives just get so messed up and then we just kind of get separated again and we end up with 100,000 denominations and initiatives that are reinventing the wheel. Hopefully we can all dial in together and do something for God's glory.



Joanna Meyer: ([22:46](#))

I love it. I love the case that you make of entrepreneurship is a kingdom good. Not just a place to share faith or live ethically. While those are certainly true, but that there's a bigger picture of good work for God's glory and other's good.

Henry Kaestner: ([22:59](#))

Absolutely. Absolutely. We have 75 investments in Sovereign's capital. Every one of them is a redemption in restoration story. Every one of them is an entrepreneur who's motivated by looking to solve a problem in the marketplace, fixing a problem that needs to be fixed. It could be somebody like Mark Sears that realizes that the way that labor is done overseas is wrong and needs to be fixed, or it could be Anthony Tan at Grab, who understood how the ridesharing model had some real challenges for drivers and for passengers and build a multi multi-billion dollar business focused on that. Or Jon Beekman from Man Creates understanding that men didn't give gifts well to each other and wanting to solve that problem.

Henry Kaestner: ([23:40](#))

But each one of those is a faith driven entrepreneur leaning into something that is broken in the world. As we return to a more perfect spot of the garden of Eden, we have an opportunity to participate in ... Well, it's new heavens and new earth. It's just participating in the work of God's advancing kingdom.

Jeff Haanen: ([24:03](#))

Hi, I'm Jeff Haanen, founder of Denver Institute for Faith & Work and I would like to invite you to become a part of our new monthly partner community. Whether it's a monthly commitment of \$25, \$50 or any amount, your generosity will support Denver Institutes ongoing efforts to help men and women love God, their neighbors and society through their daily work, including this podcast. To thank you, as a monthly partner, you will receive a welcome box. You'll have exclusive access to private digital content, personalized vocational, coaching and discounts for Denver Institute content and experiences. To become monthly partners, simply visit [denverinstitute.org/give](http://denverinstitute.org/give) or see the show notes in today's episode. Thank you in advance for your generosity.

Jeff Haanen: ([24:49](#))

Let me jump in here. In our conversations with entrepreneurs, several themes stand out, Henry, really and how there work presses on their souls, kind of the theme of this podcast, is surviving the entrepreneurial journey without losing our soul. Here's what I'm going to do. We'll play maybe a little game here. I'm going to read a few pairs of sort of a kingdom way and sort of what's happening in the market. Would love your commentary on each of these themes that are really pressing on people's souls and entrepreneur souls. I have four pairs here. Would love just your thoughts. The first is hype versus genuine vulnerability.



Henry Kaestner: [\(25:26\)](#)

Wow. Gosh, that's good. I love games. I've never been asked questions like this. We have a whole section in the ministry called leading with a limp. Vulnerability and transparency is incredibly important. Simon Sinek talks about this from a secular perspective about really the impact of leadership. He talks about it a little bit on the why of leadership, which I think goes into the whole concept of us being able to share our faith and why we do what we do. And yet, the impact of a leader being vulnerable is so attractive for our staff.

Henry Kaestner: [\(26:07\)](#)

I think that our employees and our customers are just sickened by hype. Everybody wants to be excited about where they're going and so I think that an entrepreneur needs to really understand, how do I lead with a limp? If indeed I have a limp, how am I vulnerable? And yet, how do I lead with conviction about a mission and not suggest though that I have all the answers. How can I, as a leader, say, "That's the hill we're going to take and this is what it's going to look like, taste like, feel like when we are on the top of that hill, and this is an important hill worth taking and I'm completely committed to doing it.

Henry Kaestner: [\(26:43\)](#)

I'm excited to work with you all as you are also equally committed in doing it, but we can't hit that hill if everybody doesn't do their job. John, you're responsible for logistics and Mary you're responsible for security and all those different types of things. You need to be able to be focused on the mission and you need to be able to get people excited about that. Maybe that's where hype comes in, but I don't like the word hype, but you do need to have a conviction on the mission.

Henry Kaestner: [\(27:08\)](#)

There's a place for that in leadership, and yet we also need to be able to be vulnerable enough to say, I'm not 100% sure how to get there. When we've gone ahead and like when we are like trying to get up that hill, but we're lost, kind of like men and women. We're talking about men and women stereotypes here a little bit maybe, but you know how men will just kind of drive around and never want to ask for directions because they're lost, well, as leaders, we need to have the vulnerability in saying, well, we're getting some feedback from our customers here that maybe we don't have the product market fit we thought we had.

