what is enlightenment
redefining spirituality for an evolving world

Magazine Reprint Series

The Business of Saving the World

by Elizabeth Debold

Issue 28
March-May 2005

www.wie.org
PO Box 2360, Lenox, MA 01240 USA
800.376.3210

The Mission of *What Is Enlightenment?* magazine

What Is Enlightenment? is dedicated to a revolution in human consciousness and human culture. Guided by the always-evolving vision of founder Andrew Cohen, whose tireless passion for spiritual inquiry continues to push the edge of contemporary thinking, we are in search of a radical new moral and philosophical architecture for twenty-first-century society. We believe that finding this framework for transformation—rooted in the timeless revelation of enlightenment, reaching toward a truly coherent ethics for the postmodern world—is imperative, not only for the evolution of our species, but for our very survival. By asking the hard questions of the new science and the ancient traditions, of art and culture, of business and politics, *What Is Enlightenment?* seeks to create a dynamic context for conscious engagement with the greatest challenges of our times, a groundwork for the ongoing liberation of human potential.

The Business of Saving the World

by Elizabeth Debold

"I was having a drink with the CEO of one of the largest oil companies in the world and he admitted, 'Yes, I'm concerned. You are absolutely right. This world is going to pieces.' And then he said, 'But, hey, what can I do?' "

Ichak Adizes
Author, Founder of the Adizes Institute

Whole Systems Change Summit participants

STEP BACK, WAY BACK. THINK OF THE MAJESTICALLY *spinning globe we live on. What comes to mind? The striated blue and white marble that the astronauts first saw, vivid against the endless blackness of space? Or the familiar shapes of the continents, with green lowlands and the ridges of mountains like backbones pressing up through the earth? Perhaps you see the play of primal forces—water and wind—as they rapidly shift and move in cloud patterns across the expanse of land and sea. Or take a look at the lights that glitter on its darkened surfaces, connected by currents of electricity that allow us to communicate instantly with anyone, anywhere. Sense the uneasy alliances of democracies, socialisms, monarchies, and dictatorships; the conflicts constantly flaring up, threatening to ignite larger conflagrations, as the interests of cultures and peoples chafe against each other around the globe.*

Joel Jewitt

Cofounder, Palm Computing; currently Founder and VP Business Development, Good Technology, Inc.

"Silicon Valley is a brutal vortex of evolution. The market's changing so fast that a five-year plan is worthless. The company's got to go where the action is—you've got to be in the middle of a storm. When you're there, it acts on you, and you're forced to get better. Death for a Silicon Valley company is if you wake up one morning and all the trouble and action are somewhere else. That means that the storm has just left—which means you're dead. If the trees aren't falling all around you, then your company's not alive."

Only a few decades have passed since space travel opened our eyes to the awesome sight of our shared home suspended in the void. Since then, our world seems to have become more fragmented than ever, even as we are bound together more tightly than ever—beyond nation, religion, or ideology—within the web of commerce. Networks of reciprocity now connect the penthouses of Park Avenue with the shantytowns outside Nairobi. Through the development of the capitalist business corporation, we have taken an extraordinary evolutionary step into a complex global interdependence. These giant organizations—Mitsubishi, Nestlé, and DaimlerChrysler, or some so familiar that they go by acronyms such as IBM, GE, GM, HP—are liberated from the constraints of location and national affiliation, extending their influence from Boston to Bangkok. Operating within the stratosphere of international capital markets, they have amassed resources and power that rival those of many nations. In fact, of the one hundred largest economies in the world, fifty-one are multinational corporations and only forty-nine are actually sovereign states. Between their economic clout and their cross-cultural people power, business corporations represent a leap in humanity's capacity to organize for a shared purpose.

Generating a constant demand for creativity and innovation, businesses have literally driven the transformation of the modern world. Alexander Graham Bell invented the telephone, which became Bell Telephone, which gave birth to Bell Labs, which created the transistor, which brought in the electronic information age. The list of consumer goods that have appeared in an evolutionary eye blink—from toothpaste to liquid floor wax to aspirin to contact lenses—is virtually endless. We've traveled from the horse and buggy to the SUV in less than one hundred years because of the relentless demand that business creates for the new. And it's only getting faster. Disney is producing and launching a product every five minutes. Sony launches three new products per hour. Seventy percent of Hewlett-Packard's revenue comes from products that didn't exist a year ago. This constant rush to market has dramatically improved and transformed human life—doubling our life expectancy, improving the quality of living, and expanding the horizon of possibility into the stars.

At the same time, the rush to capture more market share, propelled by the profit motive, has caused untold damage to this planet and its people. Burmese villagers recently sued energy giant Unocal for "encouraging" the Myanmar military—hired to oversee the construction of a gas pipeline through the country—to subject the villagers to forced labor, murder, rape, and torture. Coca-Cola is under scrutiny from

Joel Jewitt

watchdog organizations for water pollution and for creating "opportunity" from water scarcity. It's hardly refreshing to read in their 1993 annual report that "all of us in the Coca-Cola family wake up each morning knowing that every single one of the world's 5.6 billion people will get thirsty that day. If we make it impossible for these 5.6 billion people to escape Coca-Cola, then we assure our future success for many years to come. Doing anything less is not an option." The momentum of the corporate juggernaut is so powerful—fueled by the most basic human survival and status needs—that altering its course seems almost impossible. "We are not just marching toward disaster," says noted business consultant and author Ichak Adizes, "we are sprinting toward it."

However, there is another powerful force working within corporations—an unpredictable human force. The breadth and diversity of people brought together within them, beyond nation, beyond religion, race, or caste, is utterly new. Over one million people work at Wal-Mart, the largest employer in the world. McDonald's may be the largest employer of youth on the planet because McDonald's is nearly everywhere. And as more and more people engage with each other in a globalizing workplace—the haves brushing shoulders with the have-nots, one culture pollinating another—a pressure is building. Inside and outside of these organizations, there is a growing appreciation of the effects of corporate activity on the planet and its people, a dawning recognition that we are one humanity inhabiting one world.

What if these gargantuan entities, filled with the creative potential of thousands of human beings, were to awaken to this new global reality? I asked this question of some thirty business leaders and consultants engaged in the nitty-gritty of corporate change. They all agree that if business *were* to awaken, and then to change, it would have an unprecedented impact—transforming the world in ways we cannot even imagine. In fact, some say that it would create the context for a new level of global consciousness. But can the corporate juggernaut—embedded as it is in all of the economic systems on this planet—really transform *itself* fundamentally? What would it take to free the creativity and stop the destructiveness of these powerful engines of commerce? Change at this level has never been consciously undertaken before. Will it happen? That depends, these remarkable individuals are saying: World-transforming change *is* possible, but only if we are willing. And that big "if" will determine what kind of future we will have—or whether we will have any future at all.

Brian Bacon
Oxford Leadership Academy

THE BIRTH OF THE CORPORATE MACHINE

"There are people you should be interviewing who are far more hopeful than me," says Meg Wheatley, author of the paradigm-busting *Leadership and the New Science*. Her eyes narrow slightly and her short-cropped red hair seems to have a wired intensity as she gauges my response. Just a few minutes ago at the Shambhala Institute's Authentic Leadership conference, she was relaxed and smiling, riffing with the small group around her on the four karmas in Buddhism. Now, as I explain to her the topic of my inquiry, she looks almost forbiddingly stern. "I just think that the amount of change that is required to make businesses work from values that are truly sustainable—like community, health, caring, trust—is not possible within the existing machine. The whole system is so large and destructive."

Her response goes to the heart of the matter—or perhaps I should say, to the lack of heart in the matter. The whole problem *is* the machine—not simply the grinding gears of a globalizing economic system but an entire way of thinking, or level of consciousness, that views everything in mechanistic terms. This mindset was the catalyst for the ingenious inventions of modernity, which catapulted a significant portion of humanity out of the superstition and poverty of the premodern world. The first scientists of the Western Enlightenment—geniuses like Newton, Descartes, and Bacon—studied nature to learn the workings of God, the ultimate watchmaker. Over time, God dropped out of the picture as the theory and practice of objective scientific inquiry drained the sacred from the material world, leading to the assumption that the entire physical world (ourselves included) is a soulless machine. Freed from thralldom to Church dogma, we human beings applied our God-given intelligence to creating in our own right. This liberated creativity was the oil in the engine of the Industrial Revolution. And the machine was the perfect metaphor for the age.

The creative explosion of modernity led to exploration on all fronts—and the capitalist corporation was born out of one thrust in that exploration. Many of us may recall from history class that the United States was settled by a corporation, the Massachusetts Bay Company, which was chartered by King Charles I in 1628 to colonize the New World. These commercial enterprises came about when the ruling monarch of the most aggressively trading nations—Holland, England, and Spain—granted a charter for a specific purpose and length of time to merchants who were seeking investors for global ventures that were too costly for them to finance themselves. Nation building and capitalism went hand in hand: in return for the charter, these companies expanded their governments' power through colonization, annexing resources (including slave labor) and markets in which to sell goods.

The corporation is the financial mechanism that built the modern world. Originally, these business entities served the public good—creating, for example, the railroad systems

that made it possible to trade merchandise efficiently all over the world. Because corporations were granted a charter, over time they began to be recognized as legal entities in their own right—legal entities that could protect investors from any wrongdoing committed by the corporation. If these often-risky ventures went awry, neither the investors nor the business leaders could themselves be sued: their liability was limited to the money that they put in, which made investing in a corporation very attractive. However, it also made fraud very tempting. Even the first corporations were plagued by scandal, as unscrupulous "jobbers" (the great-great-great granddaddy of today's stockbrokers) sold shares in fake companies to naïve investors. Over the intervening centuries, as capitalism took off, its purpose changed from public good to the amassing of private wealth. The engine of capitalism, the business corporation, gathered a tremendous momentum and power in the nineteenth century—a time of enormous enterprise and social inequality.

The protection of shareholders' investment became the sole mandate of the corporation. In one legal case after another, the courts stood on the side of capital, ruling that the corporation's responsibility is almost exclusively to the shareholders who own it rather than to the employees who work within it or those outside who are affected by it. Now, with markets wired around the world, the pressures of stock buying and selling place a ceaseless demand on publicly traded corporations for short-term profits via dividends or higher stock prices. This legal mandate to earn profit for owners/shareholders is the reason so many corporations seek cheap labor overseas, abandoning the towns and communities where they were founded. Short-term profit drives large corporations to buy up small companies and inventions that "threaten" them with potentially costly change—and then do nothing with those inventions themselves. It's the reason British Petroleum, which is doing more environmentally than most in the oil industry, will inevitably bid to drill along Alaska's Arctic Slope, despite the fact that doing so will very likely destroy the wildlife and aboriginal culture living there. It's the reason Pfizer, which has substantial community service programs, invests little or nothing in attempting to cure simple diseases that kill millions worldwide, like malaria and tuberculosis, but will invest an enormous amount researching baldness because they can make a killing by selling its "cure" to the affluent.

Bob Hinkley likens today's corporation to Hal, the computer in *2001: A Space Odyssey*. "We've introduced this thing into our society that has no bounds on its pursuit of self-interest," he says.

Well-intentioned business leaders are actually prohibited by this legal mandate from being socially and morally responsible. Bob Hinkley, formerly a partner at the prestigious law firm of Skadden Arps, took a hiatus from his practice after recognizing the frightening truth of this. He describes the effect of the corporation with a simple but apt analogy: "If you put a whole bunch of children in a schoolyard, and don't restrict them in any way, it would work for a while, but then the bullies in the group would start to take over, and then you would need to have rules. In the 1850s, we started to introduce this new kind of person into the metaphorical schoolyard—the corporation, which is basically an entity in which a whole bunch of people get together backed by millions and sometimes billions worth of capital. They became the bully in the schoolyard." Hinkley points out that at this point, corporations are capable of outmaneuvering the legal system: they have well-financed lobbying to create rules that they can live with; they can readily move to jurisdictions with looser laws. Sometimes, they aggressively flout the law, risking prosecution because they have enough money to engage in long drawn-out legal battles—and often they can even afford to lose. He likens today's corporation to Hal, the computer in *2001: A Space Odyssey*, which placed its own survival above that of the crew and almost killed everyone on board before its plug was pulled. "It's like that," Hinkley says with a short laugh. "They were programmed incorrectly. We've introduced this thing into our society that has no bounds on its pursuit of self-interest. It naturally looks for ways to make money. Sometimes it finds legal ways, but with no restrictions on its drive to make money other than what is in the law books, it often tries to achieve its goal in ways that harm the public interest."

