

Rethinking and re-engineering business is a constantly evolving process. Companies have been talking about and acting on the concept of business transformation for many years, but many have yet to achieve the full benefits, and that's what we'll focus on today in our latest Point of View episode of Lead With We. In these special episodes, we step away from our discussions with CEOs of major corporations and founders at disruptive startups, and I get to dive deep in a one-on-one discussion with global subject matter experts, directly tackling our world's most challenging issues. And today we welcome Dr. Raj Sisodia, the co-founder of Conscious Capitalism and Distinguished Professor at Tecnológico de Monterrey, private nonprofit university system, distinguished globally for its academic excellence, innovation, entrepreneurship, and internationalization, for a discussion around the purposeful and transformative landscape of business. And it'll be a great chat about what that process looks like, what progress we're making, and how we can move even faster. And nothing could be more important today as purposeful collaboration is the key to the critical business impact we need. So Raj, welcome to Lead with We.

Thank you, Simon. Delighted to be with you.

I cannot be more excited to have you on the podcast. Now, for those who don't know, might have been in 2010, way back when, I think we both spoke at an event and I looked across and I was like, "Who is this gentleman?" And I researched Raj and I found out how he's been leading the space for so long, and he's written a dozen and co-authored more and edited more books than that, and is really just one of the preeminent thought leaders and practitioners in the space. So Raj, I could not be more thrilled to have you with us.

Well, same here, Simon. I've admired your work ever since we met. I think it was at the Transformational Leadership Council meeting.

Right.

Yeah. So that was a great event and I loved hearing your perspective and following your work ever since.

And Raj, I'm going to start off on a personal note. Thank you. Raj has just released a new book called *Awaken the Path to Purpose, Inner Peace and Healing*, and it deeply resonates for me for a couple of reasons. I think we're all challenged in our personal and professional lives in terms of how we practice self-care and manage ourselves to live our best and highest lives in terms of the role we play, but also show up in the most meaningful way for the other stakeholders in our lives, in our companies, in our startups, and so on. So Raj, can you maybe give listeners a sense of the shape of your journey? I know it's been a very complex one, but the shape of your journey and then perhaps the thrust of what you're sharing in *Awaken*, which I think is something that everyone should read.

Yeah, thank you. This book project really started five years ago when I was turning 60. I was writing a book called *The Healing Organization*, which is around the idea that business, the way we traditionally practice it, with traditional consciousness, actually creates a lot of suffering, unnecessary suffering. There's a lot of burnout in business, a lot of stress, which is at the root of most chronic illness. There's heart attacks that are higher on Mondays by 20%. There's 120,000 people dying incrementally because of the stress at work. 600,000 Chinese dying from too much work. It's just a lot of suffering. And so that book was an exploration of the idea that it doesn't have to be that way. We do not have to have that kind of a side effect, if you will, of making money and running successful businesses. In fact, quite the opposite can be true.

People can be healthier and stronger physically, mentally, emotionally, spiritually, and socially, because they're part of a business. If you think of business itself as a healing act. Business is us taking care of each other, business is us meeting each other's needs. It should not be us using each other to make money. We do need to make money and we do make money, but that's not why we should be doing it.

That should not be the organizing principle or the driving energy behind it. And if we do it that way, then we actually reduce suffering and elevate joy in the world. So that was the project I was involved in at the time, and I was in my usual mode. When you write a book, it's just gathering research, it's doing interviews, it's traveling around. And I had all these writing retreats planned for the summer of 2018, but then four women stopped me in my tracks.

They all said some version of the same thing, which was, "Raj, you're writing a book about healing, what about your own healing?" And my answer was kind of glib. I said, "Oh, I have a book deadline. I don't have time for that." I really literally haven't slowed down for quite a few years and never really gone inside. I discovered my purpose 15 or so years ago, and ever since, I've just been running fast with that purpose, but I never really looked inward and looked at lack of inner peace, and what needed to be healed. So I had the good sense to listen to those women. One of them was Lynn Twist, I think you know Lynn.

Oh yes, very well. We'd had her on the podcast, actually.

