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SPEAKERS

Jacob Morgan



00:00

Why are costs so expensive? I realized that like glasses were sitting on my face. And they should be a fashion statement. They should be a bold thing that says something about who I am. But I was a student and I didn't want to pay \$500 for a new pair of glasses, my frames were being held together by like a piece of duct tape. And I was like, Hey, I can't sleep like this. See if we can build a company that changes our industry. And how many employees do you have there? It's multiple 1000.



Jacob Morgan 00:20

So this all started with razor blades?



00:22

Yeah, totally.



Jacob Morgan 00:23

I mean, it's unbelievable. This idea of the connection to the company, like waking up each day. I think that's the hardest part that's like, I have to come to work every day. This is one of the reasons why I quit 15 years ago, when you started companies, with your friends, is that ever in conflict?



00:37

This is a great question. People believe in the mission of the company and where the company's going. I think a lot of it is like common sense. It seems like it could be a real business.



Jacob Morgan 00:46

Are there any unique things that you do as a leader that you think helped make you more successful?



00:51

I don't know if this is a lesson learned. But I think there's a realization I had really early on as like, I'm not sure I'm the best leader in the world. Today. I'm doing my best and I'm learning every day.



Jacob Morgan 01:04

Today's discussion is with Jeff Rader, who is the co founder and CO CEO of Harry's, and also the co founder of Warby Parker. Harry's is a 1000 person CPG company, which offers everything from razors to face care to body care and hair care for men and women. One of the things that I found quite fascinating about Jeff is that he helped start not one, but two very successful companies over the past decade. And I wanted to understand why and how he did it. In today's discussion, we talked about balancing short term success with long term growth, how to earn the trust of your customers and your employees, what it takes to turn an idea into something real, and why it's so crucial for employees, especially leaders to have a connection to what the company does. The bonus episode, which is only available to subscribers of leading the future of work plus will teach you why wearing your emotions on your sleeve can be a slippery slope, how working with a coach can step up your leadership game and the one thing that Jeff does most mornings and evenings to give himself time to think I hope you decide to subscribe and support leading the future of work plus.



02:26

It's actually I



Jacob Morgan 02:26

don't know if you know this or not, but I had a David Gilboa on the show as well, a couple of weeks ago. I don't know did your team tell you about that?



02:34

Did not know that. But he's much more charming than I am. So sorry to let you down.



Jacob Morgan 02:40

So you founded or co founded Warby Parker, and Harry's. So you're in a couple of different very, very successful businesses. So why don't we start with just a little bit of background information about how you came to creating these two successful businesses and for people who are not familiar with them. Tell us a little bit about these two different organizations. How many employees do you have at each one? What do they do?



03:08

That sounds great. So Warby Parker to start is eyewear and eye care brand. started the company with three close friends. In 2010. When we launched, we started working on that business and Lync 2008. And the idea was that we could provide sort of amazing looking designer eyewear to people at a fraction of the price of what was available for at the time. And do good for our customers and then do good for the world as well. And so for every pair of glasses we sell, we give one to somebody who otherwise wouldn't be able to have a pair of glasses and therefore wouldn't be able to see and the way that they might be able to you know, I think the the idea for Warby Parker actually came from a good friend of mine and I remember him telling me about it after class one day, and at the time, I had a \$500 pair of glasses. My prescription that changed multiple times. I think my frames were being held together by like a piece of duct tape. But I was a student and I didn't want to pay \$500 for a new pair of glasses. And like you know my I realized that like glasses were sitting on my face and they they should be a fashion statement. They should be a bold thing that says something about who I am but again, I was like it was really expensive. And so I was like oh man, I'd love a pair, you know of new glasses that were bold and that could make a statement about who I am. I just don't, I can't afford \$500 And you know, my good friend who I sit next to at the time, had worked in our industry before school and said you know those glasses cost a fraction of that to make the reason they're so expensive is because there's a couple of companies who kind of own the whole process from kind of frame manufacturer to retail and and they charge you a lot for that Make a lot of profit. And you could actually get a pair of glasses that you want or that you'd love to wear have the highest quality for \$100. And I was like, No way. And so I couldn't sleep that night. Like two o'clock in the morning, I emailed those guys. And I was like, Hey, I can't sleep like this. I just like keep thinking about glasses. And they're like, We can't say be there. And pretty soon we got together four of us and said, Hey, let's, let's go do this. Like, let's do it for ourselves as customers first, let's see if we can build a company that you know changes our industry and, and does good in the world. What am I Warby Parker, co founder, Neil had worked at a nonprofit that provide provided reading glasses to people living under less than \$4 a day and had these incredible stories about how you know, someone couldn't, you know, literally couldn't like see the things that were right in front of them. And then all of a sudden, they put glasses on them. And they kind of had the gift of sight. And so we thought, oh, man, what what what if we could not only build this business, but also do good for so many people along the way? So that was kind of what would motivate us to get started at Warby Parker. And what about and I think that any employees



