



Take on Board

Transcript – Carol Sanford

Helga Svendsen 0:00

Today on the Take On Board Podcast, I'm speaking to Carol Sanford about the regenerative nature of governing and why it's important to move on from the old paradigm. First, let me tell you about Carol. Carol is on the board of the JL Foundation, which educates and collaborates with other boards to use living systems thinking in educating, decision making and pursuing change. She's got a huge range of roles. She is the executive producer of the regenerative governing body community, Senior Fellow of social innovation at Babson College, CEO of the regenerative paradigm Institute, educator and social change designer for people in change agent roles, organizational leaders who aspire to making a difference, business and organizational teams who are pursuing non displaced mobility. And you're going to take us through some of what these terms mean later, Carol. And she's also the author of five best selling award winning books, the regenerative life, transform any organization, I'll make sure I put a link to all of your books in the show notes for today, because they are an amazing resource for people. All of her books are built around case studies of specific transformation in people, business, communities and regions. She is also the exec producer of the Regenerative Business Summit. And just because we're on a podcast, she's the producer and the talent for the Business Second Opinion podcast as a podcast I strongly recommend that our community listens into as well. Well, with that amazing list, welcome to the Take On Board Podcast Carol.

Carol Sanford 1:40

Thank you. It's so good to be here. Thanks for inviting me.

Helga Svendsen 1:44

It's a pleasure.

So look, Carol, before we start our conversation today, I always just love to hear a little bit of background about people. Can you tell me a story about young Carol, that tells us a bit about how you got to where you are today?

Carol Sanford 2:00

Yes, there are a series of them. One of them is how my father chose to punish me when I was a small child. And he was not a nice man anyway, but he was trying to control my thinking. And what he

didn't know every time he put me in a closet and lock the door sometimes for hours to break my spirit, after a while it didn't work very well, because it gave me time to think and to question. And particularly, I could not understand why my father had opinions, which we would now call racist about the people who work for him. And I couldn't understand why he thought I should think I keep good when I saw I didn't see the world the same way. Well, that led me to a brief second story, which is, when I was in school at the University of California at Berkeley, I met a man a man named Thomas Kuhn, who wrote a book called The structure of Scientific Revolution. What he did is introduced to all of us the idea that the paradigm we have in our mind, determines what we see in the world and how we work on it. And I suddenly understood my father. In fact, it was a way I was actually able to forgive him for some years later, being able to see if you grow up in a family, which has that view, it's very hard not to, it's very disturbing when you can't get your child to see what you see. So that tells you everything you need to know about me.

Helga Svendsen 3:38

Oh, my goodness, well, yeah, and I'm, I'm pleased and you know, knowing some of your work, not at all surprised that he didn't break your spirit, because it's an incredibly strong spirit that, you know, changing paradigms. It's interesting, you know, you reflect on how hard it is to change some of those paradigms and views when they've been raised in your family. But yet, this is exactly what you have done. So you've got that incredible first hand experience of changing really entrenched views and paradigms yourself. And it's even interesting, gosh, this might not be a good analogy to make. But in the year that we have had, we're recording this in November 2020. And many, many of us have had much more containment, shall we say this year than we are used to from the effects of the pandemic and has maybe given people this year some more time to think and reflect as well.

Carol Sanford 4:32

It's a lot like the closet I was put in, people have asked me how are you doing all this? you traveled all over the world until December. I was playing to down scale that some anyway, but in some ways, I always use airplanes, it's time to think. But now I am online with people regularly. I can see what they're missing. I teach in universities in Europe. I work with folks in Australia. extensively in New Zealand, and Japan that time zone. And because I don't have to go anywhere, I am able to concentrate I have been more prolific and I already am a phenomenal producer of materials thinking and stuff. I will have four books done by if we're out of this pandemic, mid next year.

Helga Svendsen 5:22

The Fabulous Dominic Hes is one of the members of the take on board community here. And she sent me one of your newsletters Carol and said, it would be fantastic to get Carol on the podcast. And that's how this one came about. And let's just start with what is regenerative business? And why is it important to the boardroom?

