

On Leadership: Bonobos Founder Andy Dunn Talks Leadership, Mental Well-Being, and Managing Conflict

Vivian James Rigney

Andy, welcome to the On Leadership series here at Inside Us. And welcome to the coaching suite. This is where it all happens.

I've known you since 2016 when you were CEO of Bonobos, and since then, you've established a number of startup companies. You're also an angel investor, and you sold bonobos in 2017 to Walmart.

I wanted to say thank you for coming today and sharing your leadership journey with us in the place where coaching happens. And in 2016, if you remember, I was working with your executive leadership team on coaching and getting into the behavioral the personal issues that help people to succeed as leaders.

Andy Dunn

Yeah, the journey, go-go days. You're welcome. It's good to be back.

Vivian James Rigney

If we could take you all the way back to you as a young fella, a kid, did you always want to be an entrepreneur? Did you even understand what the word entrepreneurialism was?

Andy Dunn

No.

Vivian James Rigney

What did you want as a kid?

Andy Dunn

I was a socialist at that time. I wasn't interested in money. I remember kids with a lemonade stand, and I thought, why would you do that when your mom can just

give you lemonade? What's the benefit? So I had two sides of the family. On one side, Punjabi Indian immigrants, and the other side, Scandinavian midwesterners. And all of my role models were in the medical field. So I thought, oh, that's what you do. Really didn't have a frame of reference for someone that's an entrepreneur. And yet, if you go back a couple of generations, in my family, there are people who were entrepreneurs. My dad, my mom's father, was a building contractor and entrepreneur in 1950s-1960s India. I have a family member around my dad's side who ran a bar in Sweden. So, I didn't have the role models, but maybe something was running in the blood that manifested later.

Vivian James Rigney

Right You mentioned the term “ruinous empathy,” the idea that you can care for somebody so much that you're afraid to give them feedback or afraid to challenge them. Tell us more about that.

And I think when you look back at Bonobos, you mentioned this, you had a co-founder at the time, and you found that it became a very difficult relationship. And resentment grew in the absence of the ability to challenge, the ability to debate, to talk about important things.

Since then, since the split, you've gone on to establish these other companies, one with a sibling. And I wanted to ask you for your advice. For people with a phobia, or who may be even terrified of conflict. What's your advice for that?

Andy Dunn

I love this question. We're going right into it. Yeah, it extends a little bit from the family lineage. So, I grew up with these two disparate cultures that had different ways of communication.

My dad's family, you don't resolve conflict. And so these small issues become medium-sized issues. The medium-sized issues become huge issues. And then there's this gulf. And, for example, I recently brokered a peace treaty between my dad and his sister, who lived 45 minutes apart and who hadn't seen each other in 17 years.

And I said, “Dad, come on, like, you're not getting any younger, right? Let's get everyone together.” And we did what we do in Chicago. We want to bring people together, which is deep-dish pizza. Here are a couple of big pies from Malnati's.

Vivian James Rigney

Very predictable.

Andy Dunn

We had the grandkids in the room, so they knew people who could temper the conversation, and that was really great to see. And also, it's so sad that the absence of a mechanism to have difficult conversations actually is what creates a wedge right on my mom's side of the family.

The Punjabi Indian immigrants, though. You say exactly what you think in real time to everyone except the person that you think it says.

Vivian James Rigney

Everyone hears about it.

Andy Dunn

Perfect exchange of information through gossip, but you don't make as much face-to-face progress. And then the third culture that I learned from is my wife's family. And my wife is sensational at this. It's New York City and Brazilian Jews, where you say exactly what you think in real time to the face of the person that you're thinking about, such that the first time I had dinner with my now wife and mother-in-law, they were in what I later learned to call a spirited disagreement. At the time, I would have called it a fight, and my wife was in tears. It was on some big, meaningful topic, and it was literally the second time I'd ever met my mother-in-law. And my Scandinavian side was in the bathroom, dry heaving, being like, I can't be a part of this family because it was more the radical candor. Right? And so I had to learn from them.

Well, my wife is the best person I know at difficult conversations because she says exactly what she thinks. She asks the hard questions but without judgment. She's the Ted Lasso. Be curious. Not judgmental. I mean, not always, but most of the time.