Yeah. And so I slowed down. I delayed the book by five months, and I said yes to a number of experiences that I had previously declined, citing the lack of time. And so I said yes to a Shakti spiritual journey up into the high Himalayas on the border between India and Tibet, which is the seat of the deepest Buddhist wisdom, which has a lot to say about suffering and about healing. And that's where I had my 60th birthday up in those high mountains in [inaudible 00:05:08] And so that was really profound. I also said yes to a silent retreat in upstate New York with Peter Sangi and David Cooper, and a bunch of other amazing people, about 35 of us, but in complete silence for four days. And that was a really unusual and really special experience. I found that when you make space for that kind of silence, you know, get connected to some kind of source. In my case, I was just receiving so many downloads. I was constantly writing in my journal as I was walking in nature there.

By the end of it, I had about 45 pages of notes and an outline of another book, and making sense of my life and connecting some dots and also having some life lessons in general coming out of that. I worked with a coach for the first time in my life that summer, and she gave me some insights that were really profound for me, looking at the shape of my life and the general trajectory of my work as well as my personal life. And ultimately from that, concluding that I had spent 45 years trying to impress my father, the first 45 years of my life chasing after my father's definition of success. But then I had spent the past 15, the last 15 years, really honoring my mother with my work. Those were the words that she used.

You've been honoring your mother with your work. In other words, you've been bringing her energy. My mother really embodies the pure unconditional loving feminine energy, whereas my father was not that. And so that was a big aha, that yeah, what I'm really trying to do is to fill in a missing piece in the world of business, which has been this feminine energy or the mother energy, in a way. And then I went to the Amazon rainforest with Lynn Twist on the [inaudible 00:06:49] I think you just completed that journey.

Yes, yes.

Recently, right?

Yes.

How profound it is. And the centerpiece of that was of course the ayahuasca experience with the shaman there. And I had a really profound experience. I had gone there to learn about healing and I received so many downloads, or so many visions, rather, that night. Made sense of that. And I got so much that it was more than I could put into the healing book. It was really about my story, recognizing that there were wounds that I had not adequately looked at or tried to heal. That there is trauma that we all carry, and that most of us never even acknowledge our traumas. We minimize our trauma. We say that we didn't go to Afghanistan or we weren't first responders, and therefore what right do we

have to talk about our little traumas? The fact is just because something is universal or common doesn't make it less impactful.

I think every one of us suffers from some degree of post-traumatic stress injury. And as James Baldwin said, "Not everything that is faced can be changed, but nothing can be changed until it is faced." So until we face up to the reality that yes, we do have wounds and traumas that are significant, that are impacting us on a daily basis, that are driving our reactions and our behaviors without us even realizing it. Until we do that, we cannot start on the journey of actually healing from that. But if we do heal from that, then the profound gift that awaits us is what's called post-traumatic growth, where we are actually stronger having had a trauma and healed from it than if we never had the trauma in the first place.

I hope everyone's hearing what Raj is saying, because I think someone shared with this with me the other day, which landed really heavily with me, which is, they said, "Too often leaders, male or female, or founders, for some reason don't believe they have the right or permission to be happy or healed, but instead they've got to be on the tools grinding it out because they're beholden to the stakeholders in their lives, whether it's family, whether it's their employees. And unless they're exhausting themselves always, and unless they're completely spent, then they're not doing their job." And it really landed hard with me as someone who's worked very hard for a long time, because we all care about the impact that we can create. But would you say that's fair, Raj? I think that we write ourselves out of the equation, yet we can speak to it so meaningfully for others.

Absolutely. The way I think about it is that you are your most important stakeholder ahead of your children, ahead of your spouse, ahead of your parents, ahead of anybody else. Because if you don't take care of yourself, then you really cannot do those other things as effectively as you want to. So just like they tell us in the airplanes, put on your own oxygen mask, I think the same is true, generally in life, you have to see to your own healing and your own wellbeing, not as a selfish act, not as a self-absorbed or narcissistic act, but actually as an act of generosity and service, because you cannot give what you don't have. Richard Leider puts it beautifully.

Our purpose in life, if you haven't not articulated it, the default human purpose, is to give and to grow. And how you define that for yourself, in what way are you going to give, contribute to the wellbeing of others is up to you. But the growing part of it is basically is working on evolving yourself. And that includes making sure that you are healthy and vibrant in all the dimensions. I think that is very critical. And by the way, same thing applies to companies. Companies, when I ask them to make a list of their stakeholders, they'll put all the usual suspects. And I said, what about the company itself? The company is its own most important stakeholder. You have to see to the vitality and the resilience and the fundamental strength of that company itself.