Jacob Morgan 06:01

you have their



06:03

Gosh. I think with sort of headquarters and our stores, it's it's multiple 1000. So yeah, we just opened our 200 store will be Parker. That's crazy. It was very exciting. And yeah, we've reached millions and millions of people giving away millions of pairs of glasses to other people that otherwise wouldn't be able to see and, you know, hopefully, or are just having a really good impact on the on the customers we serve. One of the things that we measure religiously, is, you know, sort of customer satisfaction, Net Promoter Score. And it's really exciting to continue to hear that, you know, our, our NPS is, you know, among the highest of any consumer brand out there.



Jacob Morgan 06:44

And And what about Harry's?



06:46

Yeah, so. So Harry's started when my co founder, Harry's co founder, Andy walked into drugstore. In 2011, in California, looking for some new razor blades and couldn't find someone to unlock the case where the razors were being held. He was a little frustrated that, but but then even more than that, yeah, he got like a four pack of razor blades in some shape gentleman a custom like \$25. And it was looking at his razor package. And there was like a picture of a blade flying over the moon. And he's like, What is going on here? Like, why are these products so expensive? And why are they trying to sell me some future interpretation of technology. Like, I just want a product that's great, that works. A brand I trust, not some brand that's trying to you know, like, shoot me an ad or space are telling me I have to be the best or whatever. And so he called me and he was like, I just had a really frustrating time at the drugstore, buying razor blades. I feel like these big companies are taking advantage of us. And the brand doesn't resonate brands don't resonate with me and like could you take what you learned at Warby Parker and do better here. And like, I had this like immediate visceral reaction is like, I totally get it. Like, I know how you feel. I was like, I don't know anything about your shaving razor blades or anything. But like, I know that I would want to be better for myself too. And that's how I felt sitting around after class when my friend had the idea for Warby Parker's like, oh, I want something better, like there is got to be a better way. And so similar to that I got kind of got obsessed with like, Okay, well, how a razor blades made and where are the best blades in the world made and why are they so expensive? And I think, you know, some of the same reasons existed and why isn't there a brand that's like inspirational and modern and exciting and doing good for the world and doing good for customers? Like we tried to do Warby Parker. And, you know, as we got into it, it's like, well, shaving industry is dominated by just a couple of companies. And you know, Gillette is like this huge business. Yeah, and they, you know, they have charged more and more and more and more and more and more to customers over time. And, you know, we felt like we could come in and, you know, deliver people an amazing product and much better value. And then for us a Harry's the big challenge was like, could we actually make the product? Like could you make a razor blade that you would be proud to use every single day?



Jacob Morgan 09:08

Hey, really quick, you want to hear something crazy? Over 96% of the people who watch these videos on this channel are not subscribed. Why don't you fix that? If you want to not miss to

videos on this channel are not subscribed. why don't we fix that? if you want to get access to more awesome videos just like this one, make sure to hit subscribe, so you'll get notified when they get released. I was gonna say how many people do you have at Harry's?



09:28

We have a little over 1000. Wow.



