

**Jacob Morgan** 00:00

we'll jump right in and just start asking you questions and then after we edit the intro, it'll, it'll flow much normally it's not just gonna look like I'm randomly bombarding you with stuff. Okay. Alright, so you guys are all set. And then Arianna okay. Yeah, she's muted and off video. And since we're starting a few minutes late, do you have a hard stop? Are you able to go over by a couple minutes?

00:23

I think could probably go over by a couple of minutes.

**Jacob Morgan** 00:26

Okay. Great. Then I'll jump in if that works for you. Great. All right. Dave, thank you for joining me to be a guest on leading the future of work. Yeah, thanks for having me on. For people not familiar with Warby Parker, why don't we start with just a little bit of background information about the company?

00:47

Sure. So Warby Parker, is a direct to consumer brand. We launched in 2010 was me and my three co founders, we were classmates in business school, I just lost a expensive pair of glasses and couldn't understand why they're so expensive. And realized that there was no good reason. So we bootstrapped the business launch out of our apartments, really, with the intention of bringing more transparency to a large category, offering products for a reasonable price with a great experience, build a brand that customers love. And create a brand that was aligned with our values. And so for every pair of glasses, we sell, we distributed pair to someone in need. And now we're about 12 and a half years into our journey, have about 3000 employees, a couple 100 stores, in addition to glasses, contacts, have a couple 100 eye doctors on the team offer eye exams, telemedicine and so have really kind of grown in scope and scale over the last 12 plus years.

**Jacob Morgan** 02:04

Yeah, wow. 3000 employees. So you guys are quite a quite a large size company now from from the tiny days when you started in college with some of your friends. I'm really curious about the role that your values and vision played in growing the business. Can you talk a little bit about? Did you get set that up at the very beginning as far as what the values were going to be for the company and the vision that you had for the business? Or is this something that you tried to figure out as you went along?

02:32

Yeah, we we, as founders weren't really intending to start a business, we really started to solve our own problems. So we were all frustrated, consumers couldn't understand why glasses were so expensive, couldn't understand why no one was selling them online. And so when we kind of dove into the industry, and realized that we thought we could operate a business differently than kind of the rest of the category had been operating, that got us excited. But we also recognize that if we were going to be spending all of our time, on this new venture, that we we needed more than just kind of an interesting business idea. We wanted to create an organization that we felt was really having positive impact on the world. Yeah, and it makes sense. So we, so we spent as much time kind of talking about our social mission and the opportunity to do good as we did about kind of how to figure out how to design our first

collection of glasses or build a website. And that's really kind of when we came up with our our ethos around the business, where we were really excited by the opportunity to create a for profit business that does good in the world. And I thought that was kind of a an interesting platform where we could attract the best and the brightest, we could attract capital, we could invest for scale. But building a model where as the business got bigger, our positive impact would multiply as well.

**Jacob Morgan** 04:18

So it sounds like everything goes back to kind of that core values of doing good. But you know, a lot of organizations have similar values, right? Do good have fun, this and that. But a lot of those organizations also don't succeed. So how do you how do you go from just having the values be words or phrase to actually translating it, translating it into how the business operates? How employees show up to work each day, how leaders lead, how do you connect the words to the actions and the behaviors?

04:48

Yeah, so we, you know, we we have our set of core values that kind of we came up with when we were about the team was about 20 people and we you'd realize that we'd been hiring people with a certain quality with certain qualities that kind of reminded them of the founding group. But we hadn't gone through the process of articulating what those core values were. And so we kind of involved everyone in the company at the time, ask them kind of what are the values that are most important to them with people that they want to surround themselves with just in life, not necessarily in a business context. And we had a couple 100 different values that were submitted. And we led a number of small group discussions to talk through kind of which of those values were the same, which ones were different, which ones we thought were critically important to the organization that we were building, and which ones were more nice to have. And then Neal, my co founder, and CO CEO, and I kind of got in a room took all that feedback wordsmith and kind of came up with our set of core values. And since then, we really use that that list as the foundation for our kind of interview process, we're very open around these values. And we find that lots of people self select, when they apply to work for for Warby. And we really try to ensure that there's enough as much alignment as possible between people's individual values and the company's values. But we are not and one of those values is do good. But we're also unapologetic some of the other ones profit business.