And then I had some help from you and some help from our then Chro when we were in those latter days at Bonobos, at the same time as I was entering this relationship. And so I had kind of the double whammy of my professional life and my personal life, both pulling me forward and the message I was receiving was this ruinous empathy thing doesn't work, that it's going to be a blocker to developing a partner, being a married person. At that stage in my life, my mid-thirties, it was going to be a blocker to continuing on the journey as a leader. And so I feel so fortunate

that I got this. It really felt like an intervention moment to kind of make the leap, being candid.

Vivian James Rigney

But you also seized on that moment. You saw it, you valued it, you appreciated it, and then you took it on board.

Andy Dunn

Remember that off-site that we did right, where I actually was honest with everyone on the team?

Vivian James Rigney

I do.

Andy Dunn

Everyone was in a circle and I kind of went around and you and I were at dinner, right.

Vivian James Rigney

And they were taken aback.

Andy Dunn

The team seemed like they didn't care. But you pulled me aside at dinner and said that was different. And it felt so good to have been able to. Feels good to be honest, doesn't it? But it's hard, right?

Vivian James Rigney

And it's waiting there for people if they seize on it. You've also mentioned that if two friends start a business together, the friendship ends because the partnership eclipses the friendship.

Subsequent to Bonobos, you set up a number of startup companies, one of which is with your sister Monica and Andy. How's that going?

Andy Dunn

It's a challenge from the vantage point of the purity of the previous relationship.

Vivian James Rigney

Right.

Andy Dunn

Whether good or bad, in my case, Monica, is really amazing. I've got the consummate, protective older sister who did so much for me on my own entrepreneurial journey, as a supporter, as a river guide, helping with the journeys through mental health.

And now I'm her chairman and chairman of the board. And technically, what is the job of a board hire? Fire the CEO? Obviously, I'm not going to fire my sister. She's also an extraordinary entrepreneur, so I don't have to worry about that. But I sometimes feel, gosh, I just want to be her little brother.

Vivian James Rigney

Right.

Andy Dunn

And so I both am grateful for this era because, to be candid, we probably spend more time together than we would, given how busy the stage of life is. Middle-aged, aging parents, young kids. I get to spend more time with her. So that's good. And I also crave returning to the pure brother-sister thing after that.

Vivian James Rigney

So you kind of change gear. You're more aware of changing gear.

Andy Dunn

I said, it's also taken work because the final frontier for me of conflict and communication was going back to my nuclear family, right, where I learned some of these different habits. And it felt so scary to have those conversations with the family, to raise things where there were dissenting opinions, or particularly if I felt negative emotions. So anger, disappointment, sadness, these negative emotions are the

hardest ones for me to express. I'm good at the positive ones. I'm decent on the vulnerable ones. The negative ones, I don't like.

I had a lot of conversations with my psychiatrist about it, and he said, well, what exactly are you worried about? Are you worried, for example, that your sister would abandon you? Something? And I thought to myself, I am. And then we had the biggest laugh, because there's nothing in Monica's nature. It's not possible. And so then it becomes an interesting conversation on that intrapersonal level, why would I be afraid of that, right? Where is this anxious attachment coming from? Versus a more secure understanding.

Vivian James Rigney

That's a powerful breakthrough coming with that, because realizing that that's never going to happen freed you up.

Andy Dunn

This particular instance, I wanted to share something with her that I was upset about. And so then I just went and did it after having a few conversations with my doctor about it, right? And it was totally fine. It wasn't a big deal for her. It was like, oh, yeah, of course you have emotions about self, you know, let's talk about that thing. And I thought, why was this such an albatross for me? And when I look back to my partnership with Brian Spaly, the co-founder, I feel, ah, it's too bad. What if I had been able to raise those things? What if it hadn't been afraid? Maybe we could have pushed through.

Vivian James Rigney

What's the one thing you had to let go of in order to make space for that ability to have conflict comfortably? What did you have to let go of and discard?

Andy Dunn

I think it's the fear of being disliked for some period of time and eliciting a response that is like, well, you're saying something I don't like, or you're asking me something I don't like. And I know I bristle when that happens. So the fundamental attribution error, maybe assuming others are like me, like, I don't want to be disliked, even for 5 minutes. I so crave the affinity of others, the approval of others, God forbid, the admiration of others. And it's an enormously unhealthy quality, because we have to be willing to have these moments of dissonance. We don't need to be liked all the time, and probably not healthy to want to be liked by everything, right? Whatever

you say about the hottest places in hell are reserved for those people in times of moral crisis, choose to remain neutral.

