

The Healing Organization

Awakening the Conscience of Business to Help Save the World

A book excerpt by Mobius Senior Expert Michael Gelb and Mobius Friend Raj Sisodia

BOOK OVERVIEW FROM THE AUTHORS

Perhaps, like many of our friends, you are intrigued by the possibility that business can be a source of healing and abundance for all its stakeholders but you're skeptical about whether that's really possible. If so, you may be inspired and amazed by the compelling, uplifting stories of companies that are living this ideal which we detail in Part 2 of our book. Our first story, about Jaipur Rugs, features a company that transformed its industry and the lives of 40,000 women and their families, while making consistently superior profits. If this can happen in an impoverished rural area in India, then imagine what can be accomplished in the United States and other prosperous societies.

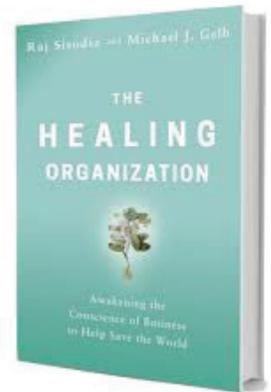
If you work in an industry or organization that is not healing, then you may wish to explore the stories of companies that underwent profound transformations from hurting to healing such as DTE Energy, Appletree Answers, and FIFCO. If you are already part of a company with a conscious, positive culture but you want new ideas and inspiration on how to evolve further, then you may wish to start with stories of companies that have discovered innovative ways to heal their stakeholders, such as Menlo Innovations, Union Square Hospitality Group, and KIND Snacks.

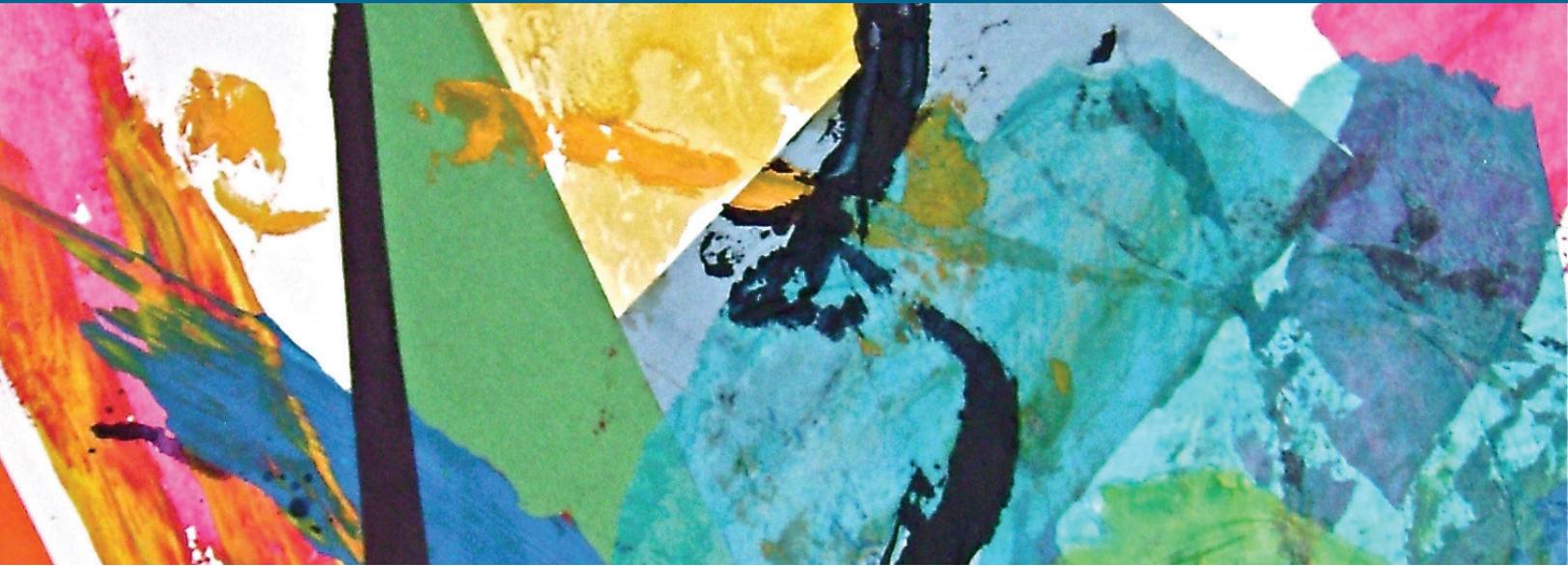
Maybe you're already familiar with and inspired by some of these Healing Organizations and you want to understand the principles and practices that they all have in common? In that case, we detail these in Part 3. You can even start with the epilogue and begin your journey through this book by taking the Healing Oath on the last page.