**Jacob Morgan** 06:35

Yeah, what are some of the other values out of curiosity?

06:38

One is inject fun and quirkiness into everything we do, we recognize that we're to have the impact that we think is possible, it's gonna require us to work really hard over a very long period of time. And we want to make sure that the journey is fun along the way, that we're having fun with one another as a team, that we're having fun with our customers and partners and, and just making not taking our work seriously, but not ourselves too seriously. Another one is treat others as they want to be treated. Others pursue new and creative ideas. Others presume positive intent, okay,

**Jacob Morgan** 07:20

I like this.

07:22

And we, and so, you know, we we have you had some of these values, maybe similar to other organizations, I think, kind of the, the amalgamation of them, is unique to us. And we will, we are very focused on the impact that we think is possible for all of our stakeholders. We're also unapologetically a for profit business. And we make sure that people understand that the way that we can deliver the most impact is by building the best for profit business. And if we're able to scale, if we're able to sell more glasses, if we're able to drive our revenue drive, our EBIT, that creates more dollars, that we can invest in our do good efforts, and expect that we will be able to have a lot of direct positive impact ourselves. But we also hope to inspire a lot of other entrepreneurs, a lot of other companies, a lot of other founders, to see that, hey, you can build this awesome business that doesn't have to make any or customers don't have to make any sacrifices that investors don't have to make any sacrifices, that it's yeah, a great standalone business. But it also creates all this positive impact. Because of the social mission that's embedded in the business. You make

**Jacob Morgan** 08:49

an interesting point, right. And I like that one of your values is working hard. And without naming company names. I think everybody knows who I'm talking about. But there have been some companies in the news lately that are getting criticized for making their employees work too hard. And, you know, I'm always really curious to hear different perspectives from CEOs on that. Because, you know, you turn to like, social platforms, and everybody says, oh, no, you no shame on you, shame on you. And you talk to CEOs of companies and they a lot of them have a very different tune. And they say, you know, these employees are genuinely excited about the work that they're doing. They want to work hard, they are excited to be part of something like this. So how do you balance that? Because there's a big debate around like, working hard, you know, work life balance. How do you as a co CEO of an organization, think about working hard and creating that balance and how hard you can push people?

09:44

Yeah, for us, you know, comes back to really our long term goals where we we know that you can pull an all nighter one night, maybe two nights in a row, but you can't do that, you know, 100 nights in a row. is just not humanly possible. And for us, we want to make sure that we're kind of capitalizing on opportunities in front of us that we're moving really quickly. But that we're investing for the long term and kind of the phrase that we use most often, when we talk about kind of our, our, our growth path is sustainable growth, where we want to make sure that we're set up to grow quickly for not, not only this year, but the next several years and decades and, and our ultimate goal is for Warby Parker to be one of the most impactful companies and brands in the world 100 years from now. And, and that means that, you know, everything we do today is still kind of building the foundation for our brand, and that longer term opportunity. And so we do want to make sure that we're moving really quickly, we're out competing others that we're setting ourselves up for those future opportunities. But we should be mindful around when we're sprinting and when Sprint's are kind of absolutely critical, and when it makes sense to kind of give people some time to breathe. And I think the last couple of years have been, you know, a very strange time in the world for everyone and kind of a strange time for most businesses. And, you know, we went from having a very much five day week in office culture where,

you know, people worked hard, but you know, when they kind of left the office, most people kind of also left their work behind to then in early 2020, of us going remote, and people not having anything else to do. And so we pretty quickly, it was kind of all hands on deck, and it didn't matter what day of the week, what time of day or night, you knew someone was available. And that created. You know, we have really driven people wanted to make sure that we were going to kind of get through this really challenging time in the world and in our business. And so we had people kind of basically working 24/7 And then we had to kind of step in and kind of ask people to take breaks. And even if they had nothing else to do, like, go take a walk, you know, turn off your computer for a few hours or kind of take a couple days off, and just relax. And now we're back to kind of more of a normal cadence where we certainly want people to work hard, but we want to do so in in response to kind of your particular opportunities or make sure that that work is aligned with our overall goals and our overall map for what needs to get done.