Vivian James Rigney

Correct.

Andy Dunn

And so to optimize for that, I think it is really, you have downstream things in human relationships, both personal and professional.

Vivian James Rigney

Right? Changing gears for a moment. In 2017, as I mentioned, you sold Bonobos for more than \$300 million to Walmart, the largest retailer in the world. You subsequently stayed on post-acquisition to run their direct-to-consumer brands. And subsequently you went on again to found different companies. I wanted to ask you, in moving from a place where you, an entrepreneur, you were your own master, as it were, to becoming an employee in a large organization by default, moving at a different pace by default. Perhaps more politics. How does one navigate that? How does one do that? What's the change in gear you had?

Andy Dunn

For anyone going into a large organization, it's important to binge-watch Game of Thrones in its entirety, to just remind yourself of the nature of alliances, teams, and discretion. Except one of the things I learned at Walmart, working in a large environment, is just the power of discretion. As a founder and CEO, you say what you want so frequently to whoever you want, right? You cause all kinds of chaos by not having discretion. We can see that now by turning on the news or opening up a social media app, and you can see what happens when someone, individuals don't have discretion, right? That doesn't work in a large corporate environment. You need to have discretion.

And one of the things I so admired about the CEO of Walmart, Doug McMillan, who I look up to a great deal, was how much time he spent listening instead of talking, and how, at least from my perception, how little time he spent gossiping. And when you have 2.4 million employees in your purview, you could imagine there is a lot of interpersonal chaos that you could cause by not being an amazing listener and by talking too much. And so what I learned from that was just shut up.

You go into a meeting, just ask questions, bring people into the discussion who are quiet, maybe reserve some comments for the end, but don't try to use that as a platform under sway. That was one learning. I think there was another learning, which is no entrepreneur ever says, you know what I need to do in my next job? I need to be an employee. But there's actually great value to learning the humility that comes with not being the final decision maker, learning to disagree and commit.

I can remember bringing deals to the table of companies that I thought we should buy, working for six months on it, and then basically learning at the end, no, we're not going to do it. My team was crushed and I was upset. And there's actually some healthy dynamics to not always doing what you want, having a process of governance.

Vivian James Rigney

Right.

Andy Dunn

And then I think the last thing, and I happened to have raised this earlier this morning, someone said, what's the best piece of advice you got while you were working in a large company? And it's from a friend of mine, a woman named Alexa Van Tobel. We sat down at a coffee shop in Bentonville, and I said, hey, I feel like I'm not particularly effective in this organization here. And she says, "Oh let me explain how this works to you. As an entrepreneur, your job is to get big. You need to get big to raise money, to attract talent, to kind of punch up in the world. Once you work at a large corporation, you need to get small. You need to get really small and just get your stuff done right, put your head down, and do your work and earn the respect of this new tribe that you've just jumped into."

Vivian James Rigney

A journey in itself, right?

Andy Dunn

Yeah.

Vivian James Rigney

In the On Leadership series, we talk a lot about leadership vulnerability. You've been exceptionally vulnerable in the writing of your book, *Burn Rate*, where you share very

openly your journey with bipolar one. What inspired you to write the book? What inspired you to be open?

Andy Dunn

There were a few things. One was, and maybe the most selfish, was I wanted to get the shame out of my body. At some point, I heard, "Shame is what is unspeakable if we can't talk about it." What we imply is there's something shameful about it. And since it had been really 20 years of silence about the diagnosis I received when I was 20, the norms that were established in my communities, friends, family, and otherwise were. We don't talk about Andy's bipolar episode and diagnosis. It was like fight club. Like, everyone knows it exists, but you don't talk about fight club.

And what I took from that was there must be something broken about me; there must be something shameful to feel about it.

And we see it in the language. We would never say someone is cancer. We would say they have cancer. And yet, with bipolar, we would say, oh, Andy is. It's like, no, hang on, I'm not bipolar. I have bipolar. It turns out it's bad enough to have it. I don't also need to be it. And yet we conflate the identity and the illness when it comes to issues of mental health. It's like who you are changes the day you get diagnosed, and it's too much. It's too much to take that on. So I felt like by sharing the whole story, I could get that shame out of my body. They say tears are pain leaving the body.