If you are curious about the historical, psychological, and philosophical underpinnings of capitalism and you want to understand how we have reached our current inflection point — where business can and must take the lead in helping to save the world—this is where our book begins in Part 1.

This isn't a book about corporate social responsibility or why it's nice to have a wellness program, and it isn't about checking a few boxes on environmental stewardship or finding more humane tactics to squeeze out more profit; rather, it's about a mind-blowing, heart-opening, world-changing rethinking of business. We make the big picture case for this new paradigm in Part 1 of the book.

Wherever you begin, and in whatever order you read, you'll get the most from the book if you keep a journal or notebook and jot down the ideas as they inspire you. You will also benefit from sharing the ideas, insights, and examples with friends and colleagues, as they offer a desperately needed sense of hope and optimism. As you share hope and optimism, these qualities will strengthen within you.





A SACRED UNDERTAKING (From the Prologue)

FROM RAJ

After finishing high school in India with good grades in math and science, I did what was expected and went to engineering school, despite having no passion for engineering. After graduating I went on to business school because I was told my salary would double and I could work in an air-conditioned office. I then went to Columbia University to do a Ph.D. in marketing and business policy—primarily so I could return to the U.S., where I had spent a formative part of my childhood.

While intellectually stimulating, I found the experience of studying and then teaching business at odds with my own trusting, idealistic, and peaceful sensibilities. I never felt resonant with the dominant view that business had to be a “dog eat dog” world in which “only the paranoid survive.”

Coming from India, then a commercial backwater, I was stunned at the sheer omnipresence of marketing in U.S. culture. I found a lot of it unethical, much of it wasteful, and most of it ineffective. My academic work over the succeeding two decades focused primarily on describing what was wrong with marketing. My colleagues and I showed that spending had gone up dramatically while customer loyalty and trust had plummeted; only 8 percent of Americans had a positive view of marketing. In 2004, it was estimated that companies spent \$1 trillion on marketing, which

was equal to the GDP of India that year. Today that number has increased further: Americans each received approximately 41 pounds of junk mail in 2016, or 6.7 billion tons collectively—most of which is never recycled. I wondered: what were we getting from this tsunami of spending? How was it benefiting customers, companies, and society? My conclusion was that marketing was doing more harm than good.

I was going to alert society by publishing these troubling statistics and more in a book entitled *The Shame of Marketing*. Fortunately, my mentor Jag Sheth gave me a sage piece of advice. He said, “Raj, in America, people would rather hear about the solution than the problem.”

That simple insight turned my life around. I relabeled the book *In Search of Marketing Excellence*, and started to look for companies that spent modestly on marketing and yet had outstanding customer loyalty and trust. That book evolved into *Firms of Endearment: How World-Class Companies Profit from Passion and Purpose*, and it led to the identification of the four pillars of what we would later call *Conscious Capitalism*.

