

Episode #37

What Happens When A 52-Year Old Hotelier Joins The Millennials at Airbnb? Chip Conley's Story

Who	Audio Segment
Chip Conley	<p>It was like being Margaret Mead amongst the millennials. I felt a bit like a cultural anthropologist, being curious, like, why are these women calling each other dudes, and just learning a lot about technology because I was not fluent in the tech industry.</p> <p>I really didn't understand a whole lot. And so, I had to be as much of a learner as I was a teacher. And that's what was the dawning of my premise that I think the modern elder is as curious as they are wise, whereas the traditional elder was maybe sort of just dispensing wisdom. In my case, I was seeking the wisdom as much as I was dispensing it.</p>
	INTRO MUSIC; FADE TO BACK DROP FOR PODCAST OVERVIEW
Andy Levine	<p>Welcome to Second Act Stories, a podcast that looks at people who have made major career changes and are pursuing more rewarding lives in a second act. I'm your host, Andy Levine.</p> <p>In the hospitality industry, Chip Conley is a legend. Back in 1987, he created Joie de Vivre, that grew to 52 hotels in California and set off a boutique hotel craze. But after 24 years of managing the company, he decided to retire and pursue other ventures. Writing. Speaking. He was on the board of the Burning Man Festival. He created a new website called Fest 300 which celebrated the best festivals in the world.</p> <p>But then out of the blue, he was contacted by Brian Chesky, a young CEO of a start-up company with a new concept called home-sharing. The company was called Airbnb. And Brian said, "Come work with us and help me democratize hospitality."</p> <p>And Chip said "yes." So over the past six years, his second act has been a fascinating ride at Airbnb. And it led to Chip's latest book titled "Wisdom at Work: The Making of a Modern Elder."</p> <p>Chip Conley and I met at Airbnb's headquarters in San Francisco among the 20 and 30 somethings that make up the company's workforce (and yes, there were a lot of dogs coming to work too).</p> <p>So here's my interview with Chip Conley, a truly fascinating individual.</p>

Andy	Can you set the stage by telling me about your first act as a rebel boutique hotelier?
Chip	Sure. I had graduated...I went to college and graduate business school at a pretty young age, graduated at 23, and went to work for a real estate developer, and I learned the real estate business. But I found it a little bit boring. And after my 26th birthday, I wrote a business plan to start a boutique hotel company called Joie de Vivre, which means joy of life in French. And my first purchase at age 26 was a motel in the Tenderloin that was infamous for its hourly rates, became known as the Phoenix Hotel, became a rock and roll legendary hotel, and has been around for 32 years now as the, you know, San Francisco's rock and roll hotel, the Phoenix.
Andy	You added something like 50 additional boutique hotels, all in California?
Chip	Yes. Over the course of the next 24 years, I was CEO of the company and grew it to 3,500 employees. And we had about 52 boutique hotels all in California.
Andy	Chip successfully managed Joie de Vivre until his 50 th birthday. But a number of life events collided and encouraged him to sell his baby.
Chip	<p>I had a series of things that were real setbacks, emotionally, physically, financially. We're going into The Great Recession. And then, I had a flatline experience. I was giving a speech in St. Louis, and after the speech, I was signing books and I went unconscious in my chair. And about five minutes later, once the paramedics arrived and put heart monitors on me and put me on a gurney, I went flatline on multiples times over the next 90 minutes.</p> <p>So that experience, when you sort of go to the other side, is a real good reminder that, you know, you could die at any moment. And was I happy at that point? Almost, at that point, 22 and a half years into it, was I happy running the business that I had started? And I wasn't anymore. And when you call a company Joie de Vivre, it means joy of life and you're not very full of joy...</p>
Andy	A little bit of irony there, yeah.
Chip	There's a lot of irony there. And it was time for me to start looking at how in that Great Recession I could extricate myself from the invisible handcuffs I had on.
Andy	<p>Chip sold his company and moved on to other things. He wrote a New York Times best seller titled "Emotional Equations." He started a website called Fest300 which featured the best 300 festivals in the world. He was financially secure and really didn't need to work.</p> <p>And then he got a telephone call.</p>