I completely agree. And I think one of the great challenges, just peculiar to this moment in 2023, and probably moving forward, is how fungible what a company is. Here we are hybrid, distributed workforces. What is that entity that should attract, keep the talent, nurture that talent? And if you're not actually attuned to growth and giving by that company, then it shouldn't be any surprise that you either lose talent or you can't compete, or everyone is at a loss inside that company. And I think we're seeing that time and again.

Yeah, yeah, definitely have to invest in making the company strong and always in terms of its purpose, it's values, it's balance sheet, it's preparedness for the future. It has to be future-proof. And that's a big challenge, as a lot of people, our companies are facing right now with all the uncertainty around technology. But I definitely think that that is the first place where the leader's attention needs to go before any other stakeholders, making sure the company is strong.

And you've got such a unique line of sight through the lens of academia and being a practitioner, and being one of the founders of Conscious Capitalism and so on. But I want to start at the beginning and unpack some of it for our listeners. If we pulled back a lot, 10, 15,000 feet and looked at the whole landscape of where we are, because sometimes we've got blinkers on, this myopia, we're so sort of attuned to the present moment. There was, I don't know, philanthropy, then CSR, and then sustainability, the small S and then a big S, and then it became purpose and climate positive and nature positive and ESG, and oh my God, it just keeps on changing. When are we in this maturity or the maturation of the role of business in the world? How would you characterize it?

Well, I would say it's moving towards a fundamental rethinking of the very role and definition of business, definition and the role of business in the broader world. In a free society, like we are fortunate to live in, where we have free markets and free people, democracy and capitalism coexisting. The governments are not supposed to take care of our needs. Governments are simply supposed to provide the conditions where businesses can do that. And businesses are given the opportunity, but also the responsibility of serving us and meeting our needs in a way that really enhances our wellbeing. So if we think about it that way, then if I am understanding your needs deeply and fulfilling them sincerely, then I'm going to heal you in that dimension, the dimension I choose to focus on. And if I think about business in that way, business is a way of expressing yourself and serving others as opposed to using others to serve yourself, right?

If you think about it that way, then I think it becomes a beautiful life affirming and healing act, right? Because we're not looking at somebody with the eyes of how can I use them? We are saying, how can I serve them? And by doing so, we will end up meeting our own needs, right? That's an outcome. But that should not be the purpose. So it goes back to Viktor Frankl, "Happiness cannot be pursued, happiness ensues. It is the outcome of living a life of meaning and purpose." I think it applies to business. Profits cannot be pursued, profits ensue. They're the outcome. Doing work that matters, making a difference in the lives of others, building the business on love and care and growing from adversity.

So I would now advocate for a fundamental rethinking. It's not about grafting on this piece and that piece and adjusting and modifying here, which I think is all at the periphery of the core of the business, the CSR and all the rest of it. ESG nowadays. I think it is going back to the core of what the business really is, what it means to be in business. And I think redefining it that way I think would really shift all of the other pieces, right? Because we are here. As I said, I believe our human existence here, our purpose is to evolve ourselves and to take care of each other. It's a version of give and grow, right? And business is a way we can do that at scale. We can scale growth, and we can scale service for each other and taking care of each other.

And so I think when you do it that way, business becomes a healing act and becomes a loving act. And in that scenario, you will naturally do things that are going to be healing for your customers, for your employees. You're not going to sell people bad things that are going to make their health bad. You're not going to exploit and use your employees and damage their health and wellbeing. You're going to treat their children as stakeholders in your business. You're going to do all of those things because then you come from a place of service. So that is a fundamental rethinking, and I think it's a powerful reframing of what business is really about.

I want to ask a question that our listeners would probably be facing, and it's expedient, in the sense that it's something we've all moved beyond, if you're listening to this podcast, but we're going to face it time and time again, which is, at one extreme, people may say that point of view is naive. At the other extreme, they may say it's Pollyanna, but what you're talking about is a very different perspective on business outright. And so when you are talking to somebody, if someone's listening to this and then they face someone inside their organization who says, "That all sounds well and good and maybe a little

naive, but it's never going to happen because we've got economic headwinds, we've got market pressure on our stock pricing," et cetera, et cetera, et cetera, et cetera. What do you say to them? Or does it turn on a whole different perspective and you've got to upgrade their understanding of that perspective, otherwise you're just sort of shouting at the wind.