Henry Kaestner: [\(27:40\)](#)

The thing that I got out in front of everybody to say, and this is the direction we're going to head in over the next quarter, maybe that wasn't the right thing, and maybe I was wrong. Some of that vulnerability is really important too. Yeah. If you got four of them, I'll stop there.

Jeff Haanen: [\(27:57\)](#)

Another pair for you, speed and scaling versus building something that lasts. Especially on the speed thing, I'd love to hear your thoughts.



Henry Kaestner: [\(28:07\)](#)

Yeah. Yeah. Gosh. Again, it's not a black and white thing either. You like to say, "Well yes, build something that lasts. It's the tortoise versus the hare. We know how that ends. And yet, I like both things. I love speed. I love failing fast. I love being able to get market feedback. I like being able to bring a product to market that's 80% ready and getting that feedback because I think it just solves so many things and I think that the ... I think that, if we looked to ship a product that's completely perfect, I think we miss our market and miss opportunities, and yet, of course, we want to build something that's of enduring sustainability.

Henry Kaestner: [\(28:46\)](#)

I'll tell you one thing that I do spend a lot of time thinking about relevant to this is the optimal growth rate of a company. What I see a lot now in venture investing, which is only part of what you might see in the total entrepreneurial ecosystem, many entrepreneurs and business owners never get venture funding. It can be a very good thing to not get venture funding. We never got venture funding at Bandwidth. But what happens is, is that with capital that's so available, I think that I see so many entrepreneurs that get out there and grow faster than they might otherwise and miss their optimal growth rate.

Henry Kaestner: [\(29:19\)](#)

What does that mean? It means that, with new money that's come in from investors that expect growth, you end up buying customers and that's really dangerous. Every increase, every additional cohort of customers that you bring on board your platform comes at a higher cost, it costs them more, costs more. The cheapest ones are those that are so delighted by their service that they refer their friends. They're free and they're the stickiest.

Henry Kaestner: [\(29:48\)](#)

As you raise more money and you grow, your customers cost you more and they're the least loyal of all the cohorts. So, that becomes, if you do that too often, you're going to miss the customer. And what happens when customers are churning off? Well, your morale of your company goes down because people aren't feeling ... They aren't seeing the type of relationship they have in delighting a customer. I think that, that erodes your sustainability and you're building on the wrong foundation. You're building on a foundation of growth rather than delighting your customer and you can't endure.

Jeff Haanen: [\(30:22\)](#)

Okay. Tell me another one. Drive and performance versus surrender and grace.

Henry Kaestner: [\(30:29\)](#)

Okay. I think both are important. It's an ordering. Comes with surrendering grace first. Understanding that we cannot, on our own salvation as an entrepreneur, and a guy who took five loaves and two fish



and fed 5,000 doesn't need our business to succeed. So, surrendering and understanding that God owns it all. And when he looks at us, he sees his son, and which drives the grace part. When we have that, now, with that in place, now we can go to the alt with drive and performance out of gratitude for the gift of life that's given us and the opportunity to participate in his work.

Henry Kaestner: [\(31:10\)](#)

He gives us an incredible nuclear power source when surrendering grace and understanding our identity. Are at the core of who we are, now we have this energy and this joy that we can approach our work that does look like drive, and it does result in performance.

Joanna Meyer: [\(31:29\)](#)

So fascinating. Okay. I have a follow up question that relates to performance and it relates to failure because we can throw around those statistics of how many entrepreneurial ventures fail, but it's mind boggling, how many do. I think, to start and to risk anything is to risk failure. How have you seen that pressure, that fear of failure or actual failure itself affect entrepreneurs? A follow up to that is, how can someone who's taking those business risks turn to God when they feel that anxiety around potential failure.

Henry Kaestner: [\(32:03\)](#)

Yeah, it's a great question. Part of that is that Dave Blanchard from Praxis does such a great job about talking about the failure of a business. Can a business succeed? Would God ever will that a business might fail? He would suggest, and I would agree with him and that the answer is absolutely yes, God works out at all things for the good of those who love him. And he may very well have preordained that the business initiative that I had would fail. We need to understand that. We need to understand that God's sovereignty and how he worked out things for those of us who love him.

