

THE 2ND TENET OF
CONSCIOUS CAPITALISM

STAKEHOLDER ORIENTATION

DISCOVERING AND AMPLIFYING
**STAKEHOLDER
ORIENTATION**



THE FOUR TENETS OF CONSCIOUS CAPITALISM

HIGHER PURPOSE

Elevating humanity through business begins with knowing WHY your company exists. Without this, you have no compass to find and stay focused on your True North. Businesses should exist for reasons beyond just making a profit. We see profit as a necessary means to achieving your purpose—not as an end in and of itself.

STAKEHOLDER ORIENTATION

Critical to achieving your purpose is to value and care for EVERYONE that touches your business. This includes your 1) employees, 2) customers, 3) suppliers, 4) investors, 5) society, and 6) environment... sometimes that even includes your competition. Motivate all stakeholders by creating “win-win-win” outcomes for all who are impacted by your business's decisions.

CONSCIOUS LEADERSHIP

Conscious businesses cannot exist without Conscious Leaders. They are the stewards, the pioneers for good. They keep the business focused on its Purpose. They reject a zero-sum, trade-off-oriented view of business and seek creative, synergistic solutions for all stakeholders. Without better leaders, there is no better world. Period.

CONSCIOUS CULTURE

The culture of your business is its heartbeat. Without a healthy one, the business will ultimately fail. Cultures are as unique as the people who comprise them, but commonalities include trust, accountability, transparency, integrity, loyalty, egalitarianism, fairness, personal growth, and love and care. How's that for a great place to work?

FROM SHAREHOLDER FOCUSED TO STAKEHOLDER FOCUSED

2019 BUSINESS ROUNDTABLE

"STATEMENT ON THE PURPOSE OF A CORPORATION"

Americans deserve an economy that allows each person to succeed through hard work and creativity and to lead a life of meaning and dignity. We believe the free-market system is the best means of generating good jobs, a strong and sustainable economy, innovation, a healthy environment and economic opportunity for all.

Businesses play a vital role in the economy by creating jobs, fostering innovation and providing essential goods and services. Businesses make and sell consumer products; manufacture equipment and vehicles; support the national defense; grow and produce food; provide health care; generate and deliver energy; and offer financial, communications and other services that underpin economic growth.

While each of our individual companies serves its own corporate purpose, we share a fundamental commitment to all of our stakeholders.

FROM SHAREHOLDER FOCUSED TO STAKEHOLDER FOCUSED

WE COMMIT TO:

- Delivering value to our customers. We will further the tradition of American companies leading the way in meeting or exceeding customer expectations.
- Investing in our employees. This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing world. We foster diversity and inclusion, dignity and respect.
- Dealing fairly and ethically with our suppliers. We are dedicated to serving as good partners to the other companies, large and small, that help us meet our missions.
- Supporting the communities in which we work. We respect the people in our communities and protect the environment by embracing sustainable practices across our businesses.
- Generating long-term value for shareholders, who provide the capital that allows companies to invest, grow and innovate. We are committed to transparency and effective engagement with shareholders.
- Each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities and our country.



Who would you consider your stakeholders?

What is your company's current relationship with its stakeholders?

THE 6 TYPES OF STAKEHOLDERS



Employees



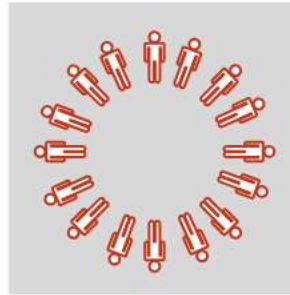
Customers



Suppliers



Investors



Society



Environment

Customers, Employees and Suppliers

CUSTOMERS

- Their well-being is an end, not a means to profit
- Well being leads to trust which leads to companies educating/leading customers, which leads to customers advocating for companies
- An unhappy customer can always go elsewhere

EMPLOYEES

- Team members want to work to be meaningful, have conscious hiring practices, embrace teamwork and collaboration, have a conscious approach to compensation and benefits, and empower them

SUPPLIERS

- Partnership mindset vs. suppliers as adversaries from whom the business tries to extract as much value as possible for the lower price
- Make sure they are mentioned as part of the core values and purpose
- Find ways to create mutual value (especially during slow time), pay them on time, treat them fairly, and help them survive and flourish

Investors, Society, and Environment

INVESTORS

- Treat them as true stakeholders and partners
- Communicate who you are, what your values are, what your business philosophies, purpose and strategies are
- Give the time and attention long term investors deserve