The corporation, writes Joel Bakan, author of *The Corporation,* is "an externalizing machine." Corporations have never had to account for the damage that they cause to third parties—their workers, communities, the environment, consumers. In fact, there is a neat economic term for all of this: "externalities." Externalities are figured into the cost-benefit analyses that all corporations use to make business decisions. Is it cheaper to replace faulty equipment or pay damages to workers who might be injured? Is it more profitable to violate environmental laws and risk a fine or to retool a plant to meet emissions standards? These choices often cause irreparable harm to human beings and society at large. Bakan writes, "Every cost [the corporation] can unload onto someone else is a benefit to itself, a direct route to profit."

The logic of this economic machine seems staggeringly flawed: that if each individual person and corporation shamelessly pursues his, her, or its own self-interest, a positive outcome will be created for all. It's become more than clear that it

doesn't work this way. But this logic is quintessentially modernist. Our modern mechanistic mindset created capitalism, the corporation, and our courts. However, it cannot deal with the level of complexity resulting from the global interconnectedness that it has been instrumental in constructing. Mechanistic thinking is notoriously reductive and rests on simple linear chains of cause and effect. Like any mechanical device, it processes in one direction, along one line of reasoning, oblivious to anything that gets in the way. As Peter Senge, author of the classic *The Fifth Discipline* and founding chair of the Society for Organizational Learning, tells me, "You can't approach a business as if it were a machine and expect it not to operate in blind, machine-like ways vis-à-vis the larger communities and living systems of which it's a part."

But there is another way of seeing the corporation. Senge says, "You can see it as a machine for producing money, or you can see it as a human community." How you think about your work and how you function, he observes, are very different depending on which view you hold. Toke Møller, of InterChange ApS, agrees: "We need to wake up to understand that the workplace is a human village. It's a living place. And as we are waking up to the understanding that we are one people living on the globe, we are in a shift between two paradigms." However, the human village in Møller's new paradigm is different from the village of the premodern world. "The village has to come back," says Møller, "but this time with consciousness"—conscious of itself as a living system.

So, is the work of the moment to transform the entire corporate machine into a collection of corporate villages? Yes, *but* . . . is Meg Wheatley's answer—and the "but" is a big one. "That's not my experience of how life works," she says. "From a living systems perspective, once something has emerged, it's very hard to change it. The big system that has emerged needs to disintegrate." Drawing on an example from the work of evolution biologist Elisabet Sahtouris, she explains: "When a caterpillar is beginning to transform, imaginal cells from the butterfly start to appear inside the caterpillar and the caterpillar's immune system destroys them. The first response of the system to the new work, to the new models, is to eat them alive because they are a threat. And this is when the caterpillar is in its most voracious state." Wheatley's current efforts are focused on connecting the imaginal cells of the new paradigm so that "they don't get eaten but get connected so that we can grow, we can emerge into something much more powerful. When the caterpillar finally loses the battle, it turns into a goo—a complete mess—but

Rob Glaser

Chairman and CEO, RealNetworks, Inc.

"WHEN YOU GO PUBLIC, it's like being shot out of a cannon. You go through this very intense two-week period where you're traveling all over the world meeting potential investors. One day we started in the morning in Germany, did lunch in Paris, had an afternoon meeting in Scotland, and then finished in London. We had a couple of days in the U.S. where we crisscrossed four states in a day. And this was seven years ago, before the technology boom had hit its full fever.

"One of our company's philosophies is that five percent of profit will be donated to our foundation. You see, while most companies do some charity, very few do as much as five percent. And even fewer actually write it into their public documents—but it was in our original business plan. The bankers asked me, 'Look, do you really want to have this policy? Because people who [observe] your company won't like this.'

"Only twice during the whole process of going public did anybody even ask about it. One investor said, 'I read in your prospectus that you're going to give five percent of your profit to charity. Why don't you give that back to the investors and let *them* give it to charity?' I said, 'We certainly want to encourage investors to give to charity, but once it leaves our hands, we don't control it. If we give the five percent to charity ourselves, then we know it will serve a positive purpose.' The other response I got was actually in the other direction. In southern California, a guy associated with a big investment company said, 'I'm on the board of the Boys and Girls Club of Greater Los Angeles, and I'm going to really study your business plan. If it's a close call whether to invest in your company or not, the fact that you are making this commitment to charity will definitely weigh favorably in my decision, because I think it's wonderful.'

"My experience with this has been purely positive. It's one of the things about the company that I'm most proud of. Anybody who tells you that you can't do this is just wrong. And you don't have to have a product that you're marketing as a socially responsible product to run a company this way. Sometimes doing the right thing is its own reward."

it's that goo that nourishes the imaginal cells that then turn into the butterfly."

Wheatley reasonably fears that this change will only come through massive destruction and suffering. "Years ago, I learned from Fritjof Capra, the physicist and writer, that we already know how to create very powerful models of sustainability," she says emphatically. "I know that we already know how to create high-performance organizations. So the problem is not a lack of data. It's something much deeper and much more frightening, which is that we are either getting paralyzed by the paradigm that we're in or we just don't have enough energy, enough will or courage to say, 'Enough!'" Wheatley is right. It is deeper and more frightening, because the problem is our *own* level of consciousness. Without realizing it, most of us are caught up in the same mechanistic mindset that invented the modern corporation. That mindset has created our sense of separation from each other and from the living systems of which we are a part.

Most of us are caught up in the same mechanistic mindset that created the modern corporate machine.

Michael Braungart
McDonough Braungart Design Chemistry

By and large, Wheatley is walking away from trying to change the machine itself. "It's not the time for revolutions," Toke Møller agrees. "Now is not the moment to fight against the old. We need to step away from that which doesn't work and begin to create that which works—to enter into *evolution*." Møller may be more accurate than he realizes. "Revolution" is a metaphor of the machine age with its wheels and engines, and "evolution" pertains only to natural systems. And we have to *evolve* our consciousness beyond the machine mind that created the modern world and our modern selves.

LIBERATION FROM THE MECHANISTIC MINDSET

"Right now we *are* a real pain for this planet," Dr. Michael Braungart remarks to me on the phone one evening. "But it's only because we are not liberated from the idea that we are bad for the planet and should therefore have fewer human beings or minimize our ecological footprint." While at first I find it hard to follow him—perhaps it's the German accent—as he continues to speak, his inspired ideas about human enterprise reveal a fresh view on the future that is as magnificent and awe-inspiring as the butterfly's emergence from the cocoon. No longer in the grip of the machine mentality, Braungart weaves one vision of transformation after another. The car turns into a "nutra-vehicle"—what he calls the twenty-first-century buffalo. Not only is nitrogen collected from its exhaust and turned into fertilizer, but every emission from the car is consumable and the car itself is consumed—recycled—in the production of the next line of cars. Industrial upholstery fabrics, notoriously toxic, are now benign enough to eat and miraculously clean the air around you as you sit. This is not science fiction. Braungart is a brilliant chemist, and the mentor and partner of architect Bill McDonough, with whom he coauthored the groundbreaking book *Cradle to Cradle*. His living systems perspective is a stunning leap out of the mechanistic paradigm: human beings are fundamentally inseparable from the cycles of nature, and should create in alignment with the principles that inform the living planet. Moreover, it takes us far beyond the current belief that life on earth can only become sustainable by restraining our activity and impact on the planet.

"I'm proposing a positive agenda which says, 'Hey, isn't it so nice to see human beings on this planet?'" he explains, speaking rapidly in a soft voice from his home in Hamburg, where he has just put his daughter to bed. "Instead of trying to minimize our damage here, let's think about how human beings could support other species. Because less bad is not good. We call it 'environmental protection' if we destroy a little bit less. It's the same as if I were to say to my little daughter, 'Hey, honey, I'm protecting you—I only beat you five times instead of ten times.' That's no protection. We're feeling bad about being on this planet because we went through a process

Leo Burke

**Director of Executive Education,
University of Notre Dame,
Mendoza College of Business**

"The leadership we need next cannot try to escape the complexity of the world but has to develop a capacity for effectiveness that acknowledges that the fundamental reality is one of inherent unity. That's why the primary revolution that we need is a spiritual revolution as opposed to a political or an economic one."

of emancipation from nature and now we feel bad for what we did during that process. We try to compensate for this by feeling guilty about being here."

Our emancipation from embeddedness in the natural world brought us into the mind of the machine. However, "this split was necessary," Braungart insists, reminding us that before the life-enhancing creativity of modernity, "we would have been compost at the age of thirty." (Remarkably, the word "creativity" only came into use in the late nineteenth century at the height of the machine age.) Only after humanity was able to look objectively at nature and try to figure out its workings did human invention take off—the cotton gin, the steam engine, the railroad, the telegraph, the electric light, and on and on. However, as we have begun to wake up to the consequences of this cultural achievement—to the effect of our mechanistic consciousness on the natural world and on each other—our collective response has been a guilty attempt to minimize our negative impact. Yet, ironically, this position is still within the framework of the mechanistic mindset because it fundamentally assumes our separation from nature. It's in this respect that Braungart's cradle-to-cradle thinking literally reveals another level of consciousness. It not only frees our creative potential from rigid mechanical design but also frees us from our separation from the living world to enable human creativity to be generative and life-giving. His mind is a testament to the potency of a consciousness that is inseparable from and aware of the living universe from which we have emerged and that is compelled by a natural impulse toward growth and evolution.

"We call it 'environmental protection' if we destroy a little bit less. It's the same as if I were to say to my little daughter, 'Hey, honey, I'm protecting you—I only beat you five times instead of ten times.' That's no protection."

Michael Braungart

"Waste is food" is Braungart's motto. "We are the only species that makes unusable waste. So we are in the process of making this whole planet a big graveyard. Every other animal only makes things that are available for others as well. We need to learn from nature that nature only does things that cycle." Rather than conceiving of enterprise as a linear system that mechanically moves from taking resources to making products to selling them to throwing them away, cradle-to-cradle thinking, Braungart tells me, "proposes to see everything as a nutrient—either as a technical nutrient that is reusable or as a biological nutrient." Perhaps this is the "goo" that the next phase of human civilization will feed on: the disassembly and reinvention of the unusable products from the first industrial revolution to create new ones for the next.

Braungart observes that many young scientists want to create products that they can be proud of, and so they are designing in a way that is "far more evolutionary than everything that's been done before." Braungart and these new industry activists are ingenious. "For example," he says, "we designed an ice cream wrapper that degrades within hours because it becomes a liquid when you take it out of the freezer. But the nice thing is that it is not just biodegradable. That's the minimum. You see, many

of us litter, throw away the ice cream wrapper, because it's a way to mark your territory, to show that you are important. But now, instead of trying to minimize our footprint, you can encourage a big footprint. Because the ice cream packaging contains seeds from rare plants, so that by throwing it away, you're supporting biodiversity like every songbird does."

However, these activists within industry, like the butterfly's imaginal cells, are metaphorically being devoured by the profit-driven machine. Their new products and materials cannot get into the market, Braungart tells me. "There is a big blockade by the middle management," he says, referring to those who are responsible for implementing the corporation's profit mandate. Bound by restrictive regulations in the United States and still driven by the profit motive, Western corporations go to countries like China and Malaysia in order to continue to produce "low-quality products much cheaper with lower environmental standards." These products—for example, toys made out of "plasticizers" that give off sterility-causing gases when children chew on them—are real "weapons of mass destruction," he says. Yet business of this kind continues because, as he puts it, "we have socialized the risk and we have privatized the profit, and that just doesn't make sense." For change to happen, Braungart asserts, "we need industrial leaders who don't simply think in quarterly profits but who are really thinking about the longer term." And they will need to "make a personal commitment to 'cradle-to-cradle' thinking." It's clear that the system needs to change, and it will take courageous individuals to go against its momentum. Corporate leaders will need to risk liberating their own minds from mechanistic thinking.

The system needs to change, and it will take courageous individuals to go against its momentum. Corporate leaders will need to risk liberating their own minds from mechanistic thinking.

THE LEADER GOES FIRST

"They come in their helicopters or they fly their planes; they come very discreetly. They come to this place and it's safe," Brian Bacon, the president of the Oxford Leadership Academy, says of his clientele—some of the top corporate leaders on the globe. They seek him out because they have given their lives to the machine and reality is throwing wrenches into its gears. The old ways aren't working anymore. The mechanistic "command-and-control" model of corporate leadership keeps them locked in the command post, blind to and blindsided by the constant changes of an unpredictable market. And they come discreetly because they know that Bacon's "Self-Management for Leadership" (SML) program is going to take them into terrain that is unfamiliar and dangerous for those who have to be on top of everything: the uncharted spaces within themselves. They come discreetly also because they know that they have to go deeper—both for the sake of their businesses and for themselves—and risk everything to find a new way of being and working that can take them into a new future. Given that their companies' stock prices are partly determined by their steady hand on the corporate controls, they can't risk public exposure of their own uncertainty.