Jacob Morgan 09:31

So one of the things that I find interesting is that in both of these situations, they were kind of like personal, seemingly trivial problems that you saw that turned into these big successful businesses. But what's also interesting is that a lot of people have ideas all the time. You know, leaders have ideas all the time and very often, they don't know what to do with it. So can you talk a little bit about the process of how did you go from idea to actually developing a business around it. Because I think even if you have a full time job as a leader, if you have an idea, yeah, how do you know what to do with it? Like? What's the decision making process, the actions that you take to turn that idea into something that that's living?



10:15

Yeah, totally. So I think that there's a few, I guess, steps, I think, one, yeah, someone wants somebody, the best way to start a business is just to like, figure out what makes you upset every day and then try to fix that. So you know, and like that could be in your job, somebody might make you upset. You know, it could be in like, the way that yeah, companies work together. It could just be like, hey, it's, it's raining outside. And I'm sitting here waiting to hail a cab, and gosh, I wish I could just press a button on my phone and you know, have a car pick me up. Like, there's all you know, I want to be able to order groceries or food very, like, just think about all the friction that's existed in people's lives and the things that people have done to go make those better. And the great companies that have gotten built like, that feels like step one, then for me, like there's probably like two fundamental questions that the night kind of asked, we asked about Harry's Warby Parker. I think one is like, why is it this way? Like, why are glasses so expensive? Why are razor so expensive? Like what? What structural dynamics have existed such that like, this has gotten to this point. So that was one and that's more just like, hey, like learning and talking to as many people as you can about the industry and finding people who knows something about this and be like, Why? Like what, like, just keep asking those why questions, you know? And then I think, and by the way, sometimes you don't get good answers, which is, like, actually good in for me. So like, you know, I remember when we were starting Harry's, I talked to some people used to work on the razor, just, you know, I'm like, why are razor so expensive? Like, well, they're like, they're not more than your latte. And I'm like, but I like my latte. Like you. I just feel like you're taking advantage of me like, and so I don't know, like that just feels bad, like different. And I know that you're making a huge profit. I don't know what the barista is making, but you know, at least I get to see him or her ever. Yeah, it feels better. And so, like, I Okay, and then the, on the on the the other question that we asked ourselves at the time was like, Okay, I feel this way. But to like lots of other people feel this way. Because like, they're, you might have this idiosyncratic feeling of like, Man, I'm at that site. And so what we started doing is talking to all of our friends. And I think there's like a big, I think sometimes people will start companies, they're like, want to be in stealth mode and not

tell anybody. And I took like the exact opposite approach. I told everybody, like, I think anyone who knew me in those times was like, so sick of hanging out and talking, because all I wanted to do was talk about glasses or razors like, well, like, what glasses do you wear? Oh, like, look at those? How do you feel about buying them? Where did you buy them at, like, you know, just trying to understand as much as we could about like, human and consumer behavior and like general levels of happiness, like you happy with us, or you're not happy with us. And then after we did that, like, you know, we very cheaply figured out how to serve a lots of customers who were when we were building, where we Parker, we're in business school, so we could literally just like email, our entire business school class, which was 800 people, like we take a short survey for us so that we can understand how you feel about glasses, like that was really helpful to get, you know, more and more data points to start to validate, hey, there is a broad base consumer need. And then there's, you know, like a structural reason. And then from there, you have to actually sort of I think, then you can like what we did at the at that point, it was kind of take all that input and try to build some kind of a business plan. And I don't know, in retrospect, was that valuable? I think it's helpful just to get all your thoughts on a few pieces of paper, but to say, Okay, there's a big consumer need, we could build a brand that's really different. The brand should do X, Y, and Z. The product needs to do X, Y, and Z. And if we could sell it for this, we could make a little money customers are great, a great deal. This seems like it could be a real business. Yeah. And I think once we do that, we almost convinced ourselves and then you have to sort of you write the plan, they have to go make it all happen. And for us, it was Warby Parker and Harry's, I think the hardest thing was actually well, building the brand isn't isn't an amazingly fun journey, and exciting and interesting and hard, and a little bit kind of amorphous, making the product is really, really hard. Yeah, making an amazing product that you'd be proud to use. And, you know, 1000s and 1000s of people would be proud to use millions. Like, from a standstill, like that, that's, uh, that's probably was the hardest thing. And that takes that takes a lot of, you know, trying to bring in expertise and continue to iterate so you feel like you really have it right? Well, so