**Jacob Morgan** 13:07

Okay, now that makes sense. And I like the approach of Sprint's because I'm also of the belief that, you know, occasional all nighters and things like that, you know, if employees are behind the company, you know, sometimes I run a small business, I only have 12 people that I work with, but, you know, sometimes I get very excited about the work that I'm doing. And my wife has to like, pull me away from the computer. And it's like, it's enough. And I think a lot of employees sometimes get very excited about challenging work and projects and making an impact. And so if they are willing and they want to participate, and they enjoy what they're doing, you know, the occasional Sprint's like that are not harmful, in fact, sometimes they can be good. A lot of companies even host hackathons where they get people together for a couple of nights, they order food and pizzas. And everyone just kind of hangs out at the office for a few days and tries to solve really complex problems. So I like that you kind of frame it in terms of sprints, and then kind of a regular cadence. Shifting gears a little bit, I'm curious to hear your perspective on what comes first employees or customers?

14:10

Yeah, I'd say, you know, we we view that as kind of a false choice. Where not not to kind of dodge the question, but, you know, we we've always believed in a very stakeholder centric view, where, you know, for for our business, obviously, customers have to have to be saved. Well, that's the only way that we're going to stay in business. And so we're absolutely customer obsessed. Every one in the company can rattle off what our net promoter score has been for the last several years and and we really look to make sure that we're delighting every single customer. And so that that's kind of table stakes. But in order to get there, we need to attract and retain The most talented people in the world and create a culture in an organization that is going to enable people to bring their whole selves to work and, and be excited by the work and the growth path and be excited to serve those customers and develop innovative features. And then the way that we attract those, those people and make sure that they are as excited and motivated as possible, is by also having a social mission embedded into the business and making sure that the other stakeholders that we're serving, like the environment, and the communities in which we operate, are also being served. And so the fact that, you know, our, our employees can go on volunteer days to schools were in low income areas where we're bringing in eye doctors offering free eye exams, providing free classes to students in need. Those types of activities are hugely motivating, and enable us to then attract some of the most passionate, curious driven

people in the world to build that culture and then serve those customers and so that both come first people first. Yes, exactly. Okay.

**Jacob Morgan 16:16**

I like that approach. So you mentioned kind of attracting and retaining talent and what people are looking for? Are you finding that when you're hiring people, it because obviously, people still care about a paycheck, they still care about benefits and stuff like that? Are you also finding that people very much care about the social cause and the mission and the impact that you guys are having in your communities? And when you are having those conversations? I mean, what would you say the balance is, is it like, I don't know 80%, about paying benefits and 20% about social mission or, like, how impactful is that social component really to employees deciding on if they want to work with you.

16:53

It's a every single person that works at Warby Parker could be earning more, somewhere else. Now we we pay market rates. And we believe that there's lots of upside in our equity, and certainly don't want people to feel like they're making financial sacrifices, but if to come to work for us, but if their sole goal is to come home with the biggest paycheck, there's going to be other places that are right for them. And what we find is that people are attracted to Warby Parker based on the opportunity to build a brand that that means something that has values that are aligned with theirs and to our social mission. When we survey our employees, our social mission is always the number one or number two. factor that they cite around why they love working for Warby Parker. And when we, in our surveys, 90 plus percent of our employee base say they're proud to work for Warby Parker. And that is, in large part based on based on the the social mission and the broader impact that they know their work is having whether they're working on our accounting team or supply chain where they're designing glasses. Or if they're more directly involved in kind of those nonprofit efforts. Being part of an organization that that means something I think is has been a huge competitive advantage in our ability to attract and retain talent.

**Jacob Morgan 18:39**

Obviously, there's a lot of talk of uncertainty for for next year, I hear a lot of discussions in economy, recession, inflation, you know, there's just a lot of madness going on out there. As a CEO, obviously, you're running a pretty good sized company, 3000 employees, and you're trying to think about and plan for the future, as are so many other business leaders out there. How, how do you think about it and plan it? Because obviously, you probably read the news and see the same headlines that everybody else does. The only difference is that you are responsible for 3000 people. So what do you what do you do? How do you think about the future plan for the future? Think about uncertainty? And do you have any advice for other leaders out there who are also, you know, seeing and reading the same news and they're trying to figure out what do we do for 2023?