Helen-Jane Nelson, director of the consulting consortium, Cecara Consulting Limited, says that when these top executives begin to realize the impact of their choices—on the environment and on other human beings—"the guilt is enormous, and it's very painful." The economic logic of the machine age predicted that only good would come from the relentless pursuit of self-interest. Most of these executives didn't realize, when they were climbing their way to the control tower, that they were taking charge of a machine responsible for environmental destruction or human exploitation. "We're at a point," she says, "where business leaders are beginning to recognize that their businesses are not sustainable, that the whole way that they have been doing business—the pursuit of continual growth—is not sustainable. The planet cannot tolerate it. And they're scared. Some are desperate—they are willing to try anything, because there is a sense that the old ways of doing business are not working." Moreover, the old economic sleight of hand that allowed companies to simply "externalize" any potential risk is beginning to backfire as they are finding that, on our interconnected globe, what used to be external now has the power to impact them internally.

"Events can occur in one area and cascade with little or no warning to have a huge, profound impact on an organization," explains Steve Trevino, who advises the blue chip consulting firm Booz Allen Hamilton. "The time in which businesses are currently operating is vastly different—in fact historically unprecedented—in terms of accelerating change as well as deepening and intensifying complexity. The proliferation of networks is changing the way all business activities have to be conducted." For example, Trevino notes that experts in the reinsurance industry, which is the economic safety net for the planet, don't think that the system will be able to handle "the financial ripple effects resulting from insurance claims if there is a succession of events like 9/11." He also gives the example of Nike, which had its reputation as a responsible corporate citizen damaged (and its stock price take a serious dive) after negative stories broke about its third-world factories. Trevino argues that the data regarding our networked interconnectedness is so compelling that anyone who sees it "would be driven to action, to a shift in consciousness, to a recognition that we need to design

new systems, new financial models to replace the ones that are at the core of the economic underpinnings of the planet."

To do that, we need leadership. "The word 'leadership,'" Nelson comments, "doesn't have a Latin root or a Greek root. It's an Old English word that actually means to go first." She explains that no matter what the means by which one assesses a company, "the consciousness of the leader has a significant impact on the consciousness of the organization." Thus, increasingly, organizational change efforts are focused on getting the leader to go first—to leap beyond the mind of the machine. "You can't transform a group structure without having the leadership go through some sort of transformation," asserts Richard Barrett, author of *Liberating the Corporate Soul* and creator of one of the most widely used means of assessing the level of consciousness (or ways of thinking) of an individual or culture. Given the intense demand on CEOs to create organizations that are more responsive than the rigid, linear machine, an increasing number are becoming willing to embrace radically new ways of working.

Indeed, many of them have reached a point where they have no other option. As Bacon says, "These leaders are under enormous pressure. They're totally committed, intensely driven, and highly intelligent. And for a lot of the time they are utterly miserable. This is what often happens when you get to the top: you invest so much in your career, you end up alienating your family." And, he says, "The closest friends of a CEO are inevitably connected with work, so for reasons of confidentiality and politics they can't confide in them. It gets very lonely at the top." But the coup de grâce comes when they realize that their "metrics ability—the ability to get the numbers and steer by the numbers" to consistently crank out quarterly profits—is impossible to sustain in a constantly changing, hypercompetitive, and chaotic market. That's why the average length of tenure of a CEO in the United States is only 4.6 years. In Europe, twenty-two of the top one hundred CEOs were fired in 2003. When the skills and techniques of the mechanistic mind fail them, they slam into a wall.

The way out is literally unthinkable within the iron reasoning of the corporate machine. The first step is a new way of thinking—a new consciousness or worldview that enables us to recognize how everything is interdependent and how connection to a larger purpose is critical for personal and professional success. Bacon cites Epicurus who "hit it bang on the head" about the three things that human beings need to be happy: "First, a sense of belonging in a community of friends; second, freedom—the feeling that your life and choices are in

Mats Lederhausen

Managing Director, McDonald's Ventures; Former President, Business Development Group, McDonald's Corporation

"MY DAD BECAME a McDonald's operator in 1973—he opened the first McDonald's in Sweden. I worked there at a very young age. By the age of thirty-five, I was running McDonald's Sweden and we were working closely with the Natural Step, an organization that trains companies to understand the environmental challenge and what to do about it. We started waste separation for recycling, started buying organic, began phasing out plastics, and used 'green' electricity from '95 onwards. We also were working actively to promote nonviolence, to integrate different ethnic groups, and to employ associates with mental and physical disabilities.

"But I realized that if tomorrow were the last day of my life, I wouldn't want to live it the way I was living. I began to ask, 'What am I supposed to do?' And most of the people who I respect told me, 'It's great that you have all these ideas, but don't leave business. Most people who have these ideas drop out, write books, and give meaningless lectures in empty hallways. That's not the way to change the world. You've got to hang in there.'

One friend asked me what I would do if I were the CEO of McDonald's, and I said that I'd do what we did in Sweden. He suggested that I go over to the U.S. and tell the CEO that's what they ought to be doing. He said that if they fire you or don't want you, then you'd be free to go. So I mustered up some energy and went to Chicago and told the number two guys what I wanted to do, what my vision of the world was, and what business should become. I told them that if McDonald's wanted my services, I was happy to help them, and if they didn't, I'd move on. To my great surprise, they offered me the job of global VP for strategy. For the last five years, I've had various jobs at McDonald's

your own hands. And third, a reflective life, which means having the time to ponder where you're going and what is important in life." That kind of reflection creates a gap in the driving logic of the machine. Through meditation, or what are called reflective action practices, Bacon opens hearts and minds to a new consciousness that brings people in touch with other human beings and a deeper purpose in life.

The result is "good instincts," as Bacon puts it. And the leaders who have tapped their instincts—"the ones who are able to be 'present' and sense the truth amidst the chaos and then make a judgment call with such breathtaking clarity and decisiveness that everybody knows, *snap!* this is it!"—are the ones who express a deeper happiness and "can generate a sense of meaning not only within themselves but also in the lives of those around them." They are not buffeted by the winds that are whipping the organization from without; instead, they drive the deeper currents that keep it on course.

Roger Saillant, CEO of Plug Power, one of the first electric fuel cell companies, has good instincts. Saillant has created an organization that *feels* different, that has an energy that is palpable. Work at Plug Power "is not *your* job or *my* job. It's *our* job," he states. "And that's how people become enlisted when we are working together. It is what happens when you think of yourself as having no boundaries, when you think of yourself as working in a field of connection and consciousness." In creating this organization, Saillant has tapped into something that moves human beings and not just machines: "I believe that people want the truth; they want to learn and grow, to be part of a community and a shared inspirational vision," he states. "When you try to practice these principles, somehow the universe reaches out and gives you insights that guide you at an intuitive level." No longer isolated in the command tower, Saillant is part of a neural network of human relationship that learns and grows together.

PULLING THE RELEASE LEVER

When the leader of a corporation gets his or her head out of the machine, the creative force of capitalism is liberated to move in a new direction. Take John Akehurst, the former CEO of Woodside Petroleum Corporation, which is a publicly traded Australian oil and gas production company. Now, Akehurst certainly doesn't look like someone you'd identify in a lineup as a revolutionary. He looks more like a mild-mannered behind-the-desk man—and yet there is an ease and openness about him that suggest far more than the fact that he's enjoying his retirement. John Akehurst, if you hear him

Corporate but basically played the role of chief strategist, helping McDonald's to change.

"As always with either politics or big companies, change doesn't happen as fast as we would want, but I am very proud of what we have accomplished. Our social responsibility efforts are amplified and enhanced. The goals, objectives, and the actions we are taking are both more effective and more transparent than before—from trans-fatty acids reduction and eventual elimination to elimination of hormones and antibiotics in beef to waste reduction and water purification issues around the world to work conditions in toy manufacturers in China.

"But I never intended to be a senior executive in a large, large, large company. About a year ago, I felt the time was right to move into a more entrepreneurial role again. The CEO offered me the chance to run McDonald's Ventures, a collection of brands outside our core business (Chipotle, Boston Market, Pret A Manger, and RedBox DVD). I am excited to again have the opportunity to work more entrepreneurially and am particularly proud of how these businesses are incorporating triple-bottom-line approaches—profit, community, and environment—to their respective businesses.

"My ultimate dream is to manage a set of businesses that all are born out of a purpose bigger than their product. I believe that is what my particular journey is about. I am somewhat tired of going to meetings where spiritual people talk about how the world can be a better place but with very little evidence of any tangible outcome. Maybe I'm impatient, maybe I'm intolerant, but I like to see things change in front of me. I want to see physical manifestations of spiritual intent. My greatest sense of spirituality or connectedness is when I'm with people who come together for a cause much larger than themselves and do great work. In fact, I probably prefer action with only partially good intentions over intentions only partially acted upon. And the best way I know how to do that is to keep identifying, managing, supporting, and helping businesses that have a purpose bigger than their product. I believe wholeheartedly that a new form of capitalism is emerging. More stakeholders (customers, employees, shareholders, and the larger community) want their businesses to think, to act, to feel, and to be connected with a larger context. That is spirituality in action. And that is what I am about."

Roger Saillant
Plug Power, Inc.

tell it, is a transformed man. And his transformation led to remarkable changes within Woodside Petroleum.

As a tough-minded "command-and-control" executive, Akehurst joined Woodside in 1994 to cut operating costs and improve performance. He reduced the workforce by twenty-five percent and, using the best practices known within the mechanistic model, Woodside's performance definitely improved. By 1999, the company had doubled in size and was a very high performer on the Australian stock exchange. Their vision, "to be the best operator of oil and gas facilities in the world," says Akehurst, "proved to be very inspiring for people in the workplace—for a few years." While he doesn't know why—perhaps his employees burned out, or maybe the time had simply come—the momentum driving Woodside to be the most efficient oil producer possible came to an abrupt halt. "We ran out of steam," he says. "All of a sudden, I heard people saying, 'What are we really doing all this for? What's the meaning of all this? Is it all about slaving away to reduce costs by another two or three percent per year for the next decade? What's the purpose of life at work?'"

Akehurst was confounded. And no matter how hard he tried, he couldn't come up with a new vision for the company. They were stuck. Unbeknownst to him, he was hitting the walls of the machine—reaching the limits of his own way of thinking. Through surveys, the top managers discovered that the employees felt that the management didn't trust them and that they were not given an appropriate level of autonomy. "My first reaction as chief executive was to say, 'Well, that's rubbish. Bunch of wimps—tell them to read the authorities manual and get on with it.' Only when this persisted did I start to recognize that there were some more underlying issues to address," he says. "The behavior that we exhibited in the office was quite inefficient. People used knowledge as power. The interpersonal behavior between individuals was often competitive. We could see the problem, but we were at our wits' end to know how to address it. We knew that we had to pull the 'people lever'—

"You can't transform a group structure without having the leadership go through some sort of transformation."
Richard Barrett

people and values—but the question was *How?*" "Pulling the people lever"—a mechanistic metaphor if there ever was one—meant that Akehurst and his team decided to change Woodside's culture to bring about greater cooperation and creativity. Little did they know that pulling that "lever," if you are sincere about creating change, can release you from the mechanistic mindset.

John Akehurst found himself and his top management team in a workshop with Michael Rennie, a partner at the global consulting firm McKinsey & Company, and Gita Bellin,

Sonia Stojanovic

a leader in the human potential movement. The effect of the workshop, which was like nothing they had ever done before, was profound. "Perhaps the biggest and most simple thing that we recognized was that our behavior as leaders was creating the things that we were grumbling about in the rest of the organization," he recalls. "Other people were not being creative and were not acting autonomously because we thought we knew all the answers and kept telling them what to do instead of giving them directional guidance and coaching them so that they had the space to grow, express themselves in the workplace, and deliver the product of their ideas and efforts on time."

The machine is not simply a metaphor. It is a state of consciousness.