Jacob Morgan 14:21

for most people who are listening to this, you know, the vast majority of podcast listeners, at least to this show are, they have full time jobs, or they're working for a company, they're not entrepreneurs and not starting their own business. But I still think there's a lot that can be applied from what you learn to the corporate world, specifically that first step around kind of challenging content and convention and asking why is done like this? Like, why are we serving the customers this way? Why is the process like this? Why is this structure this way? So asking those questions and it seems like after that you started putting some ideas together, get some data points together, kind of build a business case for it and then introduce some sort of change in one area and see how it goes and implemented kind of long term or is that sort of a similar practice that you have implemented inside of your companies after they'd been established? Because I mean, you're, you know, solid mid sized company now with 1000? Or yeah, Warby 1000s of people.



15:13

Yeah. Our mission at Harry's is to create things people like more. And so he usually go into meetings with like that as my first question. Like, tell me how this is going to be something that I like more, or someone likes. For me, I'm not the customer of everything that we buy. But, like,

tell me how this create things, people that creates things people like more and like shouldn't have to be complicated, nuanced answer, because like, no one's gonna really understand that in the world. Like, it's got to be really straightforward. So, for example, we made bodywash for Harry's, and we at that came from, like a bunch of customers asking us to make body wash. And so we're like, Okay, well, why do you want body wash? And literally one of our customers had ever made him like, because I don't want to smell like Teen Spirit anymore. That's like, Okay, that's interesting. Like, could we make bodywash that smelled more sophisticated, you know, had like, where we were prestige fragrance houses to make a product that, you know, maybe hat was had naturally inspired sentence that were more sophisticated than what was normally available for the same price is that, you know, we tell other people like us our product for and so we said, yeah, like, and so team went to, like, found this amazing fragrance house in France and started making these amazing, natural inspired fragrances. And, like, I remember sitting in meeting and I was like, okay, like, why would I want to buy or buy? Like, what about our body wash? And they're like, Well, there's two issues with body wash, like issue number one is that guys don't feel like they get clean. And this has like a proprietary format, such as up so you really clean to feel like you're getting clean, it's like, okay, and number two, it just like it just like we have these really sophisticated scent palettes that are totally different. Every else smells better. I was like, okay, like, that's actually I buy that, you know? And like, by the way, that moment, and I was like, Well, how are people going to figure that out. And they're like, We have to get this into retail. Because the moment that people can figure out when they flip the cap, the behavior that happens is you walk down there, and we flip all these caps. And we've literally put like our product next to other products and just had people flip the Capitol, and they smell ours, like, that's the one I want. And so I was like, okay, great, like, so we should launch it, and we should launch it with a retail partner in a big way. And you know, say, hey, just like this smells great. Flip the cat. And that's been a very successful product for us, I think, because we were clear on like, how and why we could deliver something that was better for someone. When we haven't done that. Well, like we haven't been successful. Almost. Because like why actually I think it's and so that's the biggest question that I like to ask is like, how is this actually creating something that people in the world like more?



Jacob Morgan 17:42

Yeah, and it's crazy, because now you offer so many products. I mean, I'm looking at your website right now. And you guys have like exfoliating, you have razor blades, you have body care, you have a haircare product, you have accessories that people can buy, you got soaps and lotion. I mean, it's unbelievable how much you've expanded. But so this all started with razor blades.



18:03

Yeah, I started with razor blades. And then you know, when we started talking to our customers, we're like, Well, if you trust me, our customers, and I trust you kind of for the seminal moment in my morning routine shaving, and you're making products that are really high performance, I'm literally taking a Harry's knife to my face every day, and it works. I love it. You know, I'd also like you to help me with other facial skincare products, and then other haircare products, and then other body care products. Yeah, and the places where we've been most successful. I think our and this has been through a process of trial and error, I think are places where we help guys either kind of look better or smell better, like kind of put their own

image out the way that they want to, as they walk out for the day, like gives them a little more inner confidence to kind of go chart their own path for lack of a better term. And I think that that those areas, you know, shaving is fundamentally about how your face looks. Yeah. And facial skincare is about your face looks and hairstyling like our hair buddy has done amazingly well. And that like on that product, I was like, Okay, what's the great things people like more, and our team was like, it gives you that morning feel, you know, right? When you get out of the shower, like you have up like comb your hair, and it like looks just how you want it. Like, you can keep that all day. You get like that perfect morning feeling all day long. And I was like, Oh, that's cool. Like, I would want that. And so. So it's just like about finding those moments where like, someone can convince you that there's that thing and then saying, okay, great. Like, does it fit with our brand? Is it good for our customers? Okay, let's try to go make it.