I remember the moment when I found my purpose—or more accurately, when my purpose found me. On June 12, 2005, I was researching stories of how some companies were demonstrating deep and authentic caring about their customers, employees, and communities and found myself moved to tears. I had never had a *positive* emotional response to my work before. I realized “There’s a better way.” Not

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only did I find one, I discovered a bonus to the better way: *It wasn’t just more caring and humane, it was also far more profitable.*

I gradually began to understand that business could help to heal, instead of contributing to the suffering I saw all around the world. I saw the suffering near my mother’s village, where the beautiful, life-giving Chambal river had been reduced to a poisonous trickle by effluents from a textile plant. I saw it in my father’s village, where all the birds have disappeared, as have the butterflies, bees, and earth-worms, because of an over-reliance on insecticides and pesticides. I saw it in startling statistics about the pervasiveness of financial distress in the U.S., about rising rates of anxiety, depression, and suicide, and about increasing cultural discord. I viscerally felt the need for healing at every level, from within my own being to the world at large.

I was energized and motivated to learn as much as I could about organizations that had a healing effect on their stakeholders. When I thought about it, I experienced chills and goosebumps—a sure sign that this was an idea I needed to pursue. As I continued, people with compelling stories of healing organizations kept showing up!

Wonderful collaborators have appeared via synchronicity for all my books. For this book, I knew that there was only one possible co-author: Michael Gelb. Michael had come into my life when I was thirty-nine years old, right when most people experience the much-joked-about but very real midlife

crisis. His presence, energy, and wisdom changed my life. Michael showed me that I could be a creative and whole person, not just the left-brained, hyper-analytical type that I had pigeonholed myself to be. He helped me gain the courage to trust my own instincts and listen to my inner voice, so that I could eventually discover and fulfill my own unique purpose.

As we started to work on the book, Michael said something that had a profound impact on me: “Writing this book is a sacred undertaking. We have to do justice to the challenge we have chosen.” We have both carried this commitment with us throughout the journey. Every word has been filtered through our souls.

We have written this book with love, joy, and a deep sense of responsibility. Having completed the necessary research and inner work, we also write now with a sense of urgency. There is no time to waste; it is later than we realize.

My vision—symbolically, but also practically—is to have the other side of the river near my mother’s village return to being green and blue again, to have the water restored to its pristine beauty, and to return to my father’s village and hear the birds sing once again.

FROM MICHAEL

When I graduated from Clark University with a double major in psychology and philosophy I set criteria for what I wanted to do with my life: It had to be something healing for others and for myself. This led me to spend

a year studying the world's wisdom traditions and meditation practices with J. G. Bennett in England. In 1978 I completed a three-year certification training as a teacher of the Alexander Technique of Mind/Body Coordination. In the same year I received my master's degree from Goddard College and soon thereafter my thesis was published as my first book: *Body Learning* (2004). During this time I met and began collaborating with the originator of Mind Mapping, creative thinking pioneer Tony Buzan. Together, we developed and led five-day "Mind & Body" seminars for senior corporate leaders globally. In 1982 I was certified as the first Master Trainer of Buzan's work. Later that year, with an idealistic dream to help save the world, I moved to Washington, D.C.—a place where it seemed that creative thinking, accelerated learning, and innovative leadership strategies were most desperately needed.

I began offering open-enrollment three-day High Performance Learning seminars, but was disappointed to discover that there were only a few registrants from government or the political sphere. Fortunately, the programs were popular with businesspeople and this led to many opportunities for me to teach and consult with companies in the D.C. area and beyond. This was the beginning of my realization that the dynamism of business made it, rather than government, the greatest point of leverage for making a positive difference in the world.

In 1997 I was asked to lead a series of these seminars as part of the Executive MBA program at George Mason University, to help participants learn the skills they needed to lead innovation efforts at work. Raj Sisodia, the director of the program who invited me to conduct the classes, was genuinely curious and open. He had a wonderful passion to enrich the lives of his students. I enjoyed our collaboration and we became friends.

Then in 2006, Raj sent me a copy of the draft manuscript of his seminal book *Firms of Endearment: How World Class Companies Profit from Passion and Purpose*. Raj and his co-authors made a compelling business and academic case for what I had dreamed might be possible. Suddenly, I realized that I wasn't just

a solo practitioner with a Quixotic notion of making a better world through helping businesses become more creative, conscious, and compassionate; I was part of a movement. With the support of John Mackey of Whole Foods Market, Kip Tindell of The Container Store, Doug Rauch of Trader Joe's, and many others, this movement became Conscious Capitalism. I was thrilled when Raj invited me a few years later to keynote the annual Conscious Capitalism conference and then to serve as master of ceremonies for the Conscious Capitalism CEO Summit.