For Akehurst, the experience was a personal revelation. "I was a bit of a bully," he confesses, with disarming frankness. Like any modern manager, he says, "I'm very good at analytic things. This is very useful in business. But in our 'command-and-control' environment at the time, I also used my intellect to brutalize people without fully recognizing what I was doing." Akehurst began to seek feedback from his subordinates: "I'd ask people to point out to me after a meeting if I'd slipped back into some of my angry and bullying ways." But more significantly, he discovered something about himself that stunned him. "The big thing for me was recognizing that I had not felt joy in my life for a long time. I walked around with this cloud of anxiety: Were we going to make our business performance goals? Had I made the right choice about this, that, or the other?" he tells me. "I recognized that this was not good for the business, and I also had a personal yearning for things to be different. I just knew, 'I cannot go on like this.'" During the workshop, when he finally let go of the "shield" that he had built up on his way to becoming a CEO, "there was a huge sense of togetherness as a team." Akehurst says simply, "The external environment is not different; it's just that I've chosen a different way of being."

The machine is not simply a metaphor. It is a state of consciousness. A new creativity can be released when leaders reach beyond the numbers and controls to find out what moves the human beings inside organizations. "What we found was that if you ask people to stretch to reach for a higher human purpose and meaning," Akehurst explains, "they will be more courageous about what they are doing. Then miraculous things happen that are well beyond the previous expectations of the individuals and the company." For example, discovering that many in the organization felt ashamed about working with nonrenewable resources (even though the company was also

engaged in developing sustainable forms of energy), they faced the issue straight on. "We were able to take on a far more challenging vision. We had the temerity to see ourselves as a service provider to humanity." Akehurst tells me, "We decided that we were only going to do things if we could be proud of them, which really caught the imagination of the workforce. Someone would say, 'Wouldn't it be exciting for us to go to another country, produce their first oil and gas, and do it in a way that is profitable *and* actually enhances the unspoiled environment and the economy of that terribly poor nation?' Then people would get really excited, realizing that they could make a real contribution to humanity." By stepping outside the corporate mindset, Akehurst made possible a new kind of capitalist creativity that is generative.

So the leader goes first. When he or she abandons the command-and-control outpost at the top of the corporate hierarchy and begins to engage in authentic relationships that include shared learning, commitment to a vision, and a deeper integrity, then the blood begins to flow in the organization. But transformation cannot stop with the leader. The machine needs to be dismantled. The whole system needs to change.

WHOLE SYSTEMS CHANGE

Helen-Jane Nelson, or "HJ" as she's known, may be the Lara Croft of the business consulting world. "HJ Nelson is a prototype," Steve Trevino tells me. "HJ is the model. She has mastered the arcane aspects of all the different cutting-edge systems, from Appreciative Inquiry to Barrett's Cultural Transformation Tools to the different levels of Spiral Dynamics Integral, and others, and she has been able to blend it into a whole." Through these new approaches to understanding human interaction and growth, Nelson has studied the psychological, socio-emotional, behavioral, structural, systemic, and even spiritual dynamics that shape both the experience of life within organizations and their capacity to respond to our changing world. Speaking with her is an unusual experience because of the quality with which she listens and the fullness of her responses. There's a sense that there are no barriers between us. It's easy to see why she is at the vanguard of a small but growing number of practitioners who are working to release the adaptive intelligence of the living beings who are stuck within the mechanistic thinking that dominates the corporate environment.

"The very mechanical Newtonian construction of the

The Bank with the Human Face

OVER THE COURSE of three and a half years, Sonia Stojanovic led a struggling and fragmented ANZ Bank through a change process called "Breakout" that set a new standard in corporate cultural transformation. Stojanovic, with consultation from McKinsey & Co., created a program that took more than 21,000 employees through personal development workshops. In addition to changing how people related to each other at work, the workshops catalyzed an overhaul of the bank's internal practices and inspired the creation of a whole array of community service programs. The results have been dramatic: previously the least preferred employer in Australian financial services, ANZ is now an employer of choice; staff satisfaction increased by thirty-five percent in four years. The bank has won "Australian Bank of the Year" for three years running, and its stock price has more than doubled. For Stojanovic, the secret of ANZ Bank's success comes from tapping into the intrinsically human longing for meaning and wholeness:

We're giving people hope—the hope to find meaning and to not compartmentalize their lives into home and work and self. We're inviting people to ask the questions: Why am I here? What is my contribution? How can the work I'm doing and the service I'm providing bring forth the best I can be in every moment? People really want to be accountable; they want to take responsibility; they want to feel that what they are doing is being counted and is contributing to the success of the organization as well as to the greater good. They are concerned about sustainability and future generations. They want to ensure that they are contributing not only to the here and now but to the future of the planet. We allow people to talk about this within their work context, to find out what impact they can make. That's why I say that this journey is a continual reinvention of ourselves.

Helen-Jane Nelson
Cecara Consulting, Ltd.

corporation is a fragile design paradigm easily subject to disruption and breakdown," Tom Rautenberg, a partner at Generon Consulting, remarks to me. Ever since the heyday of the Industrial Age, the corporation has needed mechanics—thus creating the boom industry of business consulting. The first organizational theory was Frederick Taylor's scientific management. Taylorism reduced human work—first on the factory floor and then in the office—to small repetitive tasks timed with a stopwatch.

HJ Nelson may be the Lara Croft of the business consulting world. She is at the vanguard of practitioners who are working to release the adaptive intelligence of the living beings in the corporate environment.

Adding in some leeway for rest, Taylor would calculate production levels that the workers then were required to meet. For the first time, "management" became a specialty that was separate from labor, dividing the workplace by function—and creating the need for powerful, highly paid, and vocal experts to metaphorically hold the stopwatch. Despite the increasing sophistication of management science, the function of business consultants—from large firms such as McKinsey & Co., Booz Allen Hamilton, The Boston Consulting Group, Accenture, PricewaterhouseCoopers, and Arthur Andersen, to legions of small firms and solo practitioners—has been primarily to tinker with production efficiencies, cost reduction, sales, and training. In other words, to help the machines ever more effectively churn out commodities and services that produce profit for shareholders.

HJ Nelson is not a mechanic. She is an agent of evolution, working with the most sophisticated understanding and methods available to "tap into what wants to emerge next" in the business as a whole. She works almost undercover, you might say, assessing what is not visible from the prevailing framework—the worldviews, motivations, and aspirations that are alive in the human beings in the corporation. "Over just the last three years," Nelson tells me, "I've begun to notice that more individuals within organizations say that they are seeking a larger purpose—and this desire is rarely being met." Something happens to human beings when they become cogs in the corporate machine. As Rautenberg observes, rigid corporate structures "don't nurture the human spirit, because they are not living systems—they're machines. They turn us into mechanical objects." The mechanical object has a specific routinized function. When human beings are placed in narrowly defined

continued on page 80

Whole Systems Change

How Business Can Save the World

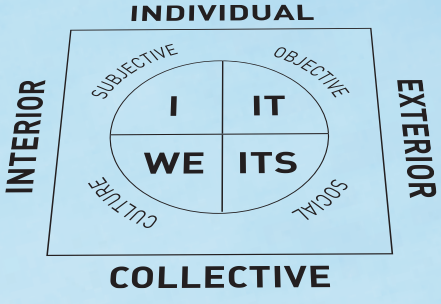
What will it take for large corporations to become a force for global transformation? If you ask almost any of the cutting-edge corporate change-makers featured in this article, he or she is likely to answer with three words: whole systems change. What this means is actually quite complex—demanding the transformation of individuals, corporations as a whole, and the global economic and political systems in which businesses are embedded. This diagram charts different levels of organizational development, *all* of which are necessary for business to fundamentally change the world.

THE FOUR QUADRANTS

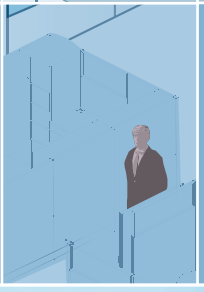
RICHARD BARRETT, creator of the widely used Corporate Transformation Tools, has had a powerful insight about whole systems change. Barrett has developed a template for transformation using integral philosopher Ken Wilber's holistic map of reality, the Four Quadrants. "Whole system evolution will not take place," says Barrett, "if there is no integrity between all four quadrants."

In Wilber's integral philosophy, all things—from atoms to people to organizations—can be perceived from at least four fundamental perspectives. In the Four Quadrants diagram, the upper left quadrant represents something viewed from the interior (as a subjective "I"), and the upper right represents the view of that thing from the exterior (as an objective "It"). Because nothing exists in isolation, the lower left quadrant represents the view from within a collective (as a "We" or inter*subjective* culture), and the lower right represents a collective viewed from the outside (as an "Its" or inter*objective* society). Barrett recognized that transformation happens when all four quadrants are brought to a higher level of consciousness.

Given the complexity of this picture, it's no wonder that Barrett, in partnership with John J. Smith, CEO of HearthStone Homes, has brought together the architects and master practitioners of leading theories to form the Whole Systems Change Summit. Through this innovative collaboration, Barrett and Smith are creating an incubator for the methods and approaches that could transform the world.



For more on Whole Systems Change and the Four Quadrants: wie.org/business

LEVEL OF CHANGE	EXAMPLE	I IT WE ITS THE FOUR QUADRANTS
GLOBAL		
04 EVOLUTIONARY EMERGENCE Focus on changing the world. Goal is long-term health and growth of planet and all people through creation of new economic, political, and social systems.	 **Tex Gunning of Unilever**	**Focus on all four quadrants:** The elevator that runs through the building's core represents attention to all quadrants at multiple levels. This approach is a fluid engagement with different methods to release human capacity to create and innovate. Works explicitly with development of higher levels of consciousness as key to transformation and innovation in organizations and larger global systems.
03 *INTER*ORGANIZATIONAL CHANGE Working within the corporation to transform larger systems—economic, political, and social. Goal is creative global partnerships for benefit of world as whole.	 **Darcy Winslow of Nike**	**Focus on all four quadrants:** **I**: Corporate leaders value balance between profit-making and global sustainability **WE**: Developing a culture in which business is held accountable for the planet and its people **IT**: Working within business and in larger networks to develop sustainable products **ITS**: Networks of corporations, suppliers, and consumers working to create positive global change
ORGANIZATIONAL		
02 *INTRA*ORGANIZATIONAL CHANGE Creating community inside and outside the corporation. Organization seen as system in which every part is interrelated with larger whole.		**Focus on the left two quadrants:** **I**: Individuals bring their aspirations and sense of higher purpose into workplace **WE**: Creation of new internal business culture, based on real relationships and meaningful work This drives change in right two quadrants, which are described below.
01 THE STATUS QUO The publicly traded modern corporation. Not concerned with its effect on workers, consumers, environment, or society at large.		**Focus on the right two quadrants:** **IT**: Observable behaviors of workers; their productivity and efficiency **ITS**: The goods, products, and services produced by the company

Christopher Cooke

Spiral Dynamics Integral

continued from page 76

positions where those above control the fate of those below, the effect is to constrain our intelligence, responsibility, and creativity—in short, to constrain our consciousness.

Ironically, given that capitalism ushered in the *modern* era, the human experience within the corporation harks back to medieval times. It's surprisingly feudal. I was struck by how often the business leaders and consultants with whom I spoke referred to "fiefdoms," "towers," and the general climate of fear, paranoia, collusion, and subservience within corporations. In high-stress organizations, says Brian Bacon, "ninety percent of the people don't say what they mean or do what they say. Which is why ninety percent of what should happen, doesn't happen." From top to bottom in large businesses, individuals frequently feel victimized by the choices they believe they have to make in order to survive. So many of us drop our autonomy, our ethical concerns, and our responsibility for the impact of our actions on others and the world when we cross the threshold into the office. In short, our consciousness seems more evolved outside the office than in it.

However, the disparity between individuals' longing for deeper meaning and the narrow interests of the corporations in which they work holds a powerful potential for change from the inside out. Rather than tinkering with the mechanics of organizations in terms of production efficiencies, Nelson works to resolve this disparity and release creative intelligence by using principles of living systems design. In a living system, changes in the environment stimulate response and adaptation system-wide; living systems naturally evolve. Christopher Cooke, a consultant and master practitioner of Spiral Dynamics Integral, a comprehensive tool for assessing such development, speaks of the *phragmites* reed as an example: this lowly plant is constantly responding to the bacteria in the water in which it grows. Within three days of encountering a new bacterial strain, the reed naturally produces a perfect antibacterial agent to fight it off. In most businesses, however, the capacity for such intelligent response to the environment is frequently blocked by fear, mistrust, and competitiveness within the organization itself. "By helping to remove the barriers that constrain the innovations and new thinking from emerging within the organization," Cooke explains, "you get access to the evolutionary impulse that naturally moves human beings forward, an experience of a natural motivational flow." Nelson, Cooke, and others who work with these approaches use the natural human evolutionary impulse toward greater wholeness to shift the organization's culture so that it can respond with creativity and positivity to a changing global environment.