19:31

Yeah, so we, you know, we launched our business in 2010. And we had a decade of pretty steady and predictable kind of customer demand. And then early in, in 2020, when the pandemic hit, we got punched in the face along with everyone else and been kind of repeatedly punched in the face over the last two and a half years and kind of all those plans that we had that were so predictable and kind of been thrown out the window. And so what we found now is that, you know, there is there remains a lot

of uncertainty, there are a lot of macro factors that are completely out of our control. And so we just need to focus on what is in our control name, namely, kind of serving customers, delighting those customers, responding to the external signals that we're seeing, and being as nimble and flexible as possible. And so while we used to have very rigorous kind of 18 month planning cycles, now, we we just recognize that our ability to predict what the world is going to look like 18 months from now, or even six or nine months from now, has been kind of materially degraded. And so now we just have kind of much more flexibility. Where we are, you know, we look at certain signals that are probably the most important indicators for our category. So, you know, for us, that's the number of people that are getting eye exams, it's retail traffic into stores, or the shopping centers, where our stores are, where we can kind of use those as some kind of broad signals, whether the kind of a consumer environment is improving, is it steady? Or is it declining, and then we can make adjustments accordingly. But, in general, we've just kind of gone too much faster iteration, and more flexibility and agility in how we operate. And, you know, previously, we would have looked at kind of a, you know, a big growth plan for the following 12 to 18 months and build our expense base and hire a lot of people ahead of that growth materializing because we are so confident in seeing those plans. And now, really, the All the focus is on flexibility and agility and not investing in areas until kind of we see that demand materialize.

**Jacob Morgan** 22:23

So 18 month planning cycles, what would you say they're cut down to now? Are you looking like, three months? A couple of months? Or what? What did it shrink to?

22:31

Yeah, so in most part for our business three months? Wow.

**Jacob Morgan** 22:35

It's funny, because I remember, you know, and I'm sure you remember this, too, right? Companies used to have five year plans, six year plans, would you say that all that has gone out the window, and it's just completely useless to do any of that stuff anymore.

22:48

We still have longer term plans, but I have kind of a set of scenarios where there's just much more variants and outcomes of kind of what our business might look like, five years down the road. Okay. And if you had asked us to kind of project that set of outcomes in 2019.

**Jacob Morgan** 23:11

So you mentioned scenarios, which, which I also find really interesting. When you guys are thinking about the future and your planning cycles? Are you imagining and coming up with different scenarios, like different possibilities that might happen in the future? And I mean, are you able to share maybe one or two of them, or how you even come together to think about those scenarios? Because I think one of the things a lot of leaders struggle with is they're very linear, are very linear in their thinking, and they just pick one path, and they assume that that's the only path that exists. So I really like your approach of thinking of different scenarios or possibilities that might come up. So if you have any guidance on how to do that, and what some of those scenarios for you guys are, I think people would find that very interesting.

23:55

Yeah, as much as possible, we kind of, we like to, you know, you can have a model, spit out whatever you want. And what we try to focus on is getting precise around the inputs into that model, and what's going to drive so what's going to drive the outputs. And so, you know, for, for our business, the kind of the, the main factors that that we have to play with on the demand side, is really the number of people that are getting eye exams, and then how quickly some of the newer parts of our business might scale. So our first 10 years of business, we were really primarily a glasses company. And now we've added contact lenses, eye exams. They're small, but rapidly growing parts of our business. And so there's much more, we have much less history there. There's much more kind of variance in terms of how quickly those parts of our artists This could scale. And so really try to isolate what are the kind of key inputs that are going to if you had to isolate three, three variables that are going to be the the kind of core drivers of growth over the next few years, what are those variables and what's sort of the range of inputs. And then yeah, kind of lay out the book ends. And, you know, no one has a crystal ball. But just as we get more data, and kind of as we move, you know, every week and every month, as we get more data, we can pressure test and validate kind of where in that range, where we're trending towards,

**Jacob Morgan** 25:47

how much of thinking about the future is art versus science. In other words, how much of it is your intuition or gut feeling, versus actual data and analysis that you're looking at? Because, you know, we've all been in those situations where our gut has been wrong. And we've also been in situations where we have a lot of the data and we think we know what we should be doing based on what the data says, and we do it, and we ended up making a mistake. So obviously, like you said, there's no crystal ball, but how do you balance as a leader? Your intuition, versus the data that you're actually looking at?