I shared with Raj how much his books had inspired me and he said that my books had a similar effect on him. So it was natural for us to explore the possibility

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of writing something together. We both knew business leaders who were changing the world by creating positive, people-centered organizations and it was clear that they were having a healing effect on all their stakeholders. What if we explored further how and why they did this? What if we shared their stories to help more people

realize and be inspired by what is possible? And what if these Healing Organizations were the key to mitigating many seemingly intractable problems like environmental degradation and climate change, obesity, opioid addiction, rising rates of anxiety, depression and suicide, and even the gaps between rich and poor, left and right?

For forty years, I have worked with visionary leaders around the world to support them in nurturing more innovative and human-centered cultures and to equip them with creative thinking tools and strategies that help translate ideals into reality. *The Healing Organization* represents an expansion of my own learning about what's possible. As we worked on each story I found myself moved to tears by the courage, tenacity, and sheer goodness that emanates from each of them. Tempered by the decades, the dream with which I began my career is stronger and more vital than ever: I dream that together we can create a new story of business based on awakened conscience, through which we can help save the world.

MORAL SENTIMENTS AT THE BUSINESS ROUNDTABLE

An article from Michael J. Gelb

Commenting on the Business Roundtable's recent headline-making declaration that the doctrine of shareholder primacy has outlived its usefulness, Johnson & Johnson CEO Alex Gorsky observed, "it isn't an achievement, it's a call to action."

Why are so many of the world's leading corporations beginning to heed this call, rethinking the core assumptions driving what they do? Adam Smith, the genius of economics and social psychology, who generated the framework for contemporary capitalism, would say that public disapproval weighs on the conscience of business leaders and ultimately leads to change.

In *The Wealth of Nations* Smith predicted accurately that free markets would generate unprecedented prosperity. He influenced Benjamin Franklin directly (they dined together in Edinburgh in the early 1770s) and his ideas became central to the defining identity of the United States.

Before *The Wealth of Nations*, Smith published *The Theory of Moral Sentiments* in which he proposed the ethical philosophy upon which capitalism and all societal institutions must rely. He understood capitalism as a system of cooperation based on a balance of fundamental human motivations: self-interest and caring for others. We are not just self-interested creatures; that would render us sociopathic. Smith emphasized that capitalism needed a conscience. For Smith, profit isn't an end in itself but rather the means to promote the common good.

But, since 1970 when Milton Friedman's argument for shareholder primacy became the dogma imparted in most business schools, and when quarterly earnings reports began to become more important than the long-term interests of stakeholders, things have gone awry. Beyond the dramatic stories of obviously sociopathic enterprises (try an internet search for Most Hated Companies or Sociopathic Capitalism and you'll recognize many familiar names) "business-as-usual" at the average company has contributed to a situation in which more than half of American households are technically insolvent, where the disparity between the affluent and the working poor has been growing for 40 years, with suicide rates rising more than 25% in the last 20 years.

Smith, who was deeply committed to helping the poor and disenfranchised through the dynamism of capitalism always emphasized that society is interconnected and that rising prosperity must be leveraged for the benefit of all.

That interconnection is more apparent today than ever before and what we are witnessing is the effect of the call to conscience from the population who are increasingly aware that our wounded ecosystem, our metastasizing economic inequality, our epidemics of obesity, opioid addiction, anxiety, suicide and the gunning down of school children are indicators that something must change.

Until recently most large companies believed that departments of "corporate social responsibility" and "sustainability initiatives" might be enough to assuage public disapproval, but there's a glaring conflict between CSR and record stock buybacks and it's increasingly clear that existing sustainability initiatives aren't enough to mitigate impending environmental disaster. These efforts are widely viewed as public relations schemes and as insufficient palliatives at best.