For the world to change, Nelson says, corporations "need to move from a profit-and-growth, fear-based system to a more humanitarian whole systems perspective." The demand for change is pressing on businesses and the individuals within them. Outside these nearly feudal corporate structures, a shift in the consciousness of the mainstream is *already* taking place, moving beyond the creativity of the modern era to a postmodern era focused on personal fulfillment, a desire for authentic relationship, and a growing recognition of our connectedness expressed, for example, in environmentalism. This is the legacy of the sixties. Surprisingly, and not a little ironically given the anti-corporate rhetoric of the post-sixties generations, the capacities

Debra L. Dunn

Senior Vice President, Corporate Affairs and Global Citizenship, Hewlett-Packard Company

"The same technology that is linking the global economy is enabling the NGO and activist communities to become more tightly networked and to organize more effectively. The result is that there is increasing pressure on global companies to demonstrate social and environmental responsibility. Even though public companies will always have to worry about delivering a financial return to their shareholders, those who still believe that is their sole imperative are in for a rude awakening."

of this consciousness carry the potential for transforming the culture within the corporation. It allows the development of "mutual trust and respect," which Ichak Adizes sees as critical to establishing a foundation within the business to "think globally and act locally." As he explains, "When there is internal political fighting, disrespect, and mistrust, most of the energy goes into resolving internal political issues and only the surplus that is left goes to deal with the external world. The goal is not to eliminate conflict, which would stop change, but to transform conflict that is destructive into conflict that is constructive." Key to that transformation is realizing a level of consciousness, a way of thinking, that can cope with the complexity of diverse views and multiple demands.

The problem is that the corporate world has scant interest in change that does not seem immediately related to the bottom line. Efforts to "humanize" the workplace are increasingly prevalent but are rarely more than fancy window dressing. Nelson has been looking for a company that wants to truly evolve: "We need a model," she says emphatically, "to show that it's possible to have a company be totally sustainable *and* successful using the current business metrics." We need, she tells me, to show that *whole systems change* is possible.

"What *is* 'whole systems change'?" I ask Nelson. "It has to include all four quadrants," she says, referring to the basic template of reality that is the foundation of Ken Wilber's integral philosophy [see Whole Systems Change diagram, pp. 78-79]. Whole systems change has to take into account all dimensions of organizational life: individual and collective, cultural and structural, internal and external. Some practitioners, like Nelson, work with individuals' desire for wholeness and meaning to transform the internal dynamics of the company as well as its vision and mission. Others, like Adizes, shift the power structure within the organization to create a context of trust and respect that then facilitates a shift in individual consciousness. Regardless of the strategy, the whole systems approach aims to systematically shift the entire organization to a higher order of consciousness—one that is in alignment with individuals' aspirations for deeper meaning and real relationship.

This is what we could call *intra*organizational change, and even this is just the first level of change needed to rouse the company to life. Releasing the human spirit *within* the corporation makes it possible for "conscience and consciousness to start to develop in the larger networks or systems of which every organization is a part," Peter Senge observes. "Because while these corporations are huge entities with hundreds of thousands of employees and operations around the world, they still sit in larger systems. And it's those larger business, educational, and political systems that actually have to transform if our way of living together is to be in harmony with the living systems upon which we all depend." What Senge is speaking about is the power of *inter*organizational change. If we think about the company as an organism, then we ask, What kind of relationships does it have? What values does it express? And this takes us far beyond a narrow concern only for the growth and sustainability of an individual organization to question whether or not that organization is responsible in the relationships in which it is embedded. In other words, to ask, Is the behavior of the corporation sustainable in terms of

its global effects on human beings and the biosphere as a whole?

It is *inter*organizational transformation that has the potential to bring to life Michael Braungart's vision of a new capitalist creativity. At this level, the interconnectedness of the corporation with the whole planet and its people demands a different motivation than profit-making. A new kind of self-interest, "a self-interest that emerges from wholeness to the parts rather than from the parts to the whole," as Rautenberg says, has to emerge as the guiding force for the corporation. Yet such an integral, holistic self-interest demands a transformation of consciousness that takes us far beyond the sixties ethos of personal fulfillment. As corporations increasingly realize that their survival is dependent upon relationships that they cannot control—tribal conflict in a country where they are manufacturing, a shift in the Gulf Stream that changes fish habitats, a stock market that's beginning to be responsive to larger humanitarian concerns—the rigid walls of the machine begin to look like an optical illusion. *Everything* is interdependent. And creating from this living interdependence takes us beyond what we know how to do. How do you run a company in this context? Answering this question was once "the classic domain of general management consulting," Rautenberg notes. "But in this new context, it is the point of the greatest struggle and lack of clarity."

To date, general business theories and practices—even those concerned with corporate social responsibility and environmental sustainability—do not address much beyond the organizational level, which is clearly inadequate to the interrelated global problems that we face. Imagine having a health care plan that only took into account the health of your hand, or a finger on your hand, rather than the entire body. That's an analogy that Frank Dixon, managing director of Innovest, an investment advising firm that rates corporate sustainability, often likes to make to illustrate the need for a whole systems strategy, one that reaches to encompass the well-being of the entire global economic system. Without a way of thinking that starts at that level, and sees each corporation as part of a larger whole, we will never reach the goal of an environmentally and economically sustainable world. If organizational strategy is developed separate from an overall systems strategy, it will not be aligned with the whole system.

"It's never been done before," says Nelson. "This is the very edge of what we know. And the time has come to show that it can work—because corporations are the most influential institutions on the planet. They have to, and can, lead the way." Whole systems change depends on two shifts of consciousness. One shift, which makes *intra*organizational change possible, frees the individuals within organizations from the feudal mentality that the rigid hierarchies of the machine hold in place. The other shift, which is essential for *inter*organizational change, must create a new hierarchy and a new leadership to transform the systems that govern global enterprise. This latter shift needs leaders who are grounded in a global perspective that recognizes our interdependence and the constant demand to transform in order to meet our ever-changing world.

But how does consciousness change occur? For some, it takes a stark encounter with the reality that our mechanistic mind has created. For practitioners such as Nelson, it takes bringing into the corporate world the knowledge from spiritual traditions and the human potential movement about higher states of consciousness. These pioneers are developing innovative ways of transforming consciousness within the corporation to create both intra- and interorganizational change. They are all working to change the whole system.

*INTRA*ORGANIZATIONAL CHANGE: TRANSFORMING CONSCIOUSNESS AND CULTURE

It's after midnight and Michael Rennie's face is bathed in the bluish glow of his laptop screen. Rennie and I have been talking for hours. Now, perched on the edge of a desk belonging to one of his partners at McKinsey (because Rennie's office is

Walter Robb

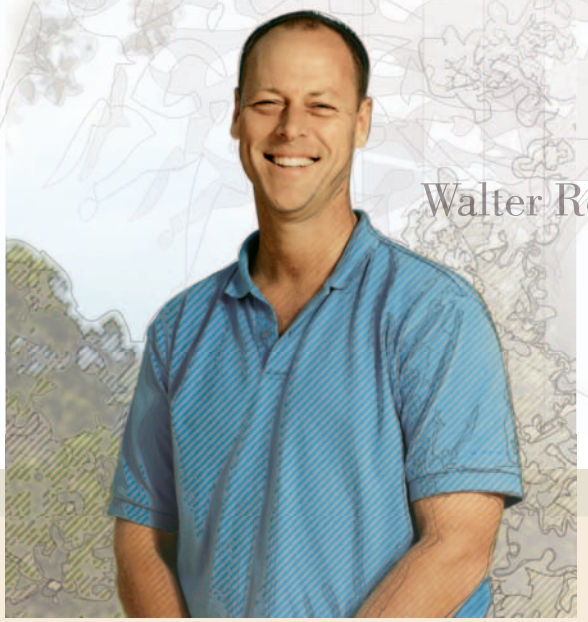
Co-President, Whole Foods Market, Inc.

"OUR COMPETITIVE WEAPON IS OUR culture because, as opposed to a command-and-control culture, it is constantly evolving from all directions. Our culture is based on principles of inclusion, self-responsibility, and co-creator of the future. Whole Foods is a networked organization, a sharing organization—not one where everyone is waiting for some memo about what the future will look like. At Whole Foods, we follow the adage: Better to ask for forgiveness than for permission.

"Whole Foods is willing, as a company, to take steps to change things. We've got to take concrete steps to show not only our own team members, but also the world, that

floor to ceiling with the evidence of his having just moved to New York from Australia), he is showing me one slide after another, graphic displays of and testimonials to the dramatic changes from McKinsey's Performance Leadership Program—the program that had its debut with John Akehurst at Woodside Petroleum. Tall and lanky, and appearing every inch the polished corporate executive, Rennie only just now loosens his tie a bit as he excitedly explains each PowerPoint slide. We've begun a bit of a duet. He clicks on a slide, says a few words, and then I chime in with "Wow!" And it's a genuine "Wow"—the work that Rennie and his partner-in-transformation, Gita Bellin, have done with one company after another is remarkable. With each soft click on the computer, I can almost hear the hard metal plates that create the rigid structures of the traditional corporation crashing to the floor. Rennie smiles at me, his face lit with delight. "It's really subtle, isn't it?"

Subtle wasn't the word that came to mind. Rennie—who is something of a miracle himself, having cured himself of a rare cancer that had literally riddled his body with tumors—has been working with Bellin for the past eight years to realize his life's mission: "shifting consciousness in business." His personal transformation, which he attributes to "a dramatic mindset shift" that enabled him, "just by choosing to," to heal himself,



Walter Robb

we're serious about our principles. For example, we don't sell sea bass anymore, even though it's our number two or three selling fish, because it's not being fished sustainably. We discontinued tilapia because we found out that they've been using hormones in the production of the fish. When we take a stand on GMOs, or we take a stand on animal compassion standards for meat production, or we take a stand on organic production, or we take a stand that no one here will make more than fourteen times the average wage, we stand by our principles and put ourselves on the line for being authentic and trustworthy.

"You see, we're not retailers who have a mission—we're missionaries who retail. At the very heart and soul of Whole Foods is the mission. We're here to make a real difference in people's health and well-being, in the health and well-being of the planet, and in creating a workplace based on love and respect. These simple things are so important to remember and stay grounded in, so that we don't get full of ourselves about the success we're having, because that success only comes from the quality and the depth of what we're here to do. So we put our customers and team members before our shareholders. We deliver results by being a mission-driven business. And if you compare our performance to other publicly traded food companies, it's superior. A thousand bucks invested in Whole Foods at the beginning in 1992 would be worth well over thirty thousand now. Since we've been public, we've delivered a twenty-five percent compounded annual growth rate. Our return on invested capital is north of thirty-five per cent. Those are some of the strongest numbers in the history of food retailing."

led him to experiment in the field of his own expertise—business. Why business? Because he recognizes that business is the most powerful force on the planet. And in these corporations that network thousands and thousands of people, Rennie sees the potential for a "delivery system for a higher consciousness, more effective ways of thinking" that could bring life on earth to a new level of cooperation and innovation. Currently, however, he believes that "these large organizations are actually a lag on the consciousness of the planet," because they are at odds with individuals who are searching for a greater awareness with which to navigate our chaotic and confusing world.

"Organizations don't change; people do," is Rennie's entry point to creating *intra*organizational change. He and Bellin use personal transformation to create the energy for changing an organization's culture. "Transformation," says Bellin, "is a metamorphosis. A true transformation can never return to what it was before. So the work that we're doing—a shift in root perspective—is like becoming a frog that can breathe through lungs. You can never return to being a tadpole that breathed through gills." By teaching a combination of interpersonal skills, meditation practices, and personal mastery techniques, they release the desire for authenticity, dignity, and real

Greg Steltenpohl

Founder, Former CEO and Chair Emeritus, Odwalla, Inc.; Cofounder, Interra Project

"NO MATTER HOW TRANSFORMATIONAL you as an individual try to be, or are, within a corporate structure, you're a ship on a sea—a very big sea. And that sea is the conditions that are built into the system. From my experience at Odwalla of the transition from company to corporation, I learned what this really means. No one who has been deeply involved with large corporations would ever think, even for a second, that they are just going to stand by and let themselves be evolved into something else. They have an agenda to consolidate and concentrate power and wealth. That's what their function is.