Jacob Morgan 19:29

Yeah. Well, it seems like there are two things here that that really stick out for me that are important. One is building trust with customers and I'm assuming also with your employees. And second is a lot of what you're saying seems to go around storytelling, right? Like flipping the cab, you know, the feeling that you get on your face when you're when you're washing when you're gonna shoot and stuff like that. So let's talk a little bit about each one of those. First is, I think the storytelling piece. And again, I don't think this is just relevant for entrepreneurs or even for So we're CPG brands or online brands, I think storytelling is an empower a very powerful technique that anybody could use, whether you're in consulting, whether you're in the medical field, or in your case, whether you're selling products online and in stores. Are you consciously thinking about the storytelling aspect? Is your team consciously thinking about that? How do you? How do you think about the story for a product?



20:26

Yeah, yeah, I think when you say story, it almost sounds too complicated relative to what we're doing. I think about like the line, or the elevator pitch, like you and me talking right now, can I tell you in two seconds, why they should, why this should exist. And if I can't, shouldn't exist. And so I actually, I think of the of our team, hopefully doing something that's a lot more straightforward than that, which is making amazing products. And like, we spent, I mean, we spend 10s of millions of dollars at this point on r&d, and teams that go make products, like we spent a lot to try to go make amazing products. And then, you know, for me, it's like, well, the product actually has to fulfill a need. And if it doesn't fulfill on a need, like we shouldn't, then I shouldn't talk to you about you're like, Okay, you know, so what's your vows, like, Jacob, you should have a great, you're a great black, just like Jacob, you should need another black T shirt you're gonna make Why don't need another black T shirt, you know, as opposed to like, no, like, I'll tell you about a black T shirt, that's gonna be better than my T shirt, you have to pay for these two reasons, like, whatever they are, and then the reasons have to matter to you. Yeah, like, you'll never have to wash it again. It's just a, you know what you promise by gross. But you get what I'm saying? Like, yeah, you have to, we need to figure out how to actually do something that's better for somebody. And there are certain places where we've, we haven't been able figure that out. And so we're just like, not making the products. You know, it's like, why do it?





Jacob Morgan 21:50

Do you want to learn how to create an amazing corporate culture, while avoiding the pitfalls that make for a toxic one? If so, I created a brand new eight part training video series just for you. In total, it's around 30 minutes in length. And you can get it right now by going to help my culture.com Go there right now, before this training series disappears forever. Again, that is help my culture.com and get access to this free eight part training series on how to create an amazing corporate culture. So I'm curious where those areas are. But before we get into that, yeah, I also wanted to ask you, you mentioned if you can't basically give an elevator pitch, you know, in two to four seconds or whatever. So I'm sure a lot of people are thinking, Well, what's what's Jeff's two to four second elevator pitch? So how would you talk about why Harry's or even Warby Parker, for that matter? matters in your two to four second elevator pitch? Yeah,



22:48

I mean, I think we are companies that are fundamentally focused on giving people better experiences, better products and better experiences. In these areas, men's care, and I care and trying to do great for the world and the community at the same time. Those are the things that keep me up at night, the utility function that I think about at both companies, but Harry's where I'm kind of running the company every day is how many people have we reached, how much better we made their lives? Yeah, like, and if we can reach a lot of people and make each of their experiences on the better, like, that's impact. And then we take 1% of our sales, which has been over \$10 million to date. And we donate to organizations that further the missions of our brand. And Harry's, it's like about men's mental health, which is about feeling good every day, which is really important to us as a brand. Yeah. And so I don't know, like that's, to me, that feels like a worthwhile thing to go do every day, wake up and go to vote time to.