Yeah. What I would say is that businesses that do some version of this that approximate this, you actually end up performing better than companies that are purely focused on the bottom line. Their profits actually are greater and shareholder returns are greater for these companies that are focused on their purpose and focused on being true to their values and taking care of all of their stakeholders. When they do those things well, then actually they generate more financial performance. They have a greater sustainable competitive advantage. They have superior performance. And I think it's not just our research, but also a lot of other research.

There's a mounting pile of evidence that says that this is a superior way for companies to perform in the marketplace. And on the flip side of that, companies that are resolutely shareholder focused or profit, bottom line focused, actually over time do not serve even their shareholders well. All of their stakeholders suffer when they're predominantly focused on shareholders, including shareholders and of course society and the planet and the future. When you have that singular focus, and it doesn't even give you what it promises, it fails on its own narrow terms. It does not result in superior value creation for shareholders, and at the same time, it imposes Draconian costs on other stakeholders.

And I think you're right, there's more research and data behind the business case than ever, and the moral imperative is self-evident, one would hope. But I always scratch my head because I go, "What is the ROI on survival of us as a species in a planet?" Are we reducing it to something like that? There's just so absurd in so many ways. As one of the architects, co-authors, founders of Conscious Capitalism, the movement, which has become a global phenomenon, for those who might not be as familiar with it, could you just delineate the four quadrants that is a foundation of Conscious Capitalism?

Yeah. So Conscious Capitalism asks and has new answers for the four fundamental questions of why, what, who and how of business. Starting with the why, where historically it was always about making money. Anybody would say, "Yeah, business is there to make money." No, we say, actually no business is there to actually find profitable solutions to the problems of people and the planet. So there's a higher purpose there that is rooted in genuine value creation in the world. I frame it as we do suffering bring more joy by focusing on which of those problems you can solve. So there's a higher purpose to the business beyond profit. You have to be profitable. We recognize and honor that in order to survive and to grow as a business. But that's not the reason for being, just like for you and I, we need to earn an income and make money in order to survive.

That's not why we are alive. That's not why we are here. There are some people who live by that code and they die with a lot of zeros in their account and quite miserable at the end of their life. But most people nowadays are starting to think about this idea of purpose. So what is our purpose separate? It's like the other metaphor is that we all need red blood cells in order to live, but that doesn't mean we should dedicate our life to producing as many red blood cells as possible. We use those and the vitality that gives us in order to do something meaningful in the world. So every business, organizations consist of organisms, so they are very much, in that sense, like humans. So they should have a purpose just like people should have a purpose. Second is the what, which is the, it used to be just we create wealth for the owners, and we do that by creating products and services for customers, and they're all of that.

But now we said no, we consciously and actively seek to create value of multiple kinds for all stakeholders. Financial, intellectual, social, emotional, spiritual, ecological, physical wellbeing for all stakeholders. As part of what we are trying to do. We're not using them as a means to an end, but we are treating the wellbeing of each stakeholder is simultaneously a means and an end. We want them to

prosper within this system. And the more each stakeholder prospers, the more the overall system prospers. So we get back more than what we put in when we think about business in that way. We are not using anybody, we're not squeezing our employees, we're not squeezing our suppliers, we're not externalizing costs onto society. To me, that's not a business, that's a parasite. We're sucking value out of people, out of the planet and out of communities to keep for ourselves.

That's not a... True business is actually lifting everybody up simultaneously. That's the real magic, I think, of business when you do it right. It's the only perpetual motion machine that we've invented in the world where everybody is better off and just keeps going. The third is who. Who are we as leaders and what are we driven by? And the conscious leaders of not about power and ego and money as their primary or even secondary drives. They are really coming from a place of service. They are serving the purpose of the organization and the people of the organization. That's what really drives them. They are here to take people to a better place. That's their greatest inspiration, and that's what gives them greatest satisfaction. And we know that human beings, generally, that is the source of greatest satisfaction in a human life, is having that positive impact on the lives of others.