Carol Sanford 5:42

Okay, I wanted to do one answer that sets a ground for a direct answer to that. One is what I work with. It's a regenerative paradigm, and how you think now, what I needed was for us to make a major shift on the planet, about how we see everything. And I said to myself, where is the most notable way, the one way, if you weren't there, it could have everything move. And after some years, I came to the idea of business. Originally, I did primary transform businesses, those which take the first thing out of the ground oil, trees, chemicals, all of that stuff. And I knew that if you move business, you were going to move education, parenting, probably many not for profits, because they all went copied business. So first, that's why there is a business important. Now why is the board important? Boards drive what people pay attention to. And it's their job, their governing, right, that's the whole point to be governing something. So I knew that I had to build a way for boards to get beyond the way they currently think because they get as much in the minutia as the managers do. They're not really understanding that the paradigm they could shift the business by shifting their paradigm. There are two overarching paradigms at work in the world right now. And they've been built over centuries. And I've written about it I've done podcasts, articles, whatever. The first way that we normally think about something is based on the Sir Isaac Newton paradigm of classical physics, which was all about the study of things, even people as things organizations his thing, and breaking it all down in a way that you could study it hold it still, even our science breaks things apart fragments. Now, what Einstein called that was the billiard ball theory of change, or the billiard ball understanding of the world, which meant, the way we see things is everything can only be moved, if something moves it, it can't move itself because things can't move themselves. So we hold this image and businesses hold this image and boards hold this image and parents all this, which is I am acoustic, you are CueBall, I'm going to show you which pocket I want you to go into, I'm going to hit you gently but directly with training or feedback or some kind of socialization, I'm going to show you which pocket to go in. I think that's a pretty graphic metaphor, if you think about everything you do in the world. So we find board members who are trying to get their executives to change by either threatening with hiring and firing or incentivizing them with a certain amount of money, or engaging them in a way that we make very clear what we're measuring. So we have this ongoing paradigm that is direct now. That's a 400 year old paradigm. We've known for 100 years that is wrong in relation to people completely wrong. That we are now in the world of quantum physics, classical physics. We are in the world of the matrix, not the billiard table. So if you ever saw the movie The Matrix, you know that it was how people got socialized, conditioned what pill they took, and that that had you didn't have to control people directly. You control their paradigm. Well, what I do is work with businesses with boards, and learning to see the quantum now it's indirect. So here's the three things boards need to work. I had a wonderful, huge summit yesterday, globally with people on boards, three to five people from each board. And we learned what it meant if you were a board and you begin to work in this way. So here's the first thing. Yep, you work on capability, not behavior. We're so used to incentivize reward feedback directly. But if you look at someone like your executive, or like your committee members, and we have a lot of people who are coming to learn to do this, and you say, what capabilities? Do they need to do better to think better to accomplish something? And how can we do that, you're now working on the matrix and a quantum way. But if you go back and you look at how we incentivize acoustic acoustic cue ball moving you feedback, feedback, pressure, now we are working with the blue pill or red pill, I get those mixed up all the

time. First thing work on capability. Secondly, work on culture. Because the word matrix also applies to the womb of baby, when we're carrying a child, I carried a couple of those right, and how healthy I was what I worked on, they even told me what I thought what I ate, was creating the matrix for the child I was carrying. And in that process, I learned about what it meant to have a field around something. And we know when we're playing a party, for example, we want the environment to be conducive to a certain time we rearrange furniture. But we can't control the field. We can't control the culture. But we can shape it, we can help create the right kind of things going on. So what if boards worked on measuring the evolution of the culture to produce what they wanted to produce? Rather than trying to do it directly? I could acoustic? And there's one last thing, but I think maybe we should come back to that. Let me just see if that's making sense. And think about why a board needs to think about the quantum indirect, which is regenerative rather than the direct classical view, is that making sense to you?

Helga Svendsen 12:10

It absolutely does. I mean, it does in a brain breaking type of way. Because it is such a different way of thinking that kind of, you know, system and everything related to each other, rather than if I just smack you on the head. This will all be okay. So it's a much kind of broader concept to think about. And it also makes me think, you know, for boards, those two areas around capability and culture. I mean, increasingly, absolutely. Culture, I think is on the agenda for boards increasingly so on boards are grappling with how to really measure and evaluate and assure themselves and lead and all of those things about culture. It's, it's at least on the agenda now. But it's interesting, I think, to think not just about boards, and what what they should be doing in terms of capability or culture, but also for their own. Like, it's partly for the organization that they are leading, but also for their own capability and culture. Was it whether it's from the summit yesterday? Was there any reflections from the group there around? how that turns around on themselves?