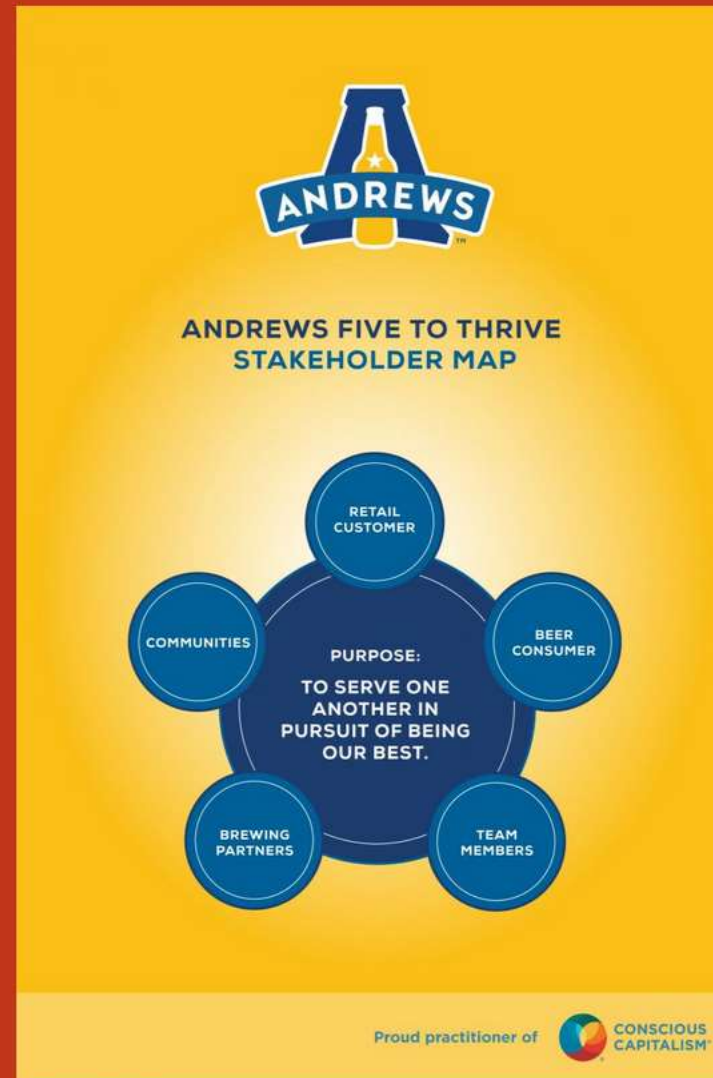
COMMUNITY & SOCIETY

- Businesses are citizens
- A focus on improving the quality of life of the communities we serve

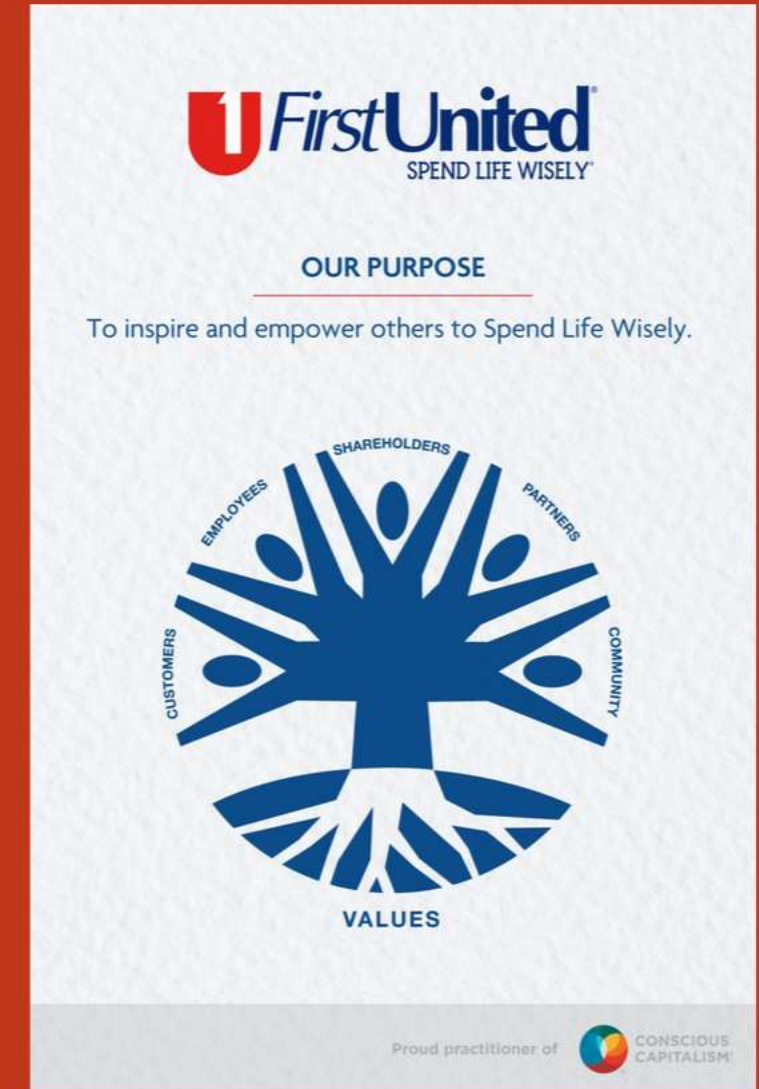
ENVIRONMENT

- Treat the environment with the same respect and attention as all stakeholders
- They are your only silent stakeholder
- The way we impact this stakeholder affects us directly
- Become fully conscious of the way you impact the environment and devise innovative ways to alleviate environmental impact

SAMPLE STAKEHOLDER MAPS



SAMPLE STAKEHOLDER MAPS



HOW TO CREATE YOUR STAKEHOLDER MAP

METHOD 1

List each category

Under each category
write out the individuals,
companies, and/or
organizations

METHOD 2

On post it notes or a
piece of paper list each
individuals, company,
and/or organization that
is pivotal to your
company's operations

Look for clusters, circle
each, and name similar
groups

EXERCISE #1

CREATE A ROUGH SKETCH OF YOUR STAKEHOLDER MAP

Pick one of the two methods and begin to sketch out what a stakeholder map would look like for your business or department.

If you are here with team members work as a group.

STEPS TO IDENTIFYING STAKEHOLDER RELATIONSHIPS AND IMPROVING THEM

STEP