"At Odwalla, we did practically everything we could—even having a huge number of people aligned with a positive vision—but we still weren't capable of controlling the capital structure of the company. The system itself forces certain outcomes, and I really underestimated that. There was an incompatibility between the founders' values and the values of the new investors that came in when we went public. No matter how carefully you craft your policies, in the end, if it's a corporation, it's part of the capital system. And unless you have safeguards built into the structure of your organization, your company can be taken over and diverted through a series of processes that are a combination of intentionality and the momentum of the system itself. Eighteen months after I left as chairman, Odwalla was sold to Coca-Cola. And if you look at other examples, like Ben and Jerry's or The Body Shop or Stonyfield Farms, you'll find that all of them are now either directly owned and controlled by a big corporation or well on their way.

"I'm not trying to deny the importance of transforming corporations from within.

human connection within a critical mass of individuals in a given organization. They then use these values to dismantle the policies and internal structures in the organization that have helped keep the machine's consciousness-numbing hierarchies in place.

Rennie and Bellin claim that it's possible to significantly move individuals out of the feudal mentality of victimization that operates in the corporation *in a weekend* and state that they "can make a global shift in the organization" in twelve months to three years. "For some people, the shift in that first weekend is dramatic," Rennie tells me, "and that's it; they are moving on a new path of systemic relational thinking. For others, the situational demands within the organization have to support the shift." Both the personal transformation and the situational change are critical, he explains, because "behavior is situational. While some behavior comes from inner unconscious patterns, psychological research suggests that our situation affects our behavior dramatically. So we need to work on both at once." Unless we change the context, he says, "people walk back into a situation that reinforces their old behavior and you get this incredible backlash. A war of ideas goes on that slows organizational transformation."

Bellin teaches "the concept of creative cause—total responsibility for one's life—because until you turn people's vision around and get them to be absolutely one hundred percent accountable for their lives, their choices, and their experience, the transformation process won't happen. You will not get the shift in root perspective." Moreover, she says, "you can't make a permanent shift unless you reprogram, through meditation, the neural pathways that developed during the preverbal stage of life." Ultimately, the purpose is to get individuals to develop three abilities simultaneously: "where they can be a player in life, they can be a spectator in every moment, but they're also the referee—so they're constantly, moment by moment, consciously *at choice* in regards to what they do and how they respond." Rennie comments that "the reason the work is so powerful is that we're actually working with individuals fully—as energetic beings as well as physical and mental/emotional beings. But as you work with those three, there's a deeper thing that happens—you're actually shifting the energetic or the quantum level of being."

Such an energetic shift within individuals can begin to transform the field of human awareness within the organization as a whole. Rennie has powerful data that shows how, as a critical number of individuals in one part of the organization

But developing new forms of cooperation and organization could be an area of incredible creativity for young people who have a lot of energy to change things. I've been working with Dee Hock [founder of VISA International] who has realized that people can come together and form a constitution that becomes legally binding. These constitutions are creative documents. As long as you approach them very carefully and systematically, you can create entities that are not corporations and yet function with the rights of corporations but with their own values and principles at the core.

"When we started the Interra Project—a new type of payment card based on a new economics—we asked: What could be a structure, a way of organizing, that would allow the values of sustainability and cooperative activity to be built into whatever we do? What if we formed a membership that included both businesses *and* consumers? And what if we created a movement that could shift the flow of dollars toward those places in society where they would do the most good—create the most jobs, cause the least amount of environmental degradation, and uplift those activities that people were doing on a citizen and volunteer social basis?

"The Rudolf Steiner Foundation was the first supporter of Interra. Steiner talked about 'associative economics.' He said that unless you could link the consumer, the producer, and the distributor of the services into the same organization, you would always have false economics that would pit those different parties against each other in a win-lose situation. Whereas if you create marketplaces with structures designed to optimize the whole—all three parts—then you can do things that are miraculous, because you can move money around for the benefit of the whole as opposed to the benefit of only one part. And that's the Interra principle. It's a payment card that rewards the purchaser for supporting businesses that have holistic values and also takes a micro payment off each transaction to donate to a cause that the purchaser supports. If we got five million people to spend two hundred dollars a month inside this economy, then we're talking about tens of billions of dollars shifting toward sustainable and community-based economics. Interra can provide a communication and information infrastructure for the transformative business movement. It's a little card to change the world. Everybody has to realize that we have to do nothing less than that. So we're trying to create an accounting system for it—a motivator, a spark plug—to get people thinking."

reach a higher perspective, a field is created that has an effect on individuals elsewhere in the organization. The released consciousness spreads like a slow-burning brush fire. And when a culture of commitment and care is created, then the corporation and its leadership can begin to bring greater consciousness and conscience to the broader networks of which it is a part. *Inter*organizational change becomes possible.

*INTER*ORGANIZATIONAL CHANGE: TRANSFORMING STRUCTURES AND SYSTEMS

"April 13, 1997, is the day my life changed," Darcy Winslow, Nike's Global General Manager of Women's Fitness Footwear, Apparel, and Equipment, tells me. "That was the day that I met Bill McDonough and Michael Braungart." Meeting these two men—McDonough the architect and Braungart the chemist—enabled Winslow to envision a world where cradle-to-cradle thinking unleashes a life-positive creativity in capitalism. "They introduced me to the idea of sustainability beyond just what corporate responsibility had come to mean, asking us to really take it into our business." In other words, while many corporations are engaged in charitable activities or different ways of showing greater responsibility to the communities and earth that we all share, almost none of these businesses have tried to transform their business practices in fundamental ways. Excited by the challenge, Winslow began to explore the potential for creating change in the supply networks that provide Nike with the materials from which it makes its shoes—she began to tackle *inter*-organizational transformation to change the systems in which Nike is embedded.

"It became a fairly daunting task," she tells me. However, Winslow's vision and success eventually led her to head up women's footwear. "Every season we ask our designers, 'What is the one thing you are going to do differently?' It has a ripple effect on all our manufacturing processes and on our partners who are not owned by Nike. We bring our partners in from around the world and let them start talking about the need to invest in new equipment or processes to be able to make the change. It becomes a very collaborative effort."

Winslow notes that the biggest surprise or uplift has come from how meaningful this approach has been to her team. "We're sitting on a hotbed of creative minds here, and this perspective is infecting how they look at every product going forward," she says. At the same time, she observes, "We're just scratching the surface compared to what needs to happen. It's very slow change." "Why so slow?" I ask her. "There are two

A Fractal of Consciousness

IF IT WERE UP TO YOU, how would you create positive change in the complex systems woven into the fabric of the modern world? How would you begin to close the desperate gulf between rich and poor? What would you do to relieve our stressed ecosystem? Or solve the problems of depleting energy resources, the widespread contamination of the water supply, or the flourishing AIDS pandemic? These issues defy the capacities of our existing systems. In today's parlance, solutions will demand a *tri-sectoral* response involving business, government, and the NGO/nonprofit sector. And because of the enormity of the problems, most of us feel that there is little that we, as individuals, can do.

Not Joseph Jaworski. Founder of Generon Consulting, author, lawyer, and successful entrepreneur, Jaworski was deeply compelled by spiritual leader Dadi Janki [see page 92] to give everything he possibly could to making a difference. The plan that he and his colleagues at Generon have come up with—what they call the Global Leadership Initiative (GLI)—is so audacious and inspired that it has caught the attention of a new partner, The Synergos Institute, a well-placed international development organization, as well as major corporations, leading foundations, UN agencies, and local organizations in Africa, Asia and Latin America. GLI is committed to creating tri-sectoral projects to find innovative solutions to ten of the most intractable problems facing humanity—beginning with the world food supply and child malnutrition. The brilliance of GLI is that it doesn't work through the usual channels. Rather than getting embroiled in the labyrinths of existing bureaucracies or caught in turf battles, their aim is to work with key leaders across all sectors to create a shift in consciousness, a leap into the future. "The key capacity needed for leadership right now," says Jaworski, "is the capacity to enact *new* realities." The big question is, *How?*

Jaworski's approach is unique. He brings together a group of individuals who collectively represent a microcosm of the whole system. In the child nutrition project, for example, this group

Susan Skjei

Director, Authentic Leadership Program, Naropa University

"Our only hope for shifting consciousness to change what's happening in the world will come from collective wisdom—from bringing people to a different awareness together. And leadership development is critical for this. If a leader knows how to cultivate that collective wisdom, then one leader can have an incredible impact on many people. But doing this takes courage and vision because it means being involved in something bigger than just one's own life."

might include a mother in a village, local educators and clerics, government officials, program officers from CARE, as well as local and international business people involved in the food industry. "You bring together a group of people who each have a different role in creating the system that is the problem," says Jaworski. "It may mean twenty-five or forty people, depending on the system. The idea is that you get them in one room together, you get them totally committed to resolving the issue, and then you engage them in what we call the U-process." The U-process is a new social technology that is the fruit of decades of research, which Jaworski and co-authors Peter Senge, Otto Scharmer, and Betty Sue Flowers present in their recent book *Presence: Human Purpose and the Field of the Future.* Describing how breakthrough ideas emerge, this process captures the essence of human innovation.

For the GLI projects, the U-process takes fifty days spread over the course of a year or longer. In this revolutionary process, Jaworski and his colleagues work to bring these individuals—who are carefully selected both for their expertise in their fields and for their passion about the issue at hand—to realize a higher intelligence *together* so that they can create new solutions to these impossible problems. The group members learn about the issue, not in the abstract but by actually going to those places around the globe where the problems they are addressing are most acute. And they also engage in spiritual practices and spiritual inquiry designed to take them into a deeper encounter with their individual and collective purpose. As Jaworski says, the U-process creates a context in which individuals can "find a way to surrender deeply enough so that they each can operate as a vehicle for tapping the deepest Source and then become an instrument for that Source." Through working so intensively together, the group begins to develop a new "capacity to operate as a single intelligence."

Although the method is still being refined for use in particular situations, Jaworski claims that the results thus far have been an unqualified success: "There are always highly counterintuitive breakthrough ideas, and nobody knows where they come from. We've never had it *not* happen. My personal belief is that they are now able to tap into the field of collective consciousness in a way that

elements," she replies. "One is government: a lot of laws that are in place right now do not give a financial incentive to do things differently in the future. The other is Wall Street. At the end of the day, shareholders and Wall Street are what keep corporations moving in the direction they are moving in."

To transform the *whole* system away from its blind and mechanical drive for profit demands significant change in the economic structures on this planet. Creating a corporate culture where individuals can come together in a higher purpose and vision is just the first step. Certainly, an organization does begin to come to life when it can express one powerful human intention, as a *whole*. But that new consciousness has to become a force for changing the global economic system itself.

The entire corporate machine is supported by international institutions that also operate with linear cause-and-effect reasoning that cannot respond effectively to our increasingly interdependent world. For example, the United Nations, the World Bank, and the International Monetary Fund were all developed after World War II to create stability between nation-states and their economies. In the late 1990s, the entire world economy nearly collapsed. The mindset behind certain IMF policies designed to avert these crises was too simplistic to engage with the global and systemic nature of our economic issues. According to prize-winning business journalist Paul Blustein, author of *The Chastening,* the IMF's approach to economic crises is rigidly formulaic and succumbs to the narrow self-interest of its more powerful members, particularly the United States. These international structures were created at an earlier time, when each nation was viewed as a discrete entity pressing its own advantage rather than as being part of a larger living whole. Without a more encompassing perspective based on the welfare of the globe as a whole, attempts to arbitrate between competing interests too often end up creating a might-makes-right hierarchy—the effects are proving to be disastrous.

Whole systems change at this level has barely begun. In terms of corporate responsibility for sustaining life on earth, Peter Senge tells me that even "the best companies in the world haven't gone more than one percent of the way towards where they will need to go—and I mean everybody. When you get up close and personal, you see all the warts. You see, we're still dealing with a virtual handful of multinationals that are paying close attention to the fact that we are faced with the possibility of rapid and dramatic destructive shifts in our economic, social, and ecological systems." Frank Dixon of Innovest agrees: "Even

they haven't been able to before."