So conscious leaders are very much leading from that place. It's not an empire building energy that they bring. It's a energy of service. And then the fourth is culture. How does it feel to work here? As I mentioned earlier, most business cultures are filled with a lot of stress and that causes all kinds of illness. Stress is behind 80, 90% of chronic disease, and most stress is caused by work. And there's high levels of, epidemic levels of burnout and heart attacks, and all the rest of it that we are seeing in the world of business. And so conscious and caring cultures are places where people love going to work. They are highly engaged, they're highly inspired by what they're doing. There's a lot of trust and there's a lot of caring in those environments. Along with accountability and all of the other things that we also need.

So those are very vibrant, adaptive and healthy cultures. And so when you do these four things, if you do any one of them, you will make a difference. If you just leave everything else intact and you come up with a meaningful purpose, and then you actually live that purpose, and you have your key purpose indicators alongside your key performance indicators, that'll make a difference. If you simply change from a shareholder to a stakeholder mindset, if you change the leadership that you have and the way you think about leadership, and if you change the culture, each of them individually makes a difference, significant one, but when you do them together, there's a synergistic impact. They all reinforce each other. They all go together.

And my research in firms of [inaudible 00:22:10] found that companies that fit this mold over a 10-year period outperform the S&P 500 by nine to one in financial terms, and much more if you add up all of the other ways in which they're... Like Costco, one of those companies paying their people double of Walmart, covering 95% of healthcare costs, and delivering extraordinary [inaudible 00:22:30] to shareholders. So if you add up all of the other value that they're creating, it's even more than that. The performance consequences are quite dramatic. I think that competitive advantage is huge for these kinds of companies. And over time, that'll only accelerate. In a world where everybody's becoming more conscious about consequences of their actions, all of them are going to gravitate towards companies that align with their values.

And I want to build on that and ask you about what you see in terms of the shift in focus or loci of impact, because I really feel you and I are both well into our second decade of this work, this next generation coming through, and a generational gap between the work that we've all done for so long and this new cohort that is so passionate and so empowered and capable to drive change at scale with all the tools at their disposal. What do you see in terms of the difference between maybe perhaps our generation, we're both in our fifties, and what's coming through and people in their twenties and

thirties, ecopreneurs and entrepreneurship, and I know you're deeply invested in that space right now, so how would you characterize that generational difference?

Yeah, and I'm in my sixties, by the way. I'm going to be 60.

Sixties. Sorry, I just gave you 10 years, Raj. You're welcome. Feel free to return the favor at anytime.

Can you put that in writing?

Yeah, no, you heard it here first. It's true. Yes. There we go.

No, I do think that there is a shift that is happening. I think it started with the millennials and it has continued with subsequent generations. In my generation and perhaps yours, the shift to purpose or the hunger for meaning and purpose used to be a midlife phenomena. The classic midlife crisis that we joke about.

Yeah, throw my hat into ring there. Sure.

38 to 42, that people go through, and it's a real thing. The developmental psychology literature documents that. It is a real thing, the crisis that does happen, and it's a crisis of meaning and purpose where people have lived their life according to the dictates of what the culture has told us. What is success? What is happiness? It's material success. It's climbing that corporate ladder is getting that office, getting that title, getting their salary, getting the house, the car, all of that stuff. And by midlife, many people may have achieved or even exceeded those goals that they had for themselves, and yet they feel hollow and empty. And that's around the time when people start thinking about... They start volunteering for causes. Some people set up foundations, they start investing their energy and time into things that really nourish them at a soul level. See, business only feeds the head and the wallet, and we leave out the heart and soul in between. And so there's a huge amount of energy going there. There was this book called Blessed Unrest by Paul Hawkin.

He documented the rise of NGOs, 40 million of them. And why is that happening? Because people have a hunger for meaning and purpose, and that is not being met through their paid work, and therefore they're investing in time and energy. Now, as I said in our generation, and even for me, that was literally around the age of 40, that made that pivot and turn towards purpose. I think in the subsequent generations, it has been happening at a much younger age. I think millennials were the most purpose-driven generation we had ever had at a young age, in their twenties, some even in their teens. And subsequently, I think that has only accelerated. Why is that? It's interesting. Part of it is that they have grown up in a world, of course, with the worldwide web, with access to all information and with the looming crises, the existential threats of climate change and species extinction and the other things that we are facing. So they've grown up with that as part of their diet. More and more of them are determined and inspired to try and do something about that.