Chip	I got a call from Brian Chesky, who...I didn't know who he was. This was six years ago. He was the co-founder and CEO of Airbnb, 31 years old. I was 52. And he said, "You know, would you come and help us democratize hospitality?" And that was sort of an interesting opening line.
Andy	Did you know much about Airbnb then?
Chip	I knew nothing about Airbnb. I mean, I knew that my millennial friends loved it. But I just was...when I said, "Really? People are staying in each other's homes instead of a hotel? Why would anybody wanna do that?" So, I came over to Airbnb headquarters, which was tiny at that point. And six years ago, in early 2013, I gave a talk on hospitality innovation. They liked me. They wanted me to come on board, and I agreed to do like a part-time thing initially as well as be the in-house mentor for Brian as the CEO. And truthfully, within a week or two, it was clear that this is a full-time gig, more than full-time gig. And so, I had to really re-arrange my schedule some to be full time as the head of about six or seven different things in the company. And it was a real eye-opener because I was the older guy. I was 52, and the average age in the company was 26.
Andy	What were the first few weeks like for you?
Chip	<p>It was like being Margaret Mead amongst the millennials. I felt a bit like a cultural anthropologist, being curious, like, why are these women calling each other dudes, and just learning a lot about technology because I was not fluent in the tech industry. So I think, you know, what was helpful... the good news is they embraced me as sort of this old guy who's sort of cool and hip quickly.</p> <p>But I also felt a strong sense of internal anxiety around not understanding the habitat I was in. I didn't understand the language they were using in tech lingo. I really didn't understand a whole lot. The millennial travel habits were a bit of a... I didn't understand those so well. And so, I had to be as much of a learner as I was a teacher. And that's what was the dawning of my premise that I think the modern elder is as curious as they are wise, whereas the traditional elder was maybe sort of just dispensing wisdom. In my case, I was seeking the wisdom as much as I was dispensing it.</p>
Andy	He described a meeting in his first week at the company.
Chip	It was like my third day at Airbnb and I thought it would be helpful for me to sit in on some meetings of group, of teams that I just...I had no idea what they're talking about, like, an engineering tech team. So, there were a dozen people in the meeting. I was way older than everybody. The guy running the meeting was only 25 years old. And I was sort of sitting in the corner and trying to be invisible. And then, at one point, they're talking about this language. I didn't understand what they were saying. And then, he just turned to me and asked this philosophical question, "Chip, if you shipped a feature and no one used it, did it really ship?" And I looked at him like, "Is this a joke?" So, I finally just said, "Listen, I have no idea

	<p>what you're talking about." And for the next hour of that meeting, I just felt...I don't know. I just felt stupid.</p> <p>And that was my process, sort of my process of rightsizing my ego and moving from the fixed mindset to a growth mindset and saying, "You know, my definition of winning is not...my definition of success is not winning, it's actually learning." And if I can actually just say, "Yeah, I'm just gonna be learning all the time." And I'm gonna be open to occasionally being the dumbest person in the room. But if I can actually occasionally be the smartest person in the room on other subjects, it'll all balance out. And that's really what happened. And over the course of the six years now that I've been at Airbnb, four years in a full-time role and two years as an adviser, I've ended up mentoring over 100 people here.</p>
<p>Andy</p>	<p>I got to speak with one of Chip's mentees – Sarah Goodnow Berry who Chip helped groom to become the company's Global Director of Brand.</p>
<p>Sarah Goodnow Berry)</p>	<p>The thing that makes Chip such a...at least for me, such a valuable mentor, but I've also heard that from other folks that he works with, is that he is a teacher but he's also a listener. He is not coming into the situation assuming that he knows the exact right answer and that because, you know, he is older than you and he has more seniority than you, that he knows exactly the path that you should go down. I think he comes at the situation saying like, "Let me listen to what the problem is. Let me understand all facets. Let me devote my time and treasure and talents to hearing what's going on. Then let me try to think through with you a couple of possible routes to get to the solution that you want to get to."</p> <p>In today's world, people don't have time to listen and that is one of the most important qualities that a manager or a mentor can have, in my opinion.</p>
<p>Andy</p>	<p>Let's go back to Chip. I asked him about one of his favorite words "curiosity" and the role it played in his work at Airbnb.</p> <p>You mentioned a moment ago the importance of curiosity in a modern elder role. So, that came to you fairly early on, it sounds like. And was that kind of a turning point in understanding how to work here?</p>
<p>Chip</p>	<p>Yeah. The only way it was gonna work for me is if I both became comfortable being curious and then, being open about it as well. Now, I could've been curious, but just sort of like asked all my questions behind the scene. But I got to a place where it felt like, "You know what? I'm surrounded by a bunch of know-it-alls in the room." And I don't mean that to sort of say they're jerks. But there was a sense that, you know, when you have a bunch of people in their 20s and early 30s who are all really smart, have come from Google, Facebook, Apple, you know, as one of the best companies in the world, and they're now here, there was a little bit of a sense of people one-upping each other by showing who knew the answers the most in a meeting. And I ended up becoming not the person who's trying to actually answer the questions. I was the one who's asking the questions. Instead, I was asking a lot of why and what if</p>