Henry Kaestner: [\(32:36\)](#)

If our identity is, as a beloved child of God, not as a hotshot entrepreneur that's growing a 20% month over a month, it alleviates a lot of the anxiety that you talked about and the anxiety, anxiety comes from a fear and it's a fear of death and fear of failure. If instead our identity is, is this beloved child of God and that doesn't need us to succeed, that will remove lots of the anxiety. Not all of it. We did a podcast episode with Phil Vischer, which he talked a lot about anxiety and fear and saying that effectively, that there's not really a place for that in the entrepreneur's life.

Henry Kaestner: [\(33:13\)](#)

I remember we then did an interview with Casey Crawford, maybe 15 or 20 episodes later, where we were talking about the Phil Vischer episode and how brilliant it was. To be clear, it was awesome. But then Casey was like, "Sometimes I really feel that I do have like this kind of anxiety and this kind of nervousness about my business, and I look in the Bible, I see David really sweating it out and I see Jesus, speaking of sweat, sweating blood in the garden Gethsemane."

Henry Kaestner: [\(33:41\)](#)

Is it really true that the optimal spot for an entrepreneur to never have any type of stress? I think that we need to make sure that it's the right type of stress. We are in a real battle. We're in a battle, spiritual battle. We got battles all around us. And you know what? It's not an easy going, well, God loves me. Doesn't matter, all that kind of stuff. No, we're called into battle. Now we're given the armor. An armor to go into battle. And yet, that's not always anxiety free, but we actually, we do have to mitigate that whole fear of failure by really understanding our, and that God might call us to fail, but most importantly, that God just sees us as his beloved child. We've been given the free gift of life, and that goes a long ways towards mitigating the fear of failure.

Jeff Haanen: [\(34:34\)](#)

I have a follow up question for you on that Henry. I'd imagine, over the years, you've seen Christians whose souls really did the not survive the entrepreneurial journey or not well. My question is, what choices did they make that were damaging? And particularly, I'll focus the question even more, particularly at hinge moments, we interviewed on this podcast, Michael Lindsay, who's now the president of Taylor University about his book on hinge moments in a person's life, where making very large decisions that can make or break them.

Jeff Haanen: [\(35:04\)](#)

Particularly when it comes to a healthy soul and entrepreneurial journey, what are those hinge moments and what are the paths people have taken that have damaged their souls and what can be redemptive about those times as well?

Henry Kaestner: [\(35:19\)](#)

I remember we had an early investor in Bandwidth that said, "Never go liquid." He invested in Bandwidth, he was an angel investor, a successful business person. And he said, "Look, if your business is successful, you're going to have an opportunity to sell out and you're going to get a lot of money. Don't do it." He said, "Everybody I know that his achieved liquidity has gone off the rails." 10 years on, he went off the rails. I've never forgotten that. I've never forgotten that. I've wondered why that is. What does that look like? I think that there are a lot of different things that happen there.

Henry Kaestner: [\(36:02\)](#)

Power and fame are really, really difficult. Power, fame and money are really difficult. There are some things that I think can be mitigants against that because I've seen a lot of successful entrepreneurs lose their soul and it's really, really troubling. I remember again, 20 years ago this person told me this, and then 10 years later, as they achieved a degree of liquidity, it happened. It was like a prophecy. Okay. Here's some mitigants against that. When I also look at a story like Alan Barnhart, one of my favorite entrepreneurs of all time, he understood that money would be a challenge to his spiritual life, so that he



and Katherine, as they started Barnhart Crane, it was just a very, very small business that his parents had, had, but maybe like two employees.

Henry Kaestner: [\(36:47\)](#)

As they started, they said, we're going to cap our earnings. We don't see a lot of people with material wealth doing really well and finishing really well and so we're going to cap our earnings. They've done that. And that meant, in the year that I met them, they were able to raise their kids, but they did it on what effectively equivalent of an inner varsity salary and they gave everything else away. The year I met them, I think they gave away \$100 million. Wealth isolates. Power and fame isolates. When we get outside of fellowship and community, sin just attacks us. We miss the accountability, we miss the vulnerability opportunities.