So Burn Rate was to get that stigma out of my body. That was the selfish reason. If I can say the altruistic reason was, I know how hard this stuff is for families, and I wanted to provide something to grab onto for the parent whose child has just been diagnosed, for the person who's just learned that they have this to say, oh, wait, there is a path here. Here's one story I can grab onto, and there are more and more. But here's something I can look to and say, this isn't a death sentence. This is just the beginning with some new challenges.

Vivian James Rigney

What's the one thing that surprised you the most in the reaction from that bestselling book?

Andy Dunn

It's going to sound demotivating, but it actually is so liberating, which is I realized that nobody cared. Nobody was thinking about whether or not I had a mental health issue. We think other people care because we're so invested in our own journey,

right? We're the center of our own universes, at least until we become parents. And the people who are nearest to us care a great deal. Our own parents, our own loved ones, some of our own closest colleagues. But the vast majority of people, they don't care. And so if we have a chance to tell a story about ourselves, what's more interesting, I sold a lot of pants on the Internet. That was a really pioneering business model. Woohoo. Or actually, I hid the private journey I had with mental illness the whole time.

And it turns out that the entrepreneurial journey is its own form of mood disorder. And I had an unduly mood disorder. And by the way, that story is so common, we think 2% of American adults have some form of bipolar, 11% in entrepreneurs. And so now when people ask me, "I have bipolar should I be an entrepreneur? I say, well, you're five times more likely to be successful. Of course, you should do it."

Vivian James Rigney

Which leads me to my next question, which I think we're right on the right topic here. It's notable that statistically, entrepreneurs tend to suffer more from mental health issues or challenges than non-entrepreneurs. And just in general, the biggest enemy of being a leader is managing stress levels. Do you believe it's the chicken or the egg? Meaning that entrepreneurs tend to be...Entrepreneurs tend to have more mental health challenges because they're driven more toward stress-inducing situations. Or is it more the vocation that drives that?

Andy Dunn

It's a great one. I'll say yes. In other words, I think about a professional athlete. Is a professional athlete in great shape because they played professional sports or because they came up with a predisposition to great physiology? I think it's both.

We have the predisposition, which leads to the vocation, and then the vocation can reinforce, exacerbate, amplify the underlying condition. And so I think if you look at, for example, OCD, ADHD, anxiety, substance use, dyslexia, all these different stripes of neurodiversity, they tend to correlate with over-indexing in entrepreneurs, right? And there's been great stories written about entrepreneurs who had dyslexia. They grew up and couldn't read. They felt shunned. And the mind goes to other places that I think might lead one to say, I'm going to do something different, or I'm already an outcast. Right. Or with bipolar, this hypomanic state where you have so much energy, right, tends to lead one to maybe say, I'm going to take this on and I'm going to put so much energy and time into it. And what's critical with bipolar is a delusion of grandeur. And what is an entrepreneurial venture, if not delusion, of grandeur?

Vivian James Rigney

Right.

Andy Dunn

Now, you've got the job, and it's going to further draw off those qualities. And that's why I think it's so important to hold ourselves accountable to getting better in taking care of ourselves versus just letting it really rip and run amok.

Vivian James Rigney

I was reading an interview with Richard Branson recently, where he suffers from dyslexia. It's a condition that he works with, and his belief that the brilliance of everything he's achieved is because that led him to proving; it led him to being creative in a different way. So, yeah, this whole area, I think people are talking a lot more about now than ever before.

Andy Dunn

It resonates, and it leads to a fun question, which is, when something like this comes down, when you learn you have dyslexia, when you learn you have bipolar, is it good news or bad news? Right. And I think we process it. If we're coming from a shame-based framework or a stigma-based framework, this must be bad news. And I think that question is unresolvable until later in life. It depends on what we make of it, because these shadows do have strengths. And I really believe Richard when he says that perhaps were it not for that, he wouldn't have built Virgin into an empire. And I think that's probably true. And so we have to learn to process, I think, these things that feels at the time like a curse, but maybe there's a gift wrapped inside it or vice versa.