Jacob Morgan 23:45

You also mentioned it was so many interesting things. So before we get into kind of what, what you feel like doing everyday, you know, kind of the connection that you have to the company. The other part was, I think the consumer trust, and even the employee trust piece. Yeah. Is that something that you consciously think about as well, you're getting consumer trust getting your employee trust in what do you do to build those things?



24:07

Totally. I think about that a lot all the time. And I think like a lot of you make a lot of small decisions every day, I think that either reinforce or diminish trust. And let me give you an example. If it's helpful, yeah, so please. We're coming out with a new razor. That is like, it's amazing. It's like kind of this dark metal form I'm really excited for it's launching in a couple of weeks. And we can also make that razor in Chrome. And a partner of ours said, Hey, I kind of want that razor in Chrome. And I'm want to charge more for it. Like, I think I could charge more for it. And our team's like Okay, great. We could like make more money sell this to these people. They want it for more or charge more money for it like yay, great deal. And so You're in a meeting. And I'm like, can I just see like the two of them next to each other? And so like they gave him and I was like, let's look at these together. Like, they look exactly the same to me or

like very close. Like, are we really? Why would I want to pay \$5 More for this one than this one? Like, I don't understand, like, help explain that to me. No one because like, we're not doing it. And so I think it's like, these small daily moments where you could do something that created mistrust, and hopefully not, like, not, we're not perfect. I'm sure we've done a bunch of stuff that hasn't been great. I got we're growing on a journey. But man, I hope that we can do things more than not that build trust in that way. Somewhere, like, you know, I think lots of brands promote and discount all the time. Yeah, like, you know, razor blades are one price in one place one price on the other. And who knows, and 50% off today. And like, you know, and we try not to like we try to give you the same price every single day, we try to make that price as clear as possible. Like, today, a four count of razor blades, and Harry's from Harry's costs \$10. It's a very simple standard, it's gonna be \$10 tomorrow and the next day. And hopefully, that's like a clear price that you understand. And then you you can decide, and that's like, half the price what the other guys charge, like, yeah, clear. So how do



Jacob Morgan 26:08

you balance it? Because it's an interesting distinction, right? Realistically, you were put in a position where you could have been charging more for a product, where POC probably could have generated more revenue for the business, you know, ultimately made the company maybe more successful. But at the same time, maybe you would have lost a little bit of trust with the customer. So how do you totally How do you balance the like, the long term growth or success of the business and money with, you know, customer trust or employee trust?



26:40

Yeah, I think that's the hardest part. That's literally what if like, I had to come to work every day. I think a lot of it is like common sense. What I as a customer feel bad. If I knew that this was happening. Like, what I feel bad, what could could we could I is this if you were a customer, and you bought that Chrome razor for \$5, more, and said, Hey, Jeff, what's going on there? What I have a good reason for you guys be like, Oh, I'm sorry. Like, and if I have to say I'm sorry, we shouldn't have done it off is like, yeah. And so I do think that this is where, like common sense. And I don't know, like a, like a way of doing things as a business that needs then to perpetuate kind of down into the team. And so when these things happen, like I hope to try to use them as a learning moment to say, Hey, guys, let's take a step back. And ladies, like, let's take a step back and think through is this like the what we want to perpetuate out there. One



Jacob Morgan 27:36

of the other things that you mentioned earlier was this idea of the connection to the company, like waking up each day, you know, things that you care about things that you think about when you go to bed each night. And I feel like a lot of people specifically, you know, even leaders in the corporate world, perhaps don't have that, and they show up to work each day they get that paycheck. I mean, I used to have that too. This is one of the reasons why I quit 15 years ago, right? I didn't feel any connection to the company. How important is that? Do you think for employees, if you don't have that is the solution just to quit your job and go look for something else.