Henry Kaestner: [\(37:30\)](#)

That's a real thing that we see. Why does wealth isolate? Well, as you get more and more ... As an entrepreneur listens to podcast and get more and more success, you get on the radar screen of lots of people that see you as somebody that might give them or invest money. You're always on the defensive, you're always kind of pulling back. And either you stay engaged in the process, meeting the entrepreneurs and you end up saying no 99 out of 100 times, which is hard, or you say, "That's just demoralizing. I'm just not going to make myself available to talk to people." Or you hire somebody else to do it. But in any case, you just retreat.

Henry Kaestner: [\(38:06\)](#)

Then you retreat into a community sometimes of other people that are in the same spot and they've also achieved great wealth and then there tends to be some level of kind of self-justification about, well, we have this and yes, we've been blessed and we can go ahead and spend it, and you define yourself with the wrong crew, the wrong group. And then that's difficult. It's all about fellowship and community.

Henry Kaestner: [\(38:28\)](#)

If we can find the right fellowship and community and stay in society, then we stand a really good chance of being able to finish the race well. If we don't, we lose it. The real challenge is again, is that if you're a successful entrepreneur, the dynamic will change. You won't be in another anonymous member of your small group. You may be the most visibly successful person in your church and things will change. If you do not have a iron clad group of people who are not impressed by you as a part of your accountability group, the odds are that you'll fall.

Jeff Haanen: [\(39:06\)](#)

Two things I'm hearing in that, it's friendship, people that can speak truth to you. "Wounds from a friend can be trusted," says in Proverbs. The other side is deciding the role that money has in your life and the role that it won't have. Is there any other concrete practices you'd give our listeners of saying, I have to



make these choices now in my career, whether or not I make it big or I never make it anywhere, that this is who I will be no matter what?

Henry Kaestner: [\(39:33\)](#)

Yeah. Number one is, be very intentional about building a group of people that you process God's word with and the spiritual discipline. We have a group out here called the Inklings, group of us that encourage each other in the pursuit of faith, family, and vocation. We meet once a month at a place called the Dutch Goose, which is kind of a strange place, if you know the area, to meet together as a Christian men's group, it's kind of a pub. We always sing the doxology at the beginning. It's a beautiful thing. The rest of the bar stops as we sing the doxology and then they continue on their way.

Henry Kaestner: [\(40:04\)](#)

But it's a great place for us to meet. We've done it for a long time. We have a speaker every time. One speaker, we've had great, John Brandon ran worldwide sales at Apple. We've had Pat Gelsinger, the CEO of Intel. Maybe my favorite speaker though was Josh Kwan who started the ... Didn't start The Gathering. He's now the CEO of The Gathering, which is a group that focuses on philanthropy. We ask each speaker to share something about what they wish they knew when they were 35. Because the average attendee age is 35.

Henry Kaestner: [\(40:35\)](#)

I tried to build out with a group, a younger or group. The speakers tended to be older. And also, if you ask them one thing you wish you knew when you were in 35, it tends to make them vulnerable and transparent in a way that's more accessible. Josh Kwan said, "I wish I understood the power and the miracle of compounded interest when I was 35 and what that meant for the spiritual disciplines, of spending time in God's word and fasting. If I'd done that every single day," and Josh is an incredibly holy guy. I mean, he's amazing. He's a great Christ follower. That's one thing a listener can listen to. The spiritual disciplines, it's having that group, and then the other one is to give it away.

Henry Kaestner: [\(41:18\)](#)

It's to find out what your finish line is and then to give it away. It's a take ... Look, I send my kids to a private school and we go on nice vacations. We're going to come out to your neck of the woods and we're going to go skiing. [inaudible 00:41:33] are not taking a vow of poverty, but I know that if I don't give away 98% of Bandwidth stock, and instead that accumulates, I'm sunk. If I don't understand that God owns it all and I don't give it away, then I'm in trouble. It's a much easier decision to do that early on, where you and your wife get down and sit down and say, what's going to happen if this X, Y, and Z happens? How much do we need? And then let's go ahead and memorialize that. Let's make a commitment to ourselves.





Henry Kaestner: [\(42:09\)](#)

Let's share that with our accountability group and then let's give it away. The joy that comes from being able to store a pile of capital for God's glory is so much better than to think about, gosh, do I buy that new Ferrari that ... There's a new Ferrari that came out. I don't know if anybody's seen this really, really, really cool. I'll tell you, a private jet will get you to your ski vacation a lot faster. You don't have to worry about TSA pre-check or clear or any of that stuff. You just get on the plane. It's a beautiful thing. I tell you what, if you don't have that money, you don't have to wrestle with that.