Vivian James Rigney

You've also spoken about your physical health as being paramount in managing your stress level. You spoke about your Olympic regimen in doing that. So curious. Two questions. What is your Olympic regimen and what's your advice to people and leaders, especially in managing stress levels of what is an inherently stressful existence? Whether you're an entrepreneur or whether you're leading a large corporation, the stress is continual.

Andy Dunn

Let's be clear about what is Olympic in the regimen. I wish it were the actual athleticism or being an amazing athlete or even a consistent workout person. Meditation? It's actually not. It's focused on one primary thing, which is sleep. And I'm a believer that this is like a pillar to our ability to show up as rested people who are ready to take on life's challenges. So for me, it's got to be 6 to 8 hours a night, closer to eight. I've got the sleep report every morning that comes off of the device, and screenshot it. And in my case, it's also transparency about how much sleep I've gotten, because sleep can be a lagging or a leading indicator of a mood shift. And so I've got a Whatsapp group that has my doctor, my wife, my mom and my sister. And every morning the first thing I do is I send the sleep report.

And it serves two purposes. One is it's good for me to be transparent about how much sleep I'm getting, because less and less means mood is going up and more and more means mood is going down. And also it's a little reminder of, hey, there's something I have to be vigilant about. And if the sleep is coming down, tinker with the medications, pull myself off the pitch for a couple of days to rest up and recover. And I think it's a big shift because when I was building Bonobos, I took them mostly as a badge of honor. I burnt the candle at both ends, working late up in the morning, whatever. All the social activities of both being a single person at the time, as well as all of work related socializing. Right. And they say, actually, no, that's not the right approach or the right framework. The right framework is how do I get great rest every night? Because that's the foundation of everything else that one does.

Vivian James Rigney

Right balancing that. You also mentioned, I believe the leader or the former chair and CEO of American Express, Ken Chennault, you mentioned leadership involves two things. It involves creating hope and defining reality. How does one bring those to life? What are those things? When you read that phrase, it obviously impacted you. How do you see that being delivered in the real world?

Andy Dunn

Yeah, it resonated so much for me, and it's just nice to have a job description. That's four words. And as I've reflected on that brilliant framing of the job of a leader, create hope, define reality. I realize what makes it great is that those two things are fundamentally intention.

Reality is not something that always leaves us feeling hopeful. And we can talk about all kinds of vector geopolitics right now. Climate. There are so many reasons to feel pessimistic, and yet the job of a leader is not that. The job of a leader is to create and

seize on initiatives to improve upon the things that could make one feel unhopeful. And yet, how do you do that psychologically? Right.

Because if, you know, I'll just give an example from today where I'm now working on a new company. I'm not the CEO of the company. We'll talk about the intentionality of that role of chairman of the company. I'm talking to the CEO. And she's feeling really pessimistic on some fronts. And so I love the role as chairman to kind of give her an outlet for that and say, like, okay, well, what do we do with this data that we're seeing that suggests that we're in a real pickle on where we're going? Right. And that then leads to like, okay, we take that data, we choose a course of action, and now we have to create hope and energize the team and ourselves with that direction.

And so what I tell folks when we talk about this framework is don't expect that you can create hope and define reality at the same time. It is a balance. Back up from the painting. You have this beautiful tapestry of hope and reality, but on any given day, when you're close to it, you're probably going to feel one or the other.

And so I think it's okay to feel incredibly despondent for maybe days at a time, as long as that is offset by days where you're feeling quite hopeful. And I think it's normal for a leader to go through that. That's why we call it a roller coaster, and that's why managing one's own psychology through that is so important. Yeah.

Vivian James Rigney

One thing I want to build on is that if we look at what's happening around us, there's a palpable change happening, if it's not already happened, with regard to acceptable leadership behavior. And in your TED talk, you talked about three pillars associated with that. First is that therapy should be mandatory for leaders. The second is that second, chances for unethical leaders should be seriously considered or given, or should require serious consideration. The third one, assholes should not be tolerated. How does one bring those things to life? And do you see any trend signs in what we're moving into with regard to acceptable leadership behavior, as everything feels as though it's operating at warp speed post-pandemic and into the future?