Companies still operating under Friedman's dictum that *The Social Responsibility of Business is to Make a Profit* have a hard time selling their CSR initiatives, to employees and the public, and more and more people are realizing that the notion of "sustainability" isn't sustainable.

Instead, we must, as the Business Roundtable and many others are beginning to understand, reorder our priorities and put people and the general welfare first. The good news is: *Companies who do this discover that they become more profitable in the long term*, as the research of my co-author Professor Raj Sisodia and his colleagues demonstrates convincingly.

This has been called *Creative Capitalism* by Bill Gates, and *Conscious Capitalism* by John Mackey and Raj Sisodia, and I'd like to suggest a new name: Regenerative Capitalism.

Modern democracy and capitalism took root in the United States, evolved here, and then spread to other parts of the world. Despite difficulties and setbacks, these two operating systems remain the twin hopes for human welfare. But we are at an inflection point, a critical juncture in history where we must evolve these operating systems to meet the crises of our time.

Business is poised to play the key role in this evolution that can heal our planet and provide greater prosperity, abundance, health, and happiness for millions of people who are suffering needlessly. When leaders awaken conscience and consciousness they begin to discover the creativity needed not just to sustain our lives and demonstrate responsibility, but to heal and regenerate our society.

FROM MICHAEL AND RAJ

Writing this book is, for us, a sacred undertaking. It is something that we *had* to do. It feels like our entire lives have been building toward this project.

Our process of writing has been a joyful experience of collaborative learning and discovery. Inspired by David Cooperrider's *Appreciative Inquiry*, we suspended our preconceptions and opened our minds and hearts to learn as much as possible from each series of interviews. Wherever possible we visited the companies and met the leaders in person. There are many other Healing Organizations that could be featured in this book. The ones we profile here are those we know best.

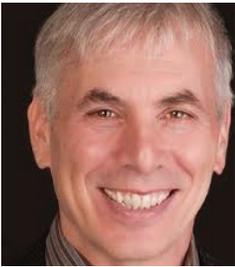
The book is written in a unified voice. The *we* that is behind the words that follow is an expression of our shared healing purpose.

We want to alleviate unnecessary suffering—physically, emotionally, spiritually, and financially—caused by the way most business is done. We seek nothing less than the transformation of the workplace from a place of stress and fear to one of inspiration and growth, from what feels to many like a miserable prison to a joyful playground.

This book is not about the business of healing; it is about business *as* healing.

The scope of our concerns goes beyond employees and their families and includes all those whose lives are touched by the company: customers, suppliers, communities, citizens. Crucially, it includes the environment and all life on the planet.

And, now, as you read and contemplate what follows we hope that it will include you.



MICHAEL GELB is a Mobius Senior Expert and the world's leading authority on the application of genius thinking to personal and organizational development. He is a pioneer in the fields of creative thinking, accelerated learning, and innovative leadership. He is the author of 14 books on creativity and innovation including the international best seller *How to Think Like Leonardo Da Vinci: Seven Steps to Genius Every Day*. In 1999, Michael Gelb won the Brain Trust Charity's "Brain of the Year" award; other honorees include Prof. Stephen Hawking and Bill Gates. To read excerpts of his books visit the archives of the Mobius Strip (on our website under Thought Leadership), where you will find "*Creativity on Demand*" in the 2016 edition of the magazine, and "*How to Think Like Leonardo Da Vinci*" in the Fall 2013 edition.



RAJ SISODIA is the FW Olin Distinguished Professor of Global Business and Whole Foods Research Scholar in Conscious Capitalism at Babson College. He is the co-founder and co-Chair of Conscious Capitalism, Inc. Raj has published eleven books, including *Conscious Capitalism: Liberating the Heroic Spirit of Business*; *Firms of Endearment: How World Class Companies Profit from Passion and Purpose*; *Everybody Matters* and co-authored *Shakti Leadership: Embracing Feminine and Masculine Power in Business* with Nilima Bhat (to read an excerpt of their work in the *Mobius Strip* archive, go to the 2016 edition located on our website under Thought Leadership.)