28:12

So I would say like, I think that like connection is really important. I think it's important. On a couple of dimensions, I think it's important that, you know, people believe in the mission of the company and where the company is going and that the company is going to have positive impact on the world and that they're proud of like what the company is doing. I think it's important that the people feel like the work that they're doing and understand how the work that they're doing ladders into that impact and like, how the how the company's achieving its goals. So like, you know, does does their job, what about their job, sort of is impacting the, the the future trajectory and direction of the company. And then I think it's I think it's also like the other thing that builds amazing connection, I think, is like the relationships that people build with other folks at the company. There are peers and managers and a team that they manage and just feeling highly invested in them. And feeling like there's opportunity to kind of work with amazing people to go do amazing things. I think that's like really highly motivating for lots of folks and I, when we asked people at Harry's or Warby Parker, like what's best about the company, like it's the people and the ability to work with, like great people and learn from them and grow every day?



Jacob Morgan 29:32

What happens if you don't have that? So, you know, some people listening to this might be thinking, well, you know, I show up to work each day. It's okay. Like, I get a paycheck, I'm treated, okay. I don't really care what the company does, because I got that paycheck there. I mean, what do you tell them? And have you ever had to have those conversations with any of your employees where you maybe notice that they're not? They don't have that connection, that passion, that alignment and what do you do? What do you say?



30:01

Yeah, I guess a couple of things I just philosophically believe, personally, I guess one is like you spend a lot of your time every day at work and working like a lot. And you add those hours up over the years, like, it's a lot of time. And so I guess it's like incumbent. Or I would encourage people to then go find something that they can do for work that they like, truly loved, and does inspire them with a group of people that inspires them. Because like, it's, I don't know, for me, it's highly fulfilling to get to do that, personally. And the benefit, I guess, that I have of getting to work at Harry's is I get to dictate those things, the mission direction of the company and the people I get to work with. And that's, it's amazing. I tell people like that. For me, like any success we have at Harry's is self fulfilling, because it just means I get to continue on the journey with like the team that we have. And that's awesome. Yeah. So I think that that's one piece. And then have we had those conversations at Harry's like, yeah, and I think what happens sometimes is we have amazing people, and they're just not set up for success on the role for whatever reason, like the role that they signed up for, or that they transitioned into, or the way that the roll evolve, just like isn't the right fit for them. And he kind of see it and feel it, like it's either not the quite the right team fit or not the right set of responsibilities, or they're just not set up for success. And so, you know, some, when that happens, you know, you kind of try to make it work, and many times you can, but sometimes it's just like not right, and that's okay. And I think it's actually important to recognize that and say, Hey, you're awesome, I think

Harry's has got a lot of, you know, future potential, and like, this just isn't the right fit. And like we owe you then like a care about these people individually, like we owe you, then it's to help you go figure out what that right fit is and like, get you better positioned in another company where you can just be set up to, to be more inspired and feel like you're having more impact and, you know, feel better about coming to work every day. And, and I've had to have that conversation, you know, a number of times in the 10 years or nine plus years, and that we've been running Harry's and I, you know, have also like really valued the fact that I've stayed in touch with lots of folks who have left, because they found exciting opportunities elsewhere, that could give them something that maybe Harry's couldn't at the time.



Jacob Morgan 32:17

And it seems like, you know, the traditional HR metrics are, you know, tenure, how do we get people to stay as long as possible, but I think the the right way to be thinking about it is how do we get how do we get the right people to stay as long as possible, because if it's not a good fit, you don't want to stay in the relationship just for the sake of saying totally, you know, they stay there for a year or two years or five years I approach.



32:39

Totally, and we look at regretted and non regretted attrition, you know, sometimes like it's just mutually good that someone leaves like they've been, they've done a great job at Harry's, and we're super grateful for everything they've done. And like, there's other opportunities that they, their next step professionally is probably not something that we have to offer, or they've just been set up in a role. It's not quite right for them in the fourth iteration of their role, like, that's okay. Like, I think it's actually about recognizing that and helping them move on in a way that's going to be good for both parties. That's like, that's valuable. And if we can have those conversations with tons of compassionate and set people up for like lots of future success in their careers. And it's cool that there's examples we can point to saying, hey, this person left and like, look what they're doing. It's amazing. Like, you know, they're having huge impact, massive success, and, and they're still part of the Harry's family, which is great.