So I think that is definitely the case. Something like 88%, I think, of those generations are purpose driven at an early age. So that's the great opportunity and the promise. I think the downside of that, or the danger on the other side of that is that these are also the generations that are the most anti-business in many ways. So they've grown up with parents going through their midlife crisis, parents who are stressed out and burned out and unhappy with corporate America and the way work is. And so they have got that cynicism about business and capitalism. I think 51% of people in their twenties, in the US currently, the last survey I saw in the Economist, think that socialism would be a better idea than capitalism. We know that's a misguided notion. Socialism doesn't work, but it really reflects the sense of angst and frustration that is out there.

So we have simultaneously a great opportunity because they're purpose driven, but business is not seen as a vehicle for the expression of idealism and for the expression of purpose. Business is still seen as the

primary contributor to our problems, not the solution to them. And it's a steep climb to get young people to buy in to the notion that business actually can be and must be the solution to these. I don't think we can solve any of our challenges unless business fundamentally changes. And so I think the young people are going to require a lot of convincing in order to become aligned with this. When I talk to young people and I ask them what they want to do, the more idealistic they are, the less likely they are to go into business. They say, "We want to start a nonprofit or we want to join a nonprofit."

Right, right. Yeah, no, I've got a 23 and a 20-year-old daughter, and they're both in a purposeful business. And I actually went to a conference the other day, Raj, and my eldest daughter spoke at the conference. I was just like the proudest dad in the room.

Oh, papa, yes.

And I so understand. And I want to put another lens on this, which is there's that generational shift, but also you are now based in Mexico, and the geographic focus for entrepreneurship, for impact and so on seems to be shifting as well. How would you characterize the difference between Europe, the US, and other markets like Mexico and India that seem to be on fire right now?

Yeah. Well, I think many of these countries, not all of them, but many of them, first of all are demographically much younger. The median age of adults in Europe is now close to 50. In the US it's around 45. So the majority of adults in these countries are midlife and beyond. As you go to a country like India, we're still looking at the twenties, and even in Central South America. So there's much more of a youthful aspect to that. Younger people who are more idealistic, more future oriented, et cetera, more innovative, I think. So those elements are definitely present. They have more at stake in the future than some of the aging societies of Europe. I mean, if you look at the demographic time bomb that is ticking in much of the developed world, it is pretty extraordinary. It's one of the biggest thing that is happening, which is under the radar a little bit.

The birth rates are 1.2, 1.3 in most of these countries across Europe. Replacement rate is 2.1. And so we are way below replacement. These populations are shrinking rapidly, and unless they have some hefty amounts of immigration, these countries are slowly going to age and wither away. And there's no dynamism and there's no household formation. Japan has been dealing with this since the seventies. Their birth rate fell before anybody else's. And so that country has had stagnation for such a long time, and you've had this single child phenomenon going on now for a couple of generations. And those demographic ratios are all inverted, very few young people and working people. And over time, more and more people in their seventies and people-

Yeah. They age out.

And they live a long time in those countries as well. So I think those are some of the challenges of the developed world across the board. The US used to be an exception, but no longer. The birth rate has fallen quite a bit here, and immigration has also tapered off. So that's also becoming a sclerotic society in that way. So I think some of these other countries, especially India, compared to China, India has this, what they call the demographic dividend, where India's population is young and vibrant. They haven't had that one child policy that China has had. And so I think, at least, for the next several decades, India's going to have that advantage. So I think these countries do have that going for them, and that is going to be an important element that differentiates them. And I think we are going to see more innovation coming out of these places as well, seeing a lot of innovation come out of India now.

And for those listening, no one could be better positioned to speak to this than Raj because now he's leading the charge at Tecnológico de Monterrey. Raj, tell us a little bit about the university itself, but also what you're doing in and around the conscious enterprise.



So I joined Tecnológico de Monterrey two years ago as a full-time professor. I had been a visiting professor with them for three years prior. They discovered Conscious Capitalism about 10 years ago when I spoke at their 70th anniversary. And they really connected with it because it's actually aligned with their DNA. They were started 80 years ago by a group of conscious business leaders in Monterrey, alums of MIT. So it's the MIT of Mexico, but with what they call social capitalism at their core. So this business is part of society and it's really there to serve society. So they've had that all along. And now Conscious Capitalism gives them a frame that they can incorporate into their education. So it's become one of the strategic pillars of this enormous university. They have 25 campuses across Mexico, something like 160,000 students.