Henry Kaestner: [\(42:43\)](#)

Kim and I spend no time talking about where to park our private jet or all the other things that you might expect from folks that own a very large amount of a publicly traded company. It's not a part of the conversation. I'm so grateful that, that's the case.

Joanna Meyer: [\(43:02\)](#)

Henry, I'd like to ask a question. We may have some pastors or maybe church leaders that are listening to our broadcast. And you had alluded to something. You said that successful entrepreneurs may be the most successful people in their faith community, and then that changes things. What advice would you have for someone who maybe is a Bible study leader, or is a pastor who has one of those heavy hitters in their congregation? What does it look like to really support that person?

Joanna Meyer: [\(43:28\)](#)

I have a hunch, I may know a part of the answer is actually taking the time to get to know them because a lot of people are so intimidated by a person with clout that they don't even press in to know, but what should people at the local level do to care well for the successful entrepreneurs in their midst?

Henry Kaestner: [\(43:44\)](#)

Great question. Yes, you're 100% right. Getting to know them, I think is important. I think that so many pastors would really benefit if they spend a couple days a week out in the marketplace, meeting their parishioners in their place of work. The amount of sermon material they'd get and just understanding how to disciple people is so much greater. That's part of it is to really understand it. I think that business people are intimidating for pastors and pastors just don't get business of people. I think you need to resist the urge of that, is to get out there and understand it. And the ministry that can happen from that and just the dialogue over time about, so what does it look like for you to love your neighbor as you run this business?

Henry Kaestner: [\(44:30\)](#)

Jeff's work is so great because he talks about the guide to the second shift. If you're a pastor and you're out there and you've actually visited the second shift, you can actually talk about it. That's one thing. The other one is a recognition of pastors that the entrepreneur, it's a very lonely journey. It's very lonely position. It doesn't look like that from the outside. It looks like they have all this power and all that kind



of stuff and everybody likes them. But again, wealth isolates, power isolates, being an entrepreneur is lonely because you have to make the decisions.

Henry Kaestner: [\(45:00\)](#)

You're stewarding the mission and vision. You're resourcing the company. You're getting the right people on the bus. The three main things to do as an entrepreneur, but it feels effectively like you're always selling something to somebody. You're selling to your partner's vendors. You're selling to customers to come on board. You're selling to employees to join your firm. You're selling to employees to stay with your firm.

Henry Kaestner: [\(45:21\)](#)

You come home from work and your spouse says, "How'd did it go today?" And you're selling, you say, "It went great." You're selling your spouse because she doesn't think, or he doesn't think that you should have left your well paying job at IBM. You're always selling something to somebody. Understanding that entrepreneurship can be very lonely journey, and the way to overcome that is yes, on one hand, I mean the answer for everything on a podcast like this is Jesus. Yes, that's one answer. More pragmatically, it's bringing them together. It's bringing the other entrepreneurs and business owners to together, and you'll know that, because I'm a business owner. I show up and I sit in the 17th row.

Henry Kaestner: [\(45:56\)](#)

I sit there with my family. I listen to the sermon and the expository of Numbers or Deuteronomy, or the Book of Luke. But I have no idea that there is a business owner on the third row and another one on the seventh row, and they're wrestling with the same things I am about, gosh, I'm looking at a layoff or I'm thinking about raising capital or I'm starting off my business and I'm trying to figure out whether I bring onboard an non-believing employee or not. If you look at a church that has 200 or more folks in it, there is going to be a critical mass of faith driven entrepreneurs and business owners that can and should get together around us study.

Henry Kaestner: [\(46:37\)](#)

We've got a feature of an entrepreneur group study that we have. You guys have done a phenomenal job of being able to bring together people in a group in this type of community. It's bring those people together in your church and you don't have to feel ... Just find a syllabus, find a group, and then just, even if there's no type of study you do together, just to have them to share and then pray together, that's a huge one.