Jacob Morgan 33:25

Yeah, I like the metric. Have you said regretted an ungraded. Retention? Or turnover? Yeah, attrition. Yeah, turnover. So that's an actual metric. Like I'm not familiar with too many people to look at that. So you actually have a metric that looks at how many people left and regret it versus how many people left and didn't regret it.



33:44

Now, so at the moment, did we want that person to leave? Like some people are like, ah, please don't leave. Yeah. Yeah. And some people leave? And you're like, No, that's probably right. For both of us. Yeah. And so



Jacob Morgan 33:55

that's very interesting. One of the things I'm also curious about is this idea of working with your friends, I mean, you started companies with your friends, you probably have a lot of friends at the companies that you're running. And there's there's been a lot of mixed feelings on this, right. Some people say companies just where you show up to work each day, there's nepotism. If you work with your friends, and you can't be objective, you're going to end up promoting your friends. And you kind of you know, you hear different leaders approach this in different ways. What's your philosophy on working with leading your friends or even having your friends lead you is that ever in conflict or is that something that you encourage and are okay with?



34:39

Yeah, that's a great question. I think I've had an amazing experience to start companies as peers with some of my closest friends. So my co founder, Andrea, Harry's, my co founders, Neil, Dave, Andy at Warby Parker, some of my best friends to this day, and it's like, the thing that actually One of the things I take most pride in and how I started the company is that I've gotten to deal with friends and build even closer relationships through the process. And I think we try to keep those relationships like Paramount above everything else look out for each other. And, and I think there's been huge benefit in doing that, because we know each other so well, we have a second hand with each other, that's enables us to clear a lot more stuff a lot faster than with most of the people. So like my one on ones with Andy, like, in an hour, I can clear like a month's worth of content with somebody else, because we're like, and this and this, and boom, and boom, and we just know each other so well, and he's completing my sentences we've worked together for we've known each other for 20 years, like, we've worked together for a long, long time. We've been working at Harry's for a long, long time together. And that's amazing. Like, I don't know what I do without that relationship. And without a friend and Pierre who's like, you know, I get to run the company with and, you know, when the loneliest worst times, I always have someone to call and talk to who just is in the same boat with me. And so, I find that immensely valuable. I think it's different if you're managing somebody who's a close friend. And I think I felt, I hope people at Harry's, it's, I think they would that I've built like amazing relationships with people on our team, I love so many people on our team, and like respect and admire them in a really deep, meaningful way. And we've been through a lot together spent a ton of time together. And, you know, but I think it's different than probably having them be have a traditional friendship. And that, like, at the end of the day, like, they still report to me, and you know, I still give them a performance review, and give them tough feedback when I have to. And if they're not performing to the extent that they need to, or they're not in the right fit, like perhaps to have a conversation about them leaving the company and those are just like, there's a level that there's a bit of distance that needs to always exist, they're unable to do that effectively. If it's all about being friends and rah rah and like, it's just, it's different. And so do like, these people know my other friends? Yeah, do they know my family have like, I opened up my network to them. So they know everything about me, like, in many ways, I'm closer with them than lots of my other friends. But, you know, I don't have to give my other close friends performance reviews, and have really tough feedback conversations and talk about you know, give them guidance and help them make hard decisions. Like it's just a little the relationship I think in from a management perspective, in a pure perspective, to some extent to is just different than what I maybe what most people would think of as a traditional friendship. Yeah, so I think the term friend is tricky, but I think I've amazing work relationships and super close with people but but it's different.



Jacob Morgan 37:27

Yeah, no, it makes sense. Well, last few minutes of the show here I want to focus on some some action items, maybe some tips that we can apply for for leaders who are watching and listening to this at companies around the world. My conversation with Jeff continues and you won't want to miss it. It's only available for subscribers. And in this bonus episode, we talk about why wearing your emotions on your sleeve can be a slippery slope, how working with a coach can step up your leadership game. And the one thing that Jeff does most mornings and evenings to give himself time to think, again, it's only available for subscribers of the show, or leading the future of work plus, and as a subscriber, you will get a bonus episode every single week ad free listening and early access to new episodes and you get a chance to support this show. So I hope you decide to subscribe, and I will see you next week.