Carol Sanford 13:19

Yes. Oh, my gosh, there was so much that people said, All right, like we had two different organizations who said this slightly differently, but they said, you know, we're working on quantum issues like culture, we're working on quantum issues like sustainability ecosystem, we're working on things like fair trade, all that is quantum indirect. But the problem is, the way we're working on is billiard ball, we get people to set goals, and then we track them. We get them to agree to certain deliverables. And then we track them, we spend all our time find it very hard to incentivize them toward things that if we just had a conversation about it, they would quickly want to do that. Anyway, we could get into it together, we are governing, the kind of things we care about in a way that is 400 years old.

Helga Svendsen 14:13

And it's interesting, isn't it? Because of course, the role of boards is so many and varied, but it is, you know, compliance, it is assurance. And many of the systems are set up the oversight in Australia, we have the Australian Securities and Investments Commission or the regulatory frameworks and so on around it. So what were the insights from boards yesterday?

Carol Sanford 14:37

Let me say something about that, because I think those are great examples of traps. So compliance, and certification and oversight are all deeply billiard ball. Now, we don't have to be owned by that. We have to do that for our government, sometimes for our funders. So we make it smaller, less driven process. And we say what we're really going to measure and we're going to be guided by is how people are growing, how they're discovering how they're innovating, trying things out, we're going to be driven by a culture, there's not about status for the wrong things, we're going to talk what we give standards to and get rid of the taboos put in the right kind of rituals, we're going to do that kind of work. We all have to have a person let's do one assigned to making sure we have oversight and compliance. But those ideas for the most part are very small, we're our compliance about is to make sure we aren't bad people. Well, let's prove we're not bad people. But let's don't be ruled by it. So that's the other thing that one of the group said, we spent so much time and filling in certification forums for what our business or in a couple of cases are not for profit is. And because we have to do that and submit it, we become people who are only focused on the things on the certification form, like we forget the system, which were overall overarching, the guiding. And so I think that's another role of boards to say, what are we holding ourselves accountable for rather than what other people you'll still have to do that? What give it less weight that was said over and over again yesterday from people.

Helga Svendsen 16:33

So yes, because you don't want to end up down that rabbit hole, you know, that the whole look, the whole but part of the object of a board is to chunk up and see the big picture and all those sorts of things. So the more down the hole you go, you just see what's in front of you. So who's doing this well.

Carol Sanford 16:49

Alright, let me tell you how the JL Foundation, which is the only board I ever sat on or ever will sit on. And what he does is works with foundations. And we cofund a little bit but we do a lot of our funding educating boards about how to think from holes. So for example, one of our primary concerns is that philanthropic organizations with their boards, splinter, and we have, you know, the Rockefeller Foundation is working with this. And Oppenheimer Foundation is working with that. And you can get a list of hundreds 1000s probably millions, all who go into the same city, all with a door

they enter. And you have these people jumping through hoops and you fragmented them. So what JL Foundation does is we work on getting something called a story a place that becomes a nodal guiding aspect. So if you go to a place like McAllen, Texas, and you do a story of place, you find that it's story place, go back in its indigenous history and its biological hydrological, his settlement patterns, and you understand what makes McAllen what it is, and actually the whole Delta that it's in, and what we find is, they have always been from the founding when Mr. McAllen came, they have always been looking at bringing together diverse thinking so Mr. McAllen married a Mexican woman. And from this day forward, he said, all people should assume all perspectives matter. And they should be brought together. That community is now working on creating much of it's a new business, it's international business, on being the example of what it means to be fair trade systemically. Not we'll pick one or two things, but how do we go look at a community and figure out whether we're Fair Trading with that community because we think the diversity that they see as is important. So now you can build economic development. I did that in Vancouver, BC, looking at the lummi tribes, and how what the story had been and how it had been dropped out of what the the governing bodies they're considered. So looking at how it is and instead of splintering, the billiard ball, always splinters it's one pocket and then the next pocket the next pocket. You got 10 people on 10 pockets or 1000 people 1000. Instead, what you want are people who are doing it well, and I believe Jessica's Love (JL Foundation) is teaching people how to do that. So the city of Santa Fe, New Mexico, the city of McAllen, which I just mentioned, one in Rochester, New York, some and Pine Bluff, not Arkansas, South Dakota, maybe they are starting with story of plays so that they can work on the quantum, the indirect, how do you have something that uses this indirect idea of the story of this place as a whole and you have all these entities working together, including business, not for profit advisory directors, associations, which have many in them, they come together. And so if you go to her, I can give you a renaissance, website, renaissancegroup.com. And they've got many of these stories that they can give you more on. I work with the boards, but that one had the boards and the businesses at so many together. So I hope that's a good picture to think about. What are people doing that makes it whole and indirect?