It is this field of collective consciousness that Jaworski recognizes as having such potential for creating change. His first experience with this field happened when he was eighteen. As part of a group of rescue workers who spontaneously gathered at the site of a devastating hurricane, he and his coworkers were guided by the movement of a higher mind that coordinated their activity. Ever since, Jaworski's life has been guided by his gut sense of the critical importance of this capacity for groups to act as a single higher intelligence. And he and his colleagues are among the leading researchers of this phenomenon that is gaining increasing attention.*

With the GLI projects, Jaworski is working explicitly to facilitate the emergence of collective mind. Because each collective brings together individuals who are involved in and affected by every aspect of the complex system that has created the problem, the group is a fractal, a microcosm, of the consciousness of the whole. The whole is captured in each part and each part is not separate from the whole. "Through the strong intention of the group," says Jaworski, "the whole is affected." In other words, by transforming the consciousness of this fractal, it begins to shift the larger system of which it is an intrinsic part. "If we do enough of these projects," Jaworski explains, "ultimately there will be a tipping point, a field shift. And that's what we're after. There are three purposes to this work. The first is to resolve these particular problems. The second is to create this field shift. The third is to develop a different kind of leadership in the world."

Whether or not we are leaders, however, Jaworski's work has implications for each of us, because our individual consciousness is also not separate from the whole. As Jaworski tells us, "Even when there is a massive collective that needs to change, it begins with one person who truly cares. Because he or she cares, that person is nominated, called to a higher purpose. This is what's such an important message: that person has got to make him- or herself available for this. Then magical things can happen. And that's the whole essence of this process—to become available to be a vehicle for that purpose."

*See *WIE*'s May-July 2004 issue for more on the topic of collective intelligence.

Darcy Winslow
Nike, Inc.

the companies that receive triple-A corporate social responsibility ratings from Innovest aren't close to being sustainable. At this point in time, no publicly traded corporation is."

Dixon's passionate response is a model for change that he calls "Total Corporate Responsibility" (TCR), which "recognizes that economic and political systems essentially force firms to be irresponsible and unsustainable by not holding them fully accountable for negative impacts on society. TCR encourages firms to proactively work with others to achieve system changes that hold them fully accountable." This is the evolutionary edge—where transformation has to happen *between* organizations to support an awareness of our individual and collective effect on the whole. Only as business leaders begin to fully embrace the truth of our unity and interdependence will they demand accountability from *each other* to change these powerful global systems.

What would be the smallest change that would have the highest leverage in shifting the system from top to bottom? Bob Hinkley, the corporate lawyer, suggests changing the context in which businesses operate by revising the corporation's basic charter. "I am suggesting that the corporate law be changed to say: 'The duty of directors henceforth shall be to make money for the shareholders *but not at the expense of the environment, human rights, public health and safety, dignity of employees, and the welfare of the communities in which the company operates.*'" While it would require intense lobbying by citizen groups to get this passed by legislatures in all fifty American states, and there would also need to be a grace period before the law took effect, Hinkley observes that "this 'Code of Corporate Citizenship' would head the system in the right direction—turning it away from behavior that is really inhuman toward something that is a lot more human. This law would change everything so that every project would have to become a 'waste equals food' project of the kind that Michael Braungart proposes." In other words, if corporations were held accountable for their effects on the environment, the demand for innovation that is inherent in capitalism would be liberated to find ways to create that are in alignment with rather than in opposition to nature. This would force radical change on some of the most powerful players on earth, and thus it may be very unlikely to happen. Nevertheless, it would be the most direct route to the revitalized world of enterprise so powerfully envisioned by Braungart.

"We could then prove," Braungart says, that "human evolution isn't just a mistake. It's not. We really can be good for this planet." The effects would be staggering—leading, he suggests, to a "reindustrialization" of the West that would catalyze a creative transformation at every level of our global society. Arguing on the basis of his experience working in China and Asia, he believes that those societies "will need another thirty years of environmental discussions before they will have some people who understand the challenge. And these are thirty years we don't have. So we really need to do this here, in Europe and the United States. We *could* do it differently. And if we do—if we manage material flows so that all of human production becomes a nutrient—we would have self-confidence and self-esteem as a species. The world population would stabilize around five billion people. And we could have a lifetime expectation for the individual that could be between one hundred and one hundred and twenty years. If we could really celebrate human beings as a part of this planet, then we would no longer be hostile to it in the way we are right now." In this celebration, a new creativity would ignite a new capitalism, emerging from our unity with life itself.

Capitalism could literally invent a new world. The question is: Will we do it?

How likely is it that the existing corporate machine that wields so much power would ever allow itself to be reprogrammed? I don't know, but life on this globe is already changing in all directions. Corporate capitalism may be forced to change in order to avoid self-destruction. The instability caused by terrorism and the potential for rapid systemic shifts due to global warming are already changing the rules of the

Tom Rautenberg
Generon Consulting

game. Our desire, as consumers and employees, for something literally more wholesome from business places critical pressure on the system. We are each part of the solution—even though significant responsibility rests with corporate leaders. As Peter Senge says to me, "The best-managed companies, I think, would welcome a change in the rules of the game because that's what they're trying to say to their people: we have a purpose that's much bigger than making money. And the more poorly managed companies will fight it tooth and nail."

Pioneering and courageous individuals will have to make decisions for our long-term future and advocate for change so that responsibility to the whole becomes part of capitalism's mandate. Only then will we be able to create organizations and systems foundational to an enlivened enterprise. Then capitalism—as the most sophisticated system that humanity has developed for collective creativity and shared purpose—could literally invent a new world. The question is: Will we do it?

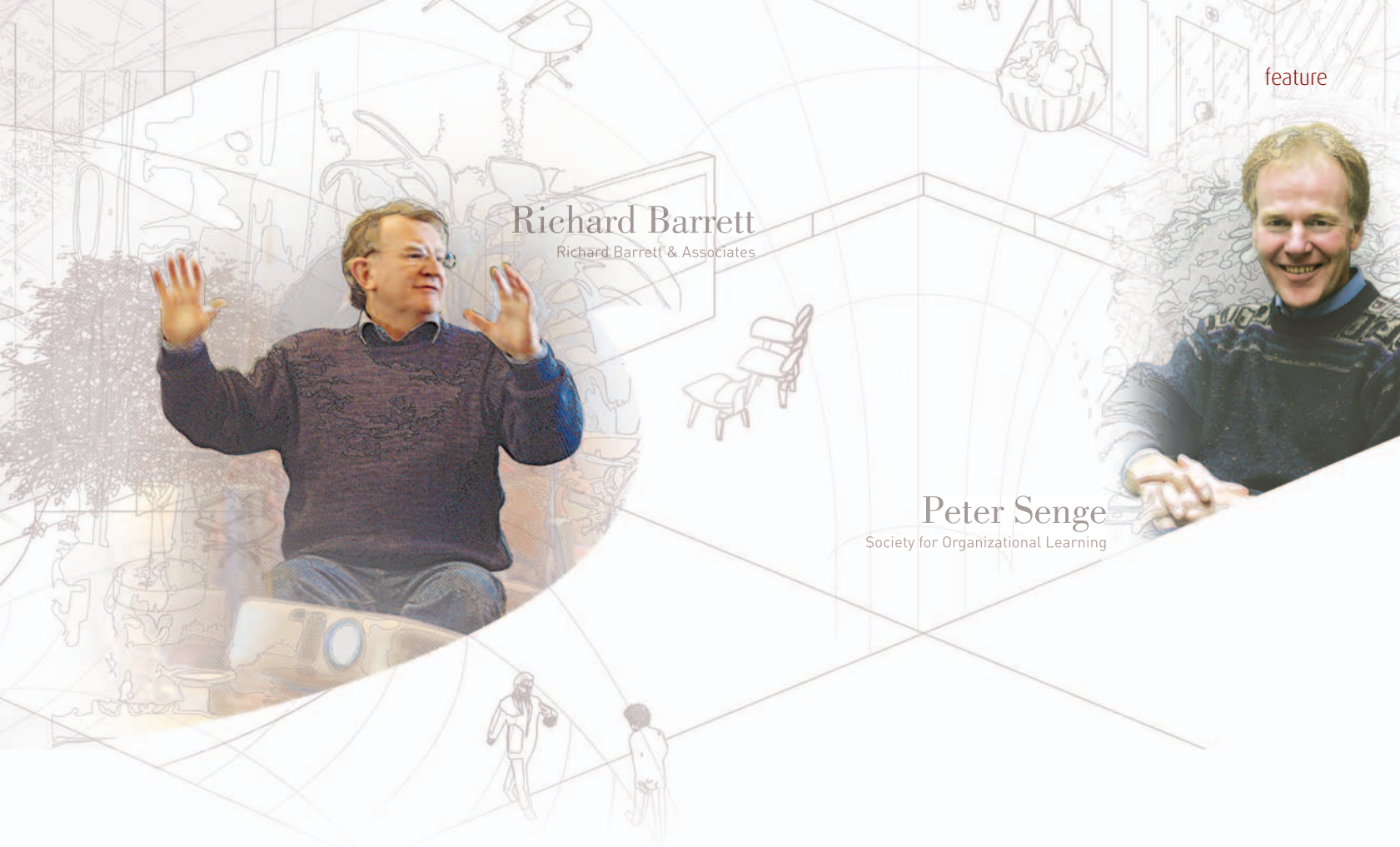
LIGHTING UP THE NETWORKS

In a world that is so chaotically interdependent and unfathomably complex, Einstein's comment, that problems can only be resolved from a higher level than the level at which they were created, is on everyone's lips. Solutions aren't going to come from what we already know. Tom Rautenberg observes that the world of organizational change "is really going through two revolutions simultaneously: one is the living systems revolution, and the other comes from realizing that the transformation of individual and collective consciousness is critical to the evolution of organizations and the human beings in them." In fact, the two are deeply interrelated. For the living systems revolution to bear fruit—and not merely replace a mechanical metaphor with a biological one—the consciousness of leaders has to evolve. Destroying the rigid hierarchies of the machine is merely the first step. A new leadership is called for—one that is commensurate to the power that business exercises on this globe. Old hierarchies need to be replaced by new ones: living systems need a conscience to motivate them to serve a higher purpose. This is the role of the authentic leader at this critical moment.

"There's a subtle level to this: what is most systemic is really most personal. You and I actually *are* the system."
Peter Senge

The leader goes first. "The quality and level of change in any organization is only as good as the quality of the consciousness of the intervener," says Rautenberg. "You can't take people to places you haven't been." Business leaders and the consultants advising them have to embrace evolutionary transformation as a way of life in order to harness the creative potential of a living system.

"There's a subtle level to this that we're all creeping up



on: what is most systemic is really most personal," declares Senge. "You and I actually *are* the system. There's a paradoxical complementarity to this: you try to hold on to the recognition that each of us embodies the habits of thought and action that drive the larger systems that need to change as you simultaneously work to change the manifest features of those systems." Our organizations and systems are a reflection of ourselves, our consciousness. Thus, our transformation is essential. To guide the awakening of these huge systems filled with the creative potential of thousands, our hearts and minds have to burn with the evolutionary passion that ignites only when we realize that the future *literally* depends on us.

"My theory is that the human species is self-organizing subconsciously," Steve Trevino tells me in his rapid-fire way. "We are self-organizing to embrace sustainability, generativity, and vitality in order to shape a planetary civilization—which is part of our evolutionary purpose. All systems are becoming more interconnected and networked. And the network itself is beginning to light up with the awareness of the emerging global systemic risks that we face." Collectively, we *are* waking up to the fact that we no longer have control over the technology-driven global economy and its effects. "The think tanks, foundations, banks, and Booz Allens of the world are lighting up with the motivation to do something about what is happening," he continues. "And because of their motivation, their ability to move capital markets and to move resources, they will help to light up the rest of the network."

Suddenly, the blue marble of Earth suspended in the void of space flashes in my mind's eye. Across the curved stretch of the revolving planet, pinpoints of light begin to flicker with the consciousness of courageous leaders at Booz Allen or Nike or McKinsey or anywhere that the awareness of the crisis we are facing has come alive in human hearts and minds, compelling us to transform. They connect and grow, forming bright bands of light, guiding more individuals and then entire businesses to wake up, look around them, and embrace our responsibility for the whole. New network organisms stretch like glittering amoebas, lit up with a new consciousness, extending across the expanse of the globe, growing around and through the megaton machines. These vast networks of human beings united in a shared purpose begin to develop relationships, becoming more intimately intertwined. As they continue to evolve, a zest for innovation emerges, expressed in the shared pursuit of enterprise. New ways of living and working together take root as the natural nutrient cycles of nature become the cycles of human production. And a new form of business—the living body of collective human creativity—changes the face of the world. ■

ONLINE EXTRAS: More on whole systems change and the change makers at **wie.org/business**

THE BUSINESS OF SAVING THE WORLD

The Real Business Gurus

DADI JANKI

Co-Administrative Head, Brahma Kumaris World Spiritual University

A spiritual guide to Brian Bacon, Tex Gunning, Joseph Jaworski, Charles Handy, Peter Senge, David Cooperrider, Rita Cleary, and others

"IT'S GOD'S TASK TO PURIFY THE IMPURE, to transform the world," Dadi Janki tells us. "But He can't do it alone. He says, 'I've got to get it done through you. You've created hell in the world, and so you have to be the instruments to create heaven. Then you can be the masters of heaven.'" This message is Dadi Janki's mandate for leaders. And while this diminutive woman draped in a white sari might appear to be from an era long past, she is a guiding force to a bright future. "Those with a positive vision of the future," she writes, "give us an image of a world . . . where the highest human potential is fully realized. But we can get to that stage only when there are leaders to take us there."