They've got medical school, they've got a separate university that's part of their called tech millennial, which is a very purpose driven, is focused on wellbeing and happiness in addition to all of their own subjects. So they've got an enormous reach. And their alumni base consists of most of the business leaders of the country and the political leadership of the country. A lot of them are alumni of this institution, their board of trustees of 600 people, across the 25 campuses. When they come together for their meetings, it's something like 25, 30% of Mexico's GDP is right there, because many of these are business leaders. So there's a great opportunity, I felt, to align with an institution that is committed to this at a deep level, and then having the reach and the scope and the credibility in a fairly large country. Mexico is a big country. 130 million people or so. And I felt there was an opportunity to spread Conscious Capitalism and these ideas in a sustained way across the economy.

It's about propagating, it's about amplifying and scaling.

And reaching a tipping point so that we change the conversation about business in Mexico, that this becomes the default way of doing that. So the university has invested in the conscious enterprise center. We've got about seven or eight people full time, but we have about a hundred professors now affiliated who are teaching Conscious Capitalism. There's a conscious business minor where students are spent devoting an entire semester to this subject, and they're working live with companies as they learn. We have a number of, they call, formative partners that are actually opening up their businesses to have these students come in and learn, and also help them go on this journey, assess these companies and make recommendations.

Just to call that out. For companies to be nodes in this network of transformation where you can come in and upgrade, up skill the population inside these companies. So it's living and breathing inside those organizations moving forward. That's amazing. Amazing.

Yeah. This university has a new education model that they have deployed starting two years ago. And they've got about 1200 companies around Mexico that are working, partnering with them, not just for the conscious business, but in general. Much of their education now involves and includes this hands-on applied element, real world, where students are out there and actually working on real problems. And so we've got research projects underway. We're working on a dignified wage project showing companies that not only is it a human imperative to pay our people better so they can support their families, but also showing them how to build a business model around that so it doesn't become a disadvantage for them being in the marketplace. And we are partnering with the Good Jobs Institute here at MIT, which has done that work. [inaudible 00:34:12] has written a couple of books on that, showing how a lot of companies out there that are actually paying their people much better, providing much better benefits, much more flexible schedules, et cetera, are actually deriving significant competitive operational advantages by doing that.

But they had to reorient the business model around that. So we are working on that. We are working on a number of other research initiatives, helping companies self-assess, self-diagnose what they need to change. We've got a lot of executive education that we are starting up. We just finished two programs in

the last couple of weeks, so taking groups of companies, CEOs, board members, and their C-suite members. So we had about 30 people in Mexico City. We had about 40 people in Monterrey, took them through a two-day journey through this so that they can get started on starting to transform their organizations. This university is unusual in that it also has a consulting operation. So they're actually consulting in a number of areas and now they're setting up consulting in this area as well. They call it accompaniment, so we can accompany companies as they go on this journey.

So it's a broad spectrum of teaching research, exec ed and consulting that we are going to be able to do, and starting in Mexico and then broadening out to Central America, South America. But really ultimately this center is intended to be a global hub for knowledge, for information. We've already published one book, we're working on a second book of case studies of companies in Mexico. So really become a hub and partner with, we're not a lone ranger here. There are many parallel movements. So we are trying to really become the epicenter, in many ways, of this activity and a one-stop shop. You can go there and get information and learn about all these things and we can connect you to partners who are also working in these areas.

And let me throw a couple of difficult questions at you because you're so deeply embedded in the solution. One is, especially markets like the US, the issues that we're solving for have become so deeply politicized, and the political process, lobbying behind it, business behind the lobbying and so on, it's so complicated. As an American citizen, it's as American as apple pie. So how do we, given the timelines we're working against and they're contracting towards us, and given the magnitude of the issues that we're solving for, how do we overcome the headwinds of the politicization of every issue from climate and more?

Yeah, I know. It is interesting what's happening right now. A rear guard action, I say, it's the inevitable resistance of the status quo. In one way it's a signal that we are making progress because-

Yeah, it's the death throes, it's the thrashing of the death throes.