Jeff Haanen: [\(47:02\)](#)

Henry, that's perfect. Let me just, yeah, hop and say thank you for your work. I have been very cognizant to just leading anything, you're constantly selling something, and you long for places where either you're not being sold on something. You're not selling others, but you can actually just share your heart. I actually think there's a study of Harvard men's study of what leads to long life and good friendships in



midlife for men is the key thing that leads to a long life. I think that's one of the things that I'm realizing now, as I'm in midlife, it's just so important to have people that can ...

Henry Kaestner: [\(47:35\)](#)

Oh my goodness, are you in midlife?

Jeff Haanen: [\(47:36\)](#)

Call me out and develop a real friendship and just enjoy each other's company. That leads to kind of faithfulness over the long haul. And you're doing that so I just wanted to thank you.

Henry Kaestner: [\(47:48\)](#)

Well, thank you. Except for the fact that I know you're younger than I am, and if you're in midlife, I don't know where that place is me.

Jeff Haanen: [\(47:54\)](#)

Oh yeah, you're just about done. No, you're not just about done. Well, I don't know, maybe I guess with hundred year life, I would not be midlife, but if I make it to 80, thank the Lord.

Joanna Meyer: [\(48:10\)](#)

Jeff, we are just about done. But before we go, I wanted to invite Henry, like I do all of our guests, to give a call to our audience. We give you the final word. I'm wondering if you would offer a charge to our audience who, maybe in the middle of running a small business or considering a big risk of launching a new entrepreneurial venture, would you give them a charge of having a faith driven approach to that adventure?

Henry Kaestner: [\(48:35\)](#)

Yes. We have these marks of a faith driven entrepreneur. We have 11 of them. We either need to drop one and make it 10 or add one and make it 12. But right now we have 11, and one of them is faithfulness versus willfulness. I'll speak to the charge and the call for your listeners, which is the same for mine, for me, which is to endeavor to understand the difference between being faithful and willful. I'm drawn to 2 Chronicles and the lessons of the good Kings and bad Kings of Judah. It's pretty easy to not do the things of the bad Kings of Judah. Well, maybe it's not that easy, but it's pretty easy for you to expect me to tell you to not do the things of the bad Kings of Judah. But do not do the things that the good Kings of Judah did.

Henry Kaestner: [\(49:15\)](#)

In each one of their circumstances, they made a decision without seeking God and it did not go well for them. For one of them was a trade deal, for lots of them was whether to go off and battle. But we are invited to be a participant in the work that God is doing world, but we're doing it with him as his junior



partner. We cannot and should not make decisions without seeking him out. There's just so much in scripture of folks not getting that right. That's a call for me and it's a call for everybody that's listening.

Henry Kaestner: ([49:48](#))

It's just to spend their time, and what does that mean? Just really pragmatically, it's Nehemiah, Artaxerxes sees the guy, Nehemiah stressing out because his hometown's in shambles. Artaxerxes says to Nehemiah, "What do you want me to do?" And what's the answer? It says that Nehemiah prayed. It doesn't mean that he laughed and said, "King, I'll be back in an hour after I spent time in my prayer room." No, he prayed on the spot. He realized he was about to make an important decision. There was going to be lots of ramifications and he did not want to make an answer and make a decision and a choice without seeking God, and so he prayed. That's my call to me, to all of us.

Jeff Haanen: ([50:27](#))

Thanks Henry, for being on podcast.

Joanna Meyer: ([50:29](#))

What a gift to have you join us.

Henry Kaestner: ([50:32](#))

Thank you. It's great being with you all. Thank you.

Joanna Meyer: ([50:37](#))

What a privilege to learn from Henry Kaestner. In today's show notes, we want to provide a number of resources to help you continue growing on this journey. The first is a link to Henry's book, Faith Driven Entrepreneur, which is on sale now. We'll also link to a free course in the Faith & Work classroom called Soul Care for Entrepreneurs, which features a number of top Christian thinkers about entrepreneurship, including more from Henry Kaestner. Finally, we want to invite you to join us at Business for the Common Good, which is Denver Institute's annual event.

Joanna Meyer: ([51:06](#))

It's a national conversation about, how does God and the gospel transform the way we lead in the context of business? It will be Friday, Friday 25th at the Grand Hyatt Hotel in downtown Denver. You can join us in person, which would be a treat to see you or online anywhere in the country or world. Tickets are on sale at [denverinstitute.org](http://denverinstitute.org). We'll see you again, hear you again in two weeks on the Faith & Work Podcast.

Joanna Meyer: ([51:31](#))

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