26:20

Yeah, we, you know, we, we'd like to be data informed, but not necessarily data driven. So we think, at kind of various stops, in my career, have seen people take the output from Excel model as kind of something that has been printed on tablets from from up high. And

**Jacob Morgan** 26:46

is that ever happened to you? Were you you were looking at data and made a decision based on data? And it was just wrong?

26:52

Yeah. Definitely. Behind me. Yeah. So you know, one of the great parts about building primarily an E commerce business is that you can AP test everything. And you can look at higher conversion, you know, the percentage of people that click, you know, one, design versus versus another. And what we found is that sometimes those AP tests lead to a higher click through rate. But those customers that we're attracting through that one, one test, end up being much less valuable customers just in the long run. And so some of the data can be obscured if you're looking at different time periods. And so it really comes down to being clear around your goals, and kind of setting up any of these tests. And so I think that's just one example of kind of where, you know, if if someone was wanted to set up a very objective

test, they can say, hey, look, this test is clearly better. But it may lead to kind of longer term negative repercussions.

**Jacob Morgan 28:09**

Okay. Okay. So going back to the original question of balancing the data with the intuition, kind of the decision making on your end? What's the what's that balance? And how do you how do you strike it?

28:25

Yeah, I think, you know, the, it has to be a combination of art and science. And, you know, for for us, is where we're building a business where we have lots of data. And and we want to use that to inform our decision making. But ultimately, we're trying to do things that no one's done before. We're building a brand. We're creating products where our customers want us to have a point of view, they don't want us to just look at kind of what is the average best selling pair of glasses and create something that kind of looks like everything else. They want us to take some risks, they want us to innovate. And that requires gut that requires intuition, in addition to kind of looking at data output. And so, you know, there there's always a combination, I'd say the, the real value that we have created, and I think any kind of business or organization comes primarily from gut intuition, as opposed to, you know, formulas in in a spreadsheet.

**Jacob Morgan 29:44**

Yeah, no, it makes sense. How much of data is used inward? So as far as hiring people knowing when to promote them? Do you have the same data lens facing inward as you do outward when you're kind of Have a be testing and thinking about customer interactions on websites.

30:05

We do try to be as objective as possible in terms of kind of performance ratings and make it clear. What criteria are, are used to evaluate performance and promotions. You know, there's there's always subjectivity that kind of goes into those ratings. And, and so, you know, it's a, it's pretty similar, where there's kind of a mix of art and science. And, you know, ultimately, when there are people decisions, we we try to remove as much bias as possible and, you know, create objectivity, but I'm not sure it's possible to, you know, ever kind of boil human interactions down to, to ones and zeros.

**Jacob Morgan 30:57**

Ya know, it's never easy. How much of of business success do you think is attributed to luck versus, versus hard work? And I hear different perspectives from different CEOs that I've talked to on this. But from, from your perspective, how much is luck versus how much is you know what we we did everything that we needed to do, we worked hard, and that's why we're successful.

31:21

So I think the vast majority is hard work. But there's no question that every successful business, every successful founder, entrepreneur, every successful organization, has been the recipient of lots of good luck. And Warby Parker is no different from that, you know, I think the the best organizations work really hard to put themselves in a position to be recipients of good luck. And then when that good luck comes their way, they work really hard to capitalize and maximize the benefit of that good luck. And that's



certainly been the case with us. You know, for me, it was a kind of a lucky accident that I lost my only pair of glasses. And I happened to do that while I was on a backpacking trip, right before I was going to business school. And then it was lucky that I immediately met three classmates who were also frustrated, eyeglass consumers, and couldn't, none of us could figure out why glasses were so expensive. And we had two years where we were full time students and didn't have to quit our jobs to kind of pursue this opportunity. And we had some life savings that we could invest to start this business. And then, you know, at once we launched, then there have been countless instances where we've, we've gotten very lucky. And, you know, I think that we've done a good job at kind of capitalizing on that good fortune. And so, you know, I think there are, you know, a lot of other scenarios, and probably other people and organizations that may have, you know, kind of that good luck could have come their way, and they wouldn't have taken advantage of it as much. And so, yes, still believe that kind of the vast majority of the impact comes from determined hard work, but certainly haven't created all of our own success.