Helga Svendsen 20:40

So I think I'm hearing they, you know, it's that place, and all of the different parts of the place coming together and really building on that, you know, as you put it, the story of place and working together. I'm wondering, you, you said much earlier that you'd worked with organizations in extractive, essentially, oil, trees, chemicals, and so on? How are they going on, on incorporating some of these some of the new paradigm?

Carol Sanford 21:09

Okay, this is a perfect, you have one idea, a new paradigm, and I'm going to give you what I did with them, you're gonna wait, that wasn't what I meant. Because you're thinking about their extract, you will want to make them not be extractive. So I never mentioned to them, they shouldn't be extracted at all, why say what you must tell them, they're bad parents, you know, what I do is educate them on how systems work. So one of the stories in my first book is a DuPont mining, where

they were leaving trainings in Australia. And since that's where you are this, maybe some of you know something about Chad Holliday said come in and work with us. Because we all feel like we're not doing this the right way. But we don't know how but that's as far as they gone. So I taught them how to find the essence of the mineral titanium they were looking for, which it turns out, they were using a very old paradigm about how you get to it, which meant they had to take down 90% of a mountain to get 10% I'm rounding and leave all the trailings in the rivers etc, for in that process. I said, alright, if we worked on the essence of what you're trying to take, and by the way, we could say we should have no titanium. But that means you can't wear that white blouse. You cannot wear makeup, you cannot eat Oreos, you cannot paint your walls. It's an everything. But we in that process invented. We I had nothing to do with it. But the education part. And in that process, after we could see what a better way to do it for the innovative thinking of essence, they went, wait a minute, this just took care of all that trash we leave behind. And it changed how we look at mountains. It changed how we think about deep well, they wouldn't get laws passed in the US to make it illegal. They proposed the law to make it illegal to do deepwater injection because they now knew that was not a good idea. They worked with a local communities to rebuild and go into parks, but I never once said to them, You are bad people. I said, educate. Remember, my first thing was capability. They couldn't see their impact. And so we think they're bad people I said, you know, I've never met I'm there probably are some but I've never met a bad business leader. I met some who are missing some capability to think systemically. I educate them based on what they want to work on. That's the indirect, they transfer it within a year, maybe less into everything they're doing because they can't not see systemically. So the paradigm shift is from fragmented, where I can't see the effects and what I'm doing to systemic, oh, I do this, all of that happens. So that's how I work. And I did with DuPont that we ended up working with the board of directors again, another board. And what we did is Chad, I say we because I always buy stock in them. And you know, I become a kind of a member of the family. But what we did is educated the board of directors through community groups which were formed that were made up of citizens, ministers, business people, families, and they were looking at each segment of the business. They were literally called segments fragments. In other words, of like the mining part, the intermediate chemicals of Freon and these people were invited to come in to get the board without advocacy. If they had come in and said change this, change that what we said just bring him a picture of what's happening. Do it as neutrally as you can. We work with that. And when we did it and I can educate them how to play with it, and they didn't have to defend themselves, they helped form the UN Global Compact. And all that came out of starting with the mining into how we work for the board down, the minute the Chad Holliday was gone. And the next CEO came in, she started on doing a lot of it, because she had been brought in from another company and not been a part of the education. So the thing was, though 1000s of people and DuPont spread out form their own businesses. They went out into other companies as leaders, including GoreTex. And then that process, they begin to change things. So I'm never working on what's just in front of me. Yeah, I'm working on all those people who are going to be thinking differently go out and then understanding things that if I'd been pointing to one thing they would have never seen. Don't be a billiard,

Helga Svendsen 25:54

Yep, yep. Yep. And that did the change that comes from that is so much more, so much greater than as well, because they all yeah, I was gonna say bounce around. But that's that's too billiard ball.

