

**Dan Schawbel** Under 30*I interview business leaders, celebrities and authors.*

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John Mackey: Why Companies Should Embrace Conscious Capitalism

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*John Mackey, CoFounder and Co-CEO of Whole Foods Market*

recently spoke to [John Mackey](#), who is the CoFounder and Co-CEO of [Whole Foods Market](#) and Coauthor, with Rajendra Sisodia, of [Conscious Capitalism: Liberating the Heroic Spirit of Business](#). Mackey has led Whole Foods as it's grown from a single store in [Austin, Texas](#), founded in 1978, to an \$11 billion Fortune 300 company, and a top U.S. supermarket with more than 340 stores and 70,000 [Team](#) Members worldwide.

While devoting his career to helping shoppers satisfy their lifestyle needs with high quality natural and organic foods, Mackey has also focused on building a more conscious way of doing business. For 15 consecutive years, FORTUNE magazine has included Whole Foods Market on its "100 Best Companies to Work For" list.

He has been recognized for his work over the years by being named [Ernst & Young](#)'s "United States Entrepreneur of the Year," and FORTUNE's "Businessperson of the Year." Mackey co-founded the [Conscious Capitalism Movement](#) to challenge business leaders to rethink why their organizations exist, and to acknowledge their roles in the interdependent global marketplace.

In this interview, he talks about how conscious capitalism can help rebuild corporate reputations, how companies can give back to the community while still making a profit, the key pillars for conscious capitalism, and more.

Over the past few years, corporate America has gotten a bad reputation. How could conscious capitalism help rebuild that reputation?

Free enterprise capitalism has been the most powerful creative system of social cooperation and human progress ever conceived, but its perception and its role in society have been distorted. Operating under the conscious capitalism model will show that businesses are the true value creators that can push all of humanity upward for continuous improvement. Businesses around the globe need to steer capitalism away from today's growing trend of cronyism, by embracing conscious capitalism.

My co-author [Raj Sisodia](#) and I describe this as a way of thinking about business to ensure that it is grounded in a higher purpose to enhance its positive impact on the world. When reinvented in this way, capitalism is an extraordinarily powerful system of value creation mutually benefiting all stakeholders.

Research shows that Millennials want to work for a company that gives back to the community, not just make a profit. How can companies do both?

I'm very encouraged by millennials and their drive to make the world a better place. Businesses can do both by practicing conscious capitalism, always being grounded in its "credo": that business inherently good because it creates value, it is ethical because it is based on voluntary exchange, it is noble because it can elevate our existence, and it is heroic because it lifts people out of poverty and creates prosperity. We hope our book challenges the notion that stakeholders in business are inherently opposed to one another. That is not the case. When businesses operate with higher purpose beyond profits and create value for all stakeholders, tradeoffs are largely eliminated, performance is elevated and the entire system flourishes. Everyone wins. Remember, business is not a zero-sum game.

What are your four key pillars for conscious capitalism?

Higher purpose, stakeholder integration, conscious leadership, and conscious culture and

management. The four are interconnected and mutually reinforcing. The tenets are foundational; they are not tactics or strategies. They represent the essential elements of an integrated business philosophy that must be understood holistically to be effectively manifested. Higher purpose and core values are central to a conscious business and all the other tenets connect back to these foundational ideas.

What happens if you neglect one pillar?

Focusing on the four tenets and making sure that all stakeholders of the business are winning is key. If one tenet or one stakeholder is forgotten about or is neglected, then the system will suffer long term and the business will not operate to its highest potential.

Can you give some examples, including your experience at Whole Foods, of companies that have embraced conscious capitalism and what they've done?

There are thousands of smaller companies operating this way. The more well-known companies Raj and I find practice conscious capitalism include Southwest Airlines, REI, Google, Nordstrom, Patagonia, The Container Store, POSCO in South Korea, as they create win-wins for customers, employees, suppliers, communities and the environment, resulting in exceptional customer experiences, less turnover, lower overhead costs, higher profits, and sustained growth. It's important to note that conscious capitalism is not to be confused with corporate social responsibility (CSR). Conscious capitalism puts higher purpose and creating value for the community stakeholder at the core of every business decision rather than being added on later as a program to thwart criticism or help manage a business' reputation.

What is your top career advice for young professionals entering the business world right now?

I tell students and young professionals all the time to follow their hearts, do what they truly love, and if its business, run it by being grounded in ethical consciousness.

*[Dan Schawbel](#) is the Founder of Millennial Branding, a Gen Y research and consulting firm. He recently made the Forbes Magazine 30 Under 30 list and his second book called *Promote Yourself: The New Art of Getting Ahead* is due out in the Fall of 2013 by St. Martin's Press. He is offering an online course called ["Build Your](#)*

Personal Brand in 4 Easy Steps.

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