**Jacob Morgan 33:33**

Okay, that makes sense. How do you turn an idea into something? Because I think one of the things that a lot of leaders inside of organizations are trying to figure out and I don't know if you guys have a specific process around this. But obviously, a lot of people have ideas for a product or a service for something, they want to do something they want to try. And as a leader, it's obviously your job to try to vet those ideas and see which ones you can implement and which ones are either not good ideas or ideas that you need to wait on. How do you think about that innovation and ideation process? Do you guys have a framework that you follow? And what would be your advice to any leaders out there when people come to them with ideas on how to decide what to go with and what to not go with?

**34:26**

I think for us, it always comes down to is a new idea. Is it aligned with our company mission, our vision, core values, our strategic objectives. So that, you know, even if someone comes up with a great idea, it may not make sense for Warby Parker to pursue it. It may not make sense for us to tackle that now. And so, you know, always want to be very clear in our this To the specific and measurable goals that we have as an organization, and then it can become a generally an easy conversation around, does this new idea does this new widget or this new store or expansion into the UK or whatever the idea might be? Does that help us accelerate our objectives on the roadmap? And so I think probably the most important aspects that enables a clear process is to be very clear around goals for the organization. And then, you know, when there are ideas that seem interesting that do fit that, that framework, then we often ask, What's, how can we break this down into the smallest piece possible, especially if it's not something that we've done we've ever done as an organization. And, you know, we like to use the analogy that if you feel like you have to jump off a cliff, to kind of try something for the first time, you probably have kind of laid out the problem in the wrong way. And you should take a step back, see, is there kind of a path? Is there a ladder, that we can take a couple rungs down, get some more information, so that, you know, we don't have to just flip something on and hope that it works? What are the things that we can do to validate or test the assumptions that go in? Can we pilot this in one of our stores? Can we pilot this through an AV test? Can we survey people? Can we learn from other organizations? How do we kind of de risk this idea? Before we kind of launch a lot of resources behind it? And just okay, it works?

**Jacob Morgan** 36:58

Do you set personal goals for yourself as well, in addition to the goals for the business?

37:05

I do. Yeah, I think, you know, those rain from, you know, things like, you know, learning new new skills, like kite surfing, or, you know, allocating certain, certain parts of my, my schedule to, you know, activities, whether it's spending time with my wife, or family or, or exercising or learning things. So, you know, try to ensure that it kind of have the right balance from a personal standpoint, and then, you know, as it relates to kind of, company, you know, I feel kind of responsible for everything we sign up for as a as a business. And so, any goal that we have at the company level, you know, I also kind of feel is a personal goal. But then, in addition to that, from a career standpoint, also think about, where there are opportunities where I can ensure that I'm becoming a more effective leader, that, you know, as the, my role transitions from working out of an apartment, with a handful of people to now running a public company with 1000s of employees in a variety of disciplines, some people that are working 1000s of miles away, you know, how can I continue to evolve and, and become more effective at at leading this this organization?

**Jacob Morgan** 38:52

What do you do to keep yourself accountable for those goals? Because anybody can set a goal, right? But it's another thing to actually say, I'm going to stick to it like, do you? Do you have an accountability, accountability buddy at work? Do you do check ins? How do you make sure that the goals that you set out personally for yourself are actually met?

39:12

I think probably the most important person. And we have somewhat of a unique structure or unusual structure at at Warby and that we have co CEOs. And So Neil, like, one of my co founders, and I have been running the company as CO CEOs for the last 12 plus years, and while it's somewhat of an abnormal structure, I think it does come with a lot of benefits in that. There is always someone that can provide support and provide feedback in a very objective way in ways that You know, our board and our executives and members of the team probably wouldn't feel comfortable or equipped. And so that's something that Academy and I have frequent check ins, you know, we, we talk 50 times a day, but really try to allocate some time around, you know, how we can help each other, you know, level up and ensure that we're kind of creating growth, growth opportunities for one another, okay.

**Jacob Morgan** 40:41

Last few minutes, I want to spend focusing on specific action items that leaders might be able to implement in their lives, their careers, their companies, starting off with this theme of trust. And so trust is obviously an important thing to be able to create, especially for leaders. Is there anything specific that you and your leadership team do to create trust amongst your employees? And what and what does that even mean? Trust?