	<p>questions. The kind of questions that, frankly, a four-year-old sometimes asks.</p> <p>And it helped us to see some of our blind spots. And I think what people appreciated and part of the reason people were drawn to me and saying, "I want to spend some time with you," was they saw that I was a life-long learner.</p>
Andy	You mentioned the term modern elder. You've written this wonderful book, "Wisdom at Work: The Making of a Modern Elder." How would you define a modern elder?
Chip	<p>So, I think a modern elder is someone who is both curious and wise. They're not...what the curiosity does is it sort of opens up possibilities. And the wisdom helps distill the possibilities into what's essential or important. It's sort of an editing function. And I think that a modern elder is somebody who can take their timeless wisdom and apply it to modern day problems. And what does that mean? It means like coming to Airbnb. In order for me to understand how to apply my strategic thinking, my leadership thinking, my understanding of emotional intelligence, understanding how organizations work, I really had to understand what home sharing was.</p>
Andy	Does it make for a better company overall when you have this combination of elder, younger, smart tech people and just, you mean...
Chip	You know, there's so much evidence that shows that diversity, generally speaking, all things being equal, actually, is a positive for organizations for all kinds of reasons. I think at Airbnb, it was essential.
Andy	You moved on to create something called the Modern Elder Academy. Can you tell our listeners just a word about that and how that works?
Chip	<p>Yeah. So, the Modern Elder Academy, once I was writing the book, I lived in Mexico part of the time and I was just thinking like, "God, I've talked with 150 people at this point, interviewing them about the book, and so many of them are full of anxiety and bewilderment about the era that they're in, in their life."</p> <p>So, the Modern Elder Academy is on three acres on the Baja California Sur, coast of Mexico, about an hour north of Cabo San Lucas on the Pacific Ocean. And it is the world's first midlife wisdom school. And people come for a week. They arrive on a Sunday and they leave on a Sunday. They are cohorts of about 18 people. And it's a social enterprise, which means that we give over a million dollars a year in scholarships to people so that we can have a lot of socioeconomic diversity of people who are in the program. And it's been phenomenally successful in terms of just the reaction, response, and the transformation that people have felt from it. We've had 250 people go through the program so far.</p>

Andy	I wanna go back to Airbnb. In your book, you described your last day at Airbnb and you got to impress the entire company of 3,000 people. Can you paint a picture of what that was like and what was your message?
Chip	<p>Wow. Well, weird experience.</p> <p>Three thousand people at that time, two years ago. And what was interesting was they said, "You know what? You're about to leave." It's almost like, "Chip, you're graduating." And I was like, "So, I'm giving you a graduation speech to myself, but to 3,000 people." Almost all of them are younger than me. And it was just poetic. You know, Brian, the CEO who I've been mentoring, brought me on stage, said a bunch of beautiful things.</p> <p>When they asked me to come on stage, I was a standing ovation and that was before I gave my talk. And then, I gave my talk. And then, you know...and I changed my talk to start with a quote because I was like, "Wow, this is amazing." There's a famous quote from Kahlil Gibran in the book, "The Prophet," which is, "Work is love made visible." And that's how I started my talk. Out of the blue, just sort of like pulling that from, you know, thin air because that's what I felt at that moment. I felt like, "Wow, I feel I'm in love with all of you and you seem to be in love with me, and our, you know, message is to belong anywhere. But let's stay curious and stay hospitable. And as we grow as an organization, there's gonna be a lot of ways that people are gonna want us to be more efficient and more... There's gonna be a lot of things that are gonna potentially be at odds with our soul as an organization. And we need to, when in doubt, you know, bet on the soul."</p>
Andy	Sarah Goodnow Berry was there and remembers Chip's address to the entire company.
Sarah	<p>I, being Chip's employee at that point in time and having him as my boss, was sort of crying because he was about to leave the company in a way and he certainly wasn't gonna be in on a daily basis anymore and that made me sad.</p> <p>The thing that really stood out was his gratitude to Brian and the founders and to all of Airbnb for really allowing him in his words, to sort of come in and to learn, to learn something new and to put his skills and expertise in the field of hospitality and community building to good use.</p> <p>Because he does, I think really believe in the brand and believe in the mission. our mission of belonging anywhere and diversity and acceptance and travel. Those are all things that Chip is passionate about. So that speech, I remember a lot of gratitude, which was really lovely because here is a guy who's just incredibly successful and sought after and he's thanking us for having him here. I loved that and it's definitely some...one of my fondest memories of Chip here at Airbnb.</p>
Andy	You've worked four years full time and then two years as a consultant. What do you think your legacy is gonna be at Airbnb?