Carol Sanford 26:04

It is. Yeah, good. And that's what I do. If I give you the metaphor, we talk about you learn to catch herself. I don't need to say, did you see you made a billiard ball comment? Are you right? Oh, okay.

Helga Svendsen 26:19

This is gonna be a really good exercise for my brain. Carol I knew this would happen when there is so much to talk about. I'm going to come to a summary in a minute. But before I do that, much earlier on, you said at the summit yesterday, there was three things that were talked about capability and culture. And then you said, I'll come back to the third thing. And you know, my sense of curiosity won't let me finish until I know what that is. You planted the seed, and I'm back for it.

Carol Sanford 26:47

The third one is consciousness. But it means consciousness of two things. One is the fact that we live in a world of nested holes. We are not alone, everything we do is interacting. But we are not taught how to see that. Like, that's part of what I was doing with DuPont. Just look at the effects. I didn't say you're bad about them. And how do you feel about those. The other thing is learning to see holes, not fragments, and learning to see worlds that we literally can see it. So the paradigm of billiard ball is at a different world. And you see one thing trapped in that world. And another when you can go to the quantum indirect world, we see everything is flat, it's all equal little this little that we have to learn to have consciousness that the choice we're making, about the worldview, we have to view something from. So I spend a lot of time educating, writing, doing podcasts, everything I can to educate people, so their conscience has consciousness, and it has an ability to see the world. And if you can work on those three things, capability. And that means living systems thinking capability, personal development, and that means in order to be self managing, and then you can go work on culture, which we don't have time to go through and consciousness. You're now a quantum physicist in the world of business and to the board of directors.

Helga Svendsen 28:19

Oh, my gosh, what a beautiful summary. I was going to ask you the main things you want people to take away, but I think you have just summarized it there beautifully. And I loved that conscience has consciousness. It's yeah, beautiful. Oh, we've already talked about some of the resources that we

will put in the show notes. But is there a particular resource you would like to share with the take onboard community so that they can advance some of their thinking about these concepts?

Carol Sanford 28:46

Well, I can tell people that if they would buy five copies of the **The Regenerative Life**, and give them as Christmas gifts, they can also add in there that on and I've forgotten the date, but I'll give you my emails. If you send me the receipts of the five names you give me their the emails, I will invite them to a two hour event I'm going to run where people can actually ask me questions about **the regenerative life** in advance our a two hour webinar for them. So carol@carolsanford.com it's all about me, you should never have that. And so if you buy five books as Christmas gifts, send me the receipts, give me their emails, and when you give it to them, say you're getting it to meet with Carol, you're going to spend, you're going to send her your questions in advance that would cost if they tried to pay me what the executive pays me is \$10,000. So you just gave a \$10,000 gift to each of your five people if you want to do that.

Helga Svendsen 29:54

That, that is amazing. And in fact, what I'm gonna do is I'm gonna Give five of your books to the first five people that contact me after listening to this podcast. So take onboard people, the first five people who email me about getting Carol's book, I am going to send you the book and I'm going to send Carol your emails, and we'll all be part of that conversation together. So that sounds awesome. I will, I'll organize that. But folks, if you're listening, if you're one of the first five, let's all be part of that together. And likewise, those that aren't part of the first five buy them as Christmas presents. For others. That sounds like a magnificent idea. So firstly, Dominique, if you're listening, thank you so much for suggesting Carol. This has been a wonderfully brain expanding brain breaking conversation that will continue to bounce around in my brain for quite some time and I think probably for others that are listening to it. Thank you so much for joining us here on the Take On Board Podcast today. And I look forward to coming back to that conversation in the future after with some of the take on board community.

Carol Sanford 31:02

Great and please post things because I'll tell people how I even connected Australia for anyone who's there. Thank you so much.