41:11

Yeah, trust is kind of the foundation for any effective organization where, you know, think it, it, there's an element of safety. That that is part of trust, there's an element that there is support, there's an element that accountability. And you have for for us, I think the, the best way that we believe we can build trust across the organization is through vulnerability. And when people are vulnerable, when they are kind of willing to let their guard down, they're willing to be open and share and they don't care as much about kind of how they're being perceived. And, and there's true authenticity. But that's when kind of the best relationships are formed. And, and so, you know, one kind of simple way that we do that for new employees, when they kind of join the organization, they kind of join our all hands meeting, which we lead on a weekly basis, they introduce themselves, and they share a fun fact about themselves. And it's kind of really designed to be something that is sort of embarrassing about themselves. And it's just a way for people in the company to kind of view them as as human, regardless of their their title position. And then it just creates a lot of opportunity for existing employees to introduce themselves and kind of laugh about, you know, that that story, and they share something about themselves. And kind of introduce that, that human element that sometimes is missing from kind of a corporate environment.

**Jacob Morgan 43:23**

I love that you mentioned vulnerability, because the next book that I'm working on, which is coming out at the end of next year is on leadership and vulnerability. So as soon as you said the V word, my ears perked up right away. So speaking of vulnerability, then obviously that's something that everybody's comfortable with. Some people are more comfortable with it, some people are not. How do you create an environment and a culture of vulnerability as as a leader, and especially if somebody says, No, I'm glad that works for you, Dave, but I'm not gonna be sharing about me and talking about personal things and mistakes and failures. Like that's just not me.

44:05

Yeah, I think, you know, it, it comes, you know, being vulnerable, certainly, in in front of groups of people become is something that comes much more naturally to some people than others. Yeah. And, you know, we try to create lots of opportunities in settings where it becomes more natural to sort of have those conversations around, okay, people can be authentic and people can be vulnerable and they can kind of openly share feedback and we find that generally, the best way to do that is by having someone start and that kind of when people see the behavior being modeled so that they feel much more comfortable kind of being a fast follower and so and if the that kind of vulnerable chair happens to be someone who's a senior executive or someone senior in the organization, that tends to be even more impactful, and so really encourage our leaders to be vulnerable. Earlier this year, we had an off site where we brought her whole exec team for a couple days, really, with the intent of just sharing and being open and creating more vulnerability and trust and connection amongst our senior team with the intention that then that behavior could be modeled by the rest of the organization.

**Jacob Morgan 45:53**

Yeah, I love that approach. And so it sounds like you see a very clear benefit of vulnerability, namely, in the ability, ability of it to create trust and connect your people together.

46:05

Absolutely. 100%.

**Jacob Morgan** 46:07

Okay, do you do some kind of vulnerability training for this? Because it's easy to talk about vulnerability and say, be vulnerable? But how do you? How do you teach and train this, I don't know, if you can share maybe some of the activities or things that you guys did as a leadership team?

46:25

Sure, yeah. So as a leadership team, you know, we, we did everything from kind of bringing in objects that were important, you know, we were asked to bring an object from our home of something that was important to us, and then use that as kind of an exercise to talk about, you know, parts of our lives that people might either have exposure to that, that included, you know, talking about people's grandmothers, or, you know, where they were born with, a, an activity that they were super passionate about, or a cause that they, it was really important to them, and just kind of broke down barriers, and immediately kind of created more human connection. And when people are truly authentic, and talk about something that they're really passionate about, and that it is really infectious. And just builds that immediate connection. And so that was kind of, you know, one exercise that we've done, and then have encouraged our departments to kind of replicate in their department meetings and, and have found that it's generally kind of having some sort of prompt, like that. Can can really be a faster on ramp to people feeling comfortable sharing things that are, are kind of, you know, truly important to them?

**Jacob Morgan** 48:16

I like that, do you have any specific processes or frameworks that you use that you think are unique to you, as far as how you make decisions, or hire or approach a problem, maybe something that you've personally developed for yourself over the years?