Chip	I would hope that my legacy is maybe two-fold. I would hope that part of the legacy would be that Brian Chesky, who is a RISD, a Rhode Island School of Design, grad, never had any background in business or entrepreneurship when he started this company, I would hope that he would be perceived as one of the most successful or effective CEOs of his generation because I was really...I had so much to do with helping them mold his leadership approach and...
Andy	Once again, he was 31 when you started.
Chip	He was 31, yeah. He's 37 now. And, you know, the company's probably gonna go public relatively soon and he, you know...to be honest with you, his sort of peer was, you know, the founder of Uber, Travis, who lost his job and showed very little signs of getting more mature as a leader. Whereas, Brian has gotten just more mature as a leader.-So, I'd say one of my legacies is just, you know, my influence on Brian. Actually, the other is just helping the company create a culture and a way of being that makes it perceived as a positive influence in these communities. Now, let's be clear, Airbnb is a disruptor and has been controversial in all kinds of ways. But at the end of the day, I hope that part of what I've helped do is show that the idea of home sharing can actually have a positive net effect if we're getting it right.
Andy	You're 58 years old. What does the future hold for Chip Conley?
Chip (32:55)	Both my parents are 81 and both in good health. I'm really only halfway through my adulthood if adulthood has started at age 18. So, when you imagine that, I started learning how to surf a year ago. That's not something you do at age 57. I'm learning Spanish now because I live in Mexico. My Spanish isn't very good, so that's something I wanted to learn. I don't know. If you'd ask me a few years ago after I sold Joie de Vivre, you know, would I be at Airbnb or a company like this, I would have said, "I don't think so." So, I don't really know, and the fact I'm living in Mexico, the fact I created this Modern Elder Academy. I think I will just say that the constant for me will be curiosity. Curiosity is an elixir for life. Peter Drucker, who is one of my role models, used it in so many parts of his life as a way to help him write two-thirds of his 40 books he wrote after the age of 65. And so, I would just say I will continue to be a curious dude.
Andy	<p>Okay, there's a tremendous amount to unpack with today's episode but let me try and distill it down to three points that stuck out to me:</p> <ol style="list-style-type: none"> 1. Chip's Definition of a Modern Elder...This dual role of sharing your lifelong experience and wisdom but also being ready to learn like an intern is pretty fascinating. And it is clear it worked really well for Chip and Airbnb. 2. The Importance of Curiosity...Chip walked in to Airbnb and said I don't know a thing about home-sharing. And I don't know a thing about the tech industry. But I'm curious. And I want to learn. And I want to contribute. And he has clearly had a major role in shaping the path of Airbnb.

	<p>3. Finally -- Kudos to Airbnb CEO Brian Chesky...He recognized that he could learn from Chip. And that his company would be better with a person like Chip on board. And so he pursued Chip and then worked closely with him to grow his company. But he also worked closely with Chip to help him grow as a better leader.</p>
	<p>OUTGOING MUSIC; FADE TO BACK DROP FOR PODCAST CONCLUSION</p>
<p>Andy</p>	<p>So that is a wrap on Episode 37 of "Second Act Stories."</p> <p>As a quick aside, my interview with Chip nearly got canceled. The day of our meeting he ended up in the emergency room following a post-surgery problem. His assistant emailed me to cancel but luckily I never checked my gmail account that morning. So he came directly from the emergency room to Airbnb to meet with me and do the interview. It was very much a "the show must go on" mentality.</p> <p>So my special thanks to Chip but also to Sarah Goodnow Berry of Airbnb.</p> <p>Chip's book is called "Wisdom at Work: The Making of a Modern Elder." It's a great read and I highly recommend it. I'd also encourage you to check out the Modern Elder Academy. There is a website link in the show notes of today's episode.</p> <p>Hope you enjoyed today's interview. And like Chip Conley, I hope you'll "stay curious" and keep listening. There are more second act stories just around the corner.</p>