And she is determined to create those leaders. Through "Call of the Times" dialogues, she invites key figures in government, business, and the nonprofit sector from all five continents to engage in the deepest level of dialogue and reflection about the current human situation. After these dialogues, she has been known to select someone to continue to work directly with her—meditating and engaging in discussion—to insure that that person viscerally grasps our world crisis and is compelled to take action in new and profound ways. For example, after meeting Dadi Janki and the Brahma Kumaris, Brian Bacon, strategic advisor to some of the world's largest multinationals, began to offer his highly regarded leadership trainings gratis at the Brahma Kumari World Spiritual University. And Joseph Jaworski, founder of Generon Consulting, credits Dadi Janki with the inspiration for his Global Leadership Initiative, designed to tackle the biggest challenges facing humanity [see page 86].

"Her leadership is not based on any formal position that she holds," says Tex Gunning, president of Unilever Bestfoods Asia. "Her power comes purely from her spiritual credibility. As a leader, the more I've searched for role models, the more I've come to realize that this is the most profound power. If my boss asks me to make a meeting, I look at my agenda first. But if Dadi Janki, with whom I have no formal relationship, tells me to be in London, I just get on the plane!" As she makes profoundly clear to those who come in contact with her, there is no choice but to respond to the call to change the world: "As God says, 'This is what you have to do.' And we must say, 'Yes, we will.'"

JOHN P. MILTON

Founder, Sacred Passage and the Way of Nature
Founder, Threshold, an international center for environmental renewal

A spiritual guide to Brian Arthur, Joseph Jaworski, Otto Scharmer, Peter Senge, and others

LIGHTNING STRUCK JOHN P. MILTON— literally. At a crucial point on his own path to transformation, a lightning bolt flew through an open window and blasted his consciousness so far that he "shot headfirst into the heavens." Over the past forty years, this former professor of environmental studies with "a bit of Native American" in him has taught those who would walk with him into the wilderness how to understand the living wisdom expressed by lightning, wind, and the creatures of the earth. Milton, who Peter Senge calls "one of the really significant teachers coming out of the American cultural context," has pioneered a path to prepare the uninitiated for the sacred native rite of passage, the vision quest. And leaders, particularly those in business, are finding that Milton's capacity to guide them into an encounter with nature both allows them to find a deeper purpose and unleashes the creativity needed to live that purpose.

"Institutional leaders talk a lot about thinking 'outside the box,'" he observes, "but to actually *be* there is not so easy. The vision quest literally dissolves the box. So suddenly, there is an immense openness and spaciousness and freedom that's pure creativity." But for Milton, the purpose of the vision quest is not simply to make leaders more creative. It is also to go beyond our "anthropocentric view of the world, which prevents us from having a vaster experience both of our connection to the earth and the universe but also to the Source itself." Because it's our self-centered separation from life that has led us to the verge of ecological collapse. "We're facing a time when we're going to have to invent an entirely new technology," Milton says. "This process does two things that are absolutely crucial: it puts you in connection with the earth, Gaia, to have the insight to understand what needs to be created; and then, of course, it gives you the creative connection to pure Source. Clearly, part of the big job facing us is to create a truly sustainable technology, and this would provide a tremendous economic rebirth. All we need is the vision." ■

ONLINE EXTRAS: Visit **wie.org/business** for more on the real business gurus.

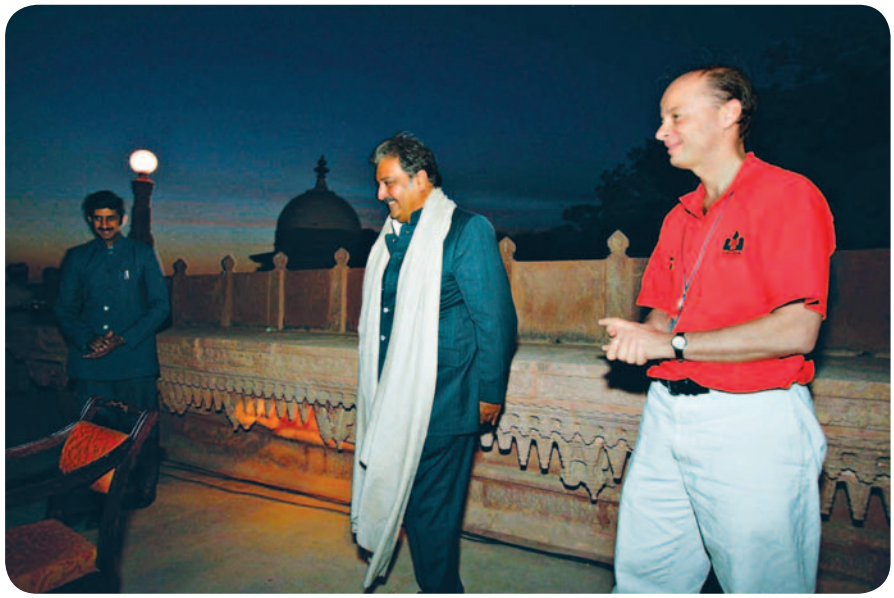
Children of Manwar, a community in the Thar Desert midway between Jodhpur and Jaisalmer, India.

I Have No Choice: An Interview with Tex Gunning

President, Unilever Bestfoods Asia

"I DON'T WANT TO LIVE A LIFE creating an illusion of meaningfulness while deep in my heart I know that every five seconds there is a child dying," says Tex Gunning, president of Unilever Bestfoods Asia. "None of us can pretend anymore. We cannot." The Dutch-born Gunning is backing up his statement with a bold move to place the nutritional needs of children in the developing world at the heart of Unilever's *business* mission. While other multinationals like Hewlett-Packard are embarking on remarkable projects to improve the living standards of the poor, such projects are usually a sideline to the corporation's central profit-making goal. Only Unilever—thus far—is daring to tackle a complex and seemingly intractable human problem in a way that redefines what it means to be a global business and redraws the boundaries between the for-profit, not-for-profit, and governmental sectors of society. And Unilever wouldn't be embarking on such an uncharted path without Gunning's leadership.

Gunning's own path has been guided by an unerring pull toward meaning and purpose that has led to astonishing business success. An economist by training, he was an expert in the corporate game of "restructuring," which often means firing workers and selling off parts of a business so that what is left can struggle toward profitability. In 1995, Gunning was brought in to a part of Unilever that was in serious trouble. At the age of forty-five—"a nice age to have a good crisis," he comments wryly—he was faced, yet again, with the prospect of firing hundreds of workers. "Am I going to do this for the rest of my life?" he asked himself. "Keep sacking and keep restructuring and keep cutting costs?" His answer was, "No." So he decided to learn how to make a business grow and then how to make the workplace a true human community—and came to understand that these two goals were surprisingly



Tex Gunning with the Maharaja of Jodhpur, addressing Unilever executives on a pilgrimage to create a new business mission.

related. Largely through a series of demanding "breakouts" (offsite workshops) held over a period of years in unusual settings—from a Unilever warehouse in the Netherlands to the desert in Jordan—Gunning created a unique culture where trust, honesty, and authenticity liberated a creativity that made the business soar. The result was one of the most dramatic business turnarounds on record.

From that triumph, Gunning was sent to head up Unilever's entire Asian operation and charged with assessing the viability of starting food businesses in fifteen countries. Unilever realized that they could "get a business out of it in the next five years," but this wasn't enough for Gunning—he also wanted to "make a major contribution to the problem of children's nutrition in the developing world." So, in partnership with Generon Consulting, Gunning is leading Unilever Bestfoods Asia to take on the mission of significantly improving the nutrition and well-being of Asia's children.

Here, he speaks about how big business can tackle the real challenges facing humanity—and literally change the way the world works.

WHAT IS ENLIGHTENMENT: *In Asia, you have been taking your people on what you call "a journey to greatness" to discover what makes leaders and companies outstanding. What have you learned?*

TEX GUNNING: Average leaders take care of themselves and their families. Good leaders take care of themselves, their families, and some of the community. Great leaders—and great companies—not only take care of these stakeholders but also want to change the world. They want to leave the world better than they found it. We have made the choice to have our business intent become a missionary intent that will make a difference in the lives of Asians who have either health problems, nutritional problems, or well-being problems.

The core insight about great leadership and great companies comes down to *service.* We as individuals should entirely integrate our personal lives and our search for meaning with our business lives. Businesses with a meaningful intent will bring meaning to the lives of their employees. Then it will be as if we were volunteers—paid volunteers—in a community service organization. And we'll only need half the policies, half the training, half the values statements that are usually needed in business, because people will be living out their deepest values everywhere in their lives.

WIE: *Could you speak about the "missionary intent" you have taken on at Unilever?*

GUNNING: I would love to make a difference in the lives of the unbelievably poor children in Asia. Their suffering is just unimaginable. I said to myself, *I have no choice*. We've *got* to do this. So we decided to start in India where the problem is at its biggest in terms of scale. It's a very complicated country. If we can crack it there, we can crack it anywhere. It's an interesting process because the more I look at it, the more I think I am tackling something that I can never, ever solve. But simultaneously, I'm very optimistic because there's beginning to be a groundswell of people around the world who are saying, "This is *unacceptable*."

You see, the paradigm that divides the world into the social sector, the private sector, and the governmental sector is not working. It creates artificial barriers. We are each a constituent of the problem, so we have to combine our forces, our efforts, and our competencies. We cannot solve these problems on our own. We all share this planet together; none of us can live a meaningful life when in Bangladesh, in China, in Darfur, hundreds of thousands of people are in need of help. I get my energy to persevere because I

meet so many people around the world who share the same realization that this world is entirely connected.

WIE: *Despite the fact that we are all connected, working across these barriers that are now built into the system is not easy. How do you propose that the for-profit and the not-for-profit systems work together?*

GUNNING: Our suggestion is to bring into the social capital markets the efficiencies and accountability that you find in the financial capital markets.* So, for example, Unilever would submit a proposal for funding with partners like UNICEF or the World Food Program. Our competitors would do the same thing, and the proposals could compete with each other. Through competition, we could bring into the social capital market the best that the financial capital market has to offer. I bet this will increase creativity, increase accountability, and therefore increase efficiency and effectiveness. Because for businesses, unlike NGOs, it is a core competency to compete and to deliver—or else you're out of business.

If this works, it would be the first time that we would be working not only with Unilever capital but with capital that came from others. And even if we fail significantly, we can then use what we learn to be even better. We might be a bit ahead of our times, but somebody has to start this groundswell in business.

*The financial capital markets are the funding sources for private industry. They serve the creation of private wealth and provide the financial foundation for businesses (such as Unilever). The social capital markets serve the public welfare and are made up of foundations, donations by individuals, and first world government or international aid that goes to NGOs, nonprofits, and governments in the developing world that are trying to solve social problems.

WIE: *Isn't it dangerous to give organizations that are motivated by profit access to funds that are aimed to help the poor?*

GUNNING: Of course, the moment that people in business realize that you can compete for social capital, the ugly side of human beings will also emerge. But we have to take the risk. The capitalist system was built both by people who were genuinely trying to save the world and by those who were just genuinely trying to fill their own pockets. And while they were filling their pockets, they created a better world in many ways. But although we've realized that economic development can be good for the world, the moment that seventy or eighty percent of the world is not participating in a manner that is equitable, then the system is failing. So an awareness is emerging that the capitalist system itself is failing.

If a few of us can prove that it makes good business sense not just to be socially responsible but to make a serious social mission intrinsic to one's business, then this is going to be written about, studied, and publicized. Because nothing is transferred faster than a success story in business. So I am very optimistic that if a few businesses can set an example here, we can make a tipping point out of it. And at this point, we really have no choice. ■

Unilever Bestfoods Asia executives doing community service with the dhobi *[washermen] community in Mumbai, India.*