48:37

You know, in general, and yet, now, there's been kind of a bunch of research around this, but that I find that I think much more clearly and creatively if I'm being active, and so that I find that, you know, a lot of my kind of best ideas or kind of clearest thoughts might come if I'm surfing or going for a run. And so, have started doing kind of a lot more of my meetings and conversations with execs while I'm while I'm in motion. And one of our execs the other day joke that he kind of knows my my daily routine now. Because I call him anytime, you know, walking to or from the office, and you'll find that. It, it provides just clarity of thought. And, and so, you know, trying to incorporate that more into interesting, you know, kind of problem solving and decision making conversations.

**Jacob Morgan** 49:52

Yeah, that's a pretty interesting leadership hack. I wonder if there's some science or research behind that. I mean, I also noticed for exam I try to exercise every morning. I don't necessarily do meetings at the same time. But I find that it's a great way to kind of start the day and I start getting all sorts of like thoughts and ideas come to me. So I like the idea of kind of starting with some sort of an activity in the morning, I think it's pretty interesting. Maybe one or two more questions for you, before we we wrap up. One of them kind of going to the theme of vulnerability and trust is what do you do when somebody betrays your trust? Or uses that vulnerability against you? And has that ever happened to you?

50:36

Yeah, it's certainly happened. I'm trying to think if it's happened in a business setting, in I think, in general, you didn't, whenever something bad happens, my first question is why and try to understand kind of the the root cause. And, you know, if there if it is kind of a a person that has has done something that is upsetting or untoward, then yeah, I. Yeah, I tend to confront the people, but in a, hopefully in a non threatening way, just to kind of share back what I observed, how it made me feel, and, and kind of ask for an explanation. And I think we find that that sometimes, you know, when there are certain decisions or within the company, that are really upsetting to other people, sometimes often, the there wasn't mal intent in that decision, but people kind of have been exposed to different information, they may not have the full context, they may not understand the second or third order effect of kind of an action that they're taking. And if that's the case, then, you know, it can be pretty easy to resolve. You know, in other cases, if there is mal intent, or if there is kind of a, you know, a violation of our core values. You know, that's when we, we've made the decision to kind of part with, with people when we don't think that they're the right fit for the organization that we're building.

**Jacob Morgan** 52:41

Okay. And very last question for you, what has been the most impactful moment for you from a leadership perspective and why?

52:53

I think, you know, leading when everything is going smoothly, is is pretty easy. Leading when there are major challenges and lots of uncertainty, I think is is much harder. And, and for us, the probably the most difficult decision I had to make as a leader was on March 13 2020, when the COVID was starting to spread across the country. People didn't really know what it was, how it spread, how, how dangerous it was. There weren't any treatments, there weren't vaccines. And we made the decision before anyone else in our industry, to shut down all of our stores, 120 stores, we had well over 1000 employees in those stores. And we didn't know we were operating kind of completely blind, didn't know how long we were going to have to keep those doors closed. And we committed to our team, you know, there was talk about potential government stimulus, but it was very uncertain and nebulous. And we committed to all of those team members that we were going to guarantee their wages for several months. We wanted them to feel like they were taken care of they were part of our team. And we made that commitment without knowing if we were going to be able to generate revenue if you know what was going to happen to our cash position. But it was very clear to us that the health and safety of our team had to come first. And part of that health and safety including included us being able to kind of pay them for some period of time. And so, you know, I think, you know, in retrospect, it was definitely the right decision and our team you know, really kind of appreciated us leading With our values, and I think it made a really strong statement to, you know, all of the impacted team members plus everyone else in our organization. And so, yeah, that's, that's a moment where, you know, we like to make decisions where those decisions help our customers help our team members drive sales drive profitability, and kind of meeting over objectives. It becomes harder when some of those objectives are in conflict with one another. But this was a moment where, you know, we we really lead with our values and and are very glad that we did.

**Jacob Morgan** 55:45

Dave, where can people go to learn more about you, your company and anything else that you want to mention for people to check out?

55:53

You can come to Warby parker.com. Visit one of our stores, we have a couple 100 stores across the US in Canada. And And then, there's now that we're a public company. One of the benefits is that we're very transparent. There's lots of information about us. And the s one that we used when we went public is kind of a really rich document. That that's also in our Investor Relations website, if people want to deep dive. Great, cool.

**Jacob Morgan** 56:27

Dave, thank you so much for taking time out of your day to share some of your insights with me. Yeah, thank you.

56:34

All right.