Andy Dunn

One thing that leaves me feeling hopeful and optimistic on the note of the therapy front is something called the Founder Mental Health Pledge. The Founder Mental Health pledge is an initiative that's been signed by over 200 venture capital firms to put into term sheets a clause that says that the venture capitalist gives their blessing and approval for the founder of a company to expense all out-of-pocket

reimbursement expenses for mental health care. And so creating a norm that we should fund therapy in addition to coaching as merited, as the best investment we can make. And then one of the first investments we can make as shareholders to ensure the success of the enterprise just makes so much sense. And it's an important reframing, which is, let's not fund this stuff because it's the right thing to do.

Vivian James Rigney

Right.

Andy Dunn

Let's not do it for a moral reason. Let's do it out of a profit motive. And so when we reframe mental health investments as good for shareholders, not just good for employees, I think that's a massive paradigm shift that will lead to a lot more investment. It reminds me a little bit of the article in 1989 that Andrew Sullivan wrote in New Republic called the conservative case for gay marriage. And what was brilliant about it was he framed gay marriage, freedom of marriage, as something that would preserve the sanctity of the institution, in so doing, took a flank on the American political spectrum that had a much lower approval rating for gay marriage equality. And of course, it was another 31 years before that became the law of land. But those reframings that it's in our self-interest collectively as a society to do something, is when change can happen. And so if that's happening at the source of the river for company formation and that's being imprinted at that stage, hopefully downstream, it's logical that you'll have Fortune 500 CEOs saying, we've got to invest in this. And I'm seeing a change up and down the size of the company spectrum. The attitude towards mental health and thinking about it as an employee productivity driver rather than as a cost center. Yeah.

Vivian James Rigney

And you mentioned there, I mean, the reframing of something, the power, if one gets the right frame so people actually can relate to it and see it as a positive as opposed to a negative or something that they differ with, or they have different views about finding the commonality with that. If we were to take you back to a five-year-old, Andy Dunn, and you could whisper in that child's ear from all the wisdom you come with sitting here today, what would you whisper in his ear?

Andy Dunn

It's funny that you say this. I'm thinking of a poem by a wonderful spoken word poet who's also got published books named Anis Mojgani. And I love this guy so much.

We brought him into Bonobos to do a couple of spoken word poetry moments and then had him come to our wedding to at some point address the group. And he has this one poem where he's sitting on a bus with a five year old, and the five-year-old, maybe it's an eight-year-old, is starting to go hypomaniac, talking about this and that. And here's something to do in clay and all this stuff. And I think the child thing was Quentin. And in this beautiful spoken word thing, what anise says as kind of the elder statesperson on the bus is, slow down, Quentin. Something like that. Everything pushes and pulls. You don't have to do it all at once. I'm getting the words wrong, but maybe that would have been it.

Vivian James Rigney

Like take your time.

Andy Dunn

Yeah, take your time. Slow down.

Vivian James Rigney

You're sitting on your veranda decades from now; what would you like to be remembered by? And I'm not talking about achievements as a person. How would you want to be remembered?

Andy Dunn

The first thing that comes to mind is the barometer coming from my son that whatever the right way to put it is, I had a dad who prioritized me over other things, and my mom is a role model in this regard. She has a saying. The secret is that whoever gets to spend the most time with the child is the luckiest one. And we have a very patriarchal framework still in society. Right. If there's a month of parental leave for a dad and three months going to six months for a birthing mother, we're sort of creating a norm that the birthing mother is supposed to spend the next three to six months on this, and they're back to work in a month. And if my wife was here, she'd be like you were back to work in two weeks. So it's just an example of there is intention between what you started with, which is to achieve and to show up in our family relationships as an example, or our friendships, as a person who care

d as much about others as they did about themselves in terms of how you spend your time. And the clearest reflection on that, I have a mentor who likes to say, if you want to see what someone's values are or a company's values, look at where they spend time, where they spend money, and where they spend mind share.

So it's been a really big moment for me recently to realize I need to step back from being the quote-unquote man in the arena, the Teddy Roosevelt, and I need to be in the stands, and I need to cheer on other entrepreneurs as my vocation, which is about venture capital. It's about being a board member, and that will hopefully give me more bandwidth to cheer my son's journey on and life and be there for whatever it is. That's the first thing that comes to mind is it's a weird way to put it, but not letting him down. Right.

Vivian James Rigney

Andy, you've taken us on a wildly colorful and reflective journey today. Thanks for the share. It's great to be a witness along with you over these years, but especially for today and everything you shared. Thanks so much.

Andy Dunn

Thanks.