Yeah, exactly. If you watch one of those horror movies that you know, think the bad guy's dead and then he gets up again. We have been living through an extraordinary 30, 40 year period of rapidly elevating consciousness in the world. There's been a huge awakening to purpose. And inevitably, as I said, society is like a sponge that gets full. It doesn't not absorb, and then it starts to resist. And I think that's what's happening right now. There are people who perceive a threat where the old order served, many of the people in power and rich people have done very well. It served them extremely well. The old way of doing things. The wealth was concentrated at the top and demographically, it was a limited set of people who were really prospering under that system. And now that other people are starting to claim their place under the sun, some people are feeling threatened.

I think it's reactionary. I think it's whistling. It's denying the fundamental realities of what's happening in our world and the sense of urgency about the change that needs to happen. Drill, baby drill, and go back to coal and all of this nonsense and don't use any ESG criteria for investment. This is all extremely retrograde. And rather than allow ourselves to be dissuaded or to lose our energy and momentum, we need to double down and not be dissuaded. We have to have the courage of our convictions. This is not from a righteous place of righteousness, but just from a place of knowing this is imperative, right?

We don't have a choice anymore. This stuff has to happen and we have to do it. It's the right thing to do, and it is the necessary thing to do. It used to be a choice. It's no longer a choice. We have to move in this direction. And I am not just talking about one issue like climate change, but all the broader, everything, all together. So I think we have to stay true and we have to have the courage. This is a time for moral courage.

And to double down on that, you can't have a conversation these days without two letters of the alphabet being called out, which is AI. It has so many implications through so many different lenses, but the absence of humanity, at its core, irrespective of its increasing capacity to mimic humanity and so on. Is there any cause for concern there? Because intuitively, which is a loaded word, AI doesn't have a chemically hardwired connection to each other and the planet that will surface itself as needed. Do you feel like AI is going to work for us or against us?

Well, it's a tool. It's an incredibly powerful tool, and it can be used to do negative things, to displace people, to amplify some of the bad actors out there and make them more effective at what they do. But I think we do need to step back and try to understand this at a deeper level. I think this is a realtime issue. Even people within the industry are saying, "Please slow us down. Please put some regulations." They're testifying to that effect, many people within the industry. Just like nuclear power, nuclear bombs, we humans have the ability to create things that are so, so powerful, that we have to slow down and step back and say, "Okay, how do we need to regulate? How do we need to control this, so that we deploy it in ways that are going to be beneficial and not going to unravel our society?"

So I don't claim to have the answers on that. I just think we do need to slow down and have our best minds think about, how do we use the extraordinary potential of this to amplify our intelligence, to actually augment what we are able to do individually by using these tools, without having all of those negative consequences that we are rightfully worried about. So I think that's an ongoing conversation, and I don't really have deep enough expertise to say much more than that.

Totally agree. It is a work in progress, as are we. And I've just got to say, Raj, firstly I want to tell everyone to please do go ahead, look and grab a copy of *Awaken*, because I think, to where we started, Raj, to honor ourselves by healing and creating hope by how we live our own lives, is such a powerful example. It's something all of us need, whether we ever admit it to ourselves or others. It is such a chronic need. And *Awaken* is such a powerful book to that end, and I just want to thank you, Raj, for being somebody who has been a lighthouse of leadership for me and for so many others over the last couple of decades. Your quill has been your weapon of choice, but you've been so tireless being out there and evangelizing and getting people to rally around it, and making it accessible to other people. And I know you are only just getting started, but on behalf of everybody that's benefited, I want to say thank you and thank you for the insights today.

Very welcome, Simon. This book was the first time I've ever written about myself. I've never used the I pronoun in any of my books, but I did realize that the books that have impacted me the most are the ones where the author does share their own life. And so I decided that I had learned enough lessons, many of them painfully so, painfully gained. I felt that there's something to be learned from those experiences and to be shared. Mine is a unique story, and at the same time, it's a universal human story. And these quests for purpose, for inner peace and for healing, I think they're all universal, and wholeness, which is part of healing. They are all universal to human beings, and we all need to be, I believe, on those journeys. So it doesn't stop with purpose. So thank you for this time today and for talking about these important things that we both care about and lots of people care about a lot.

Absolutely. Thank you, Raj. Thank you so much.

Thank you.

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friends and colleagues. And if you'd like to dive even deeper into the world of purposeful business, check out my new book and Wall Street Journal bestseller *Lead with We*, which is now available at Amazon, Barnes and Noble, and Google Books. See you on the next episode. And until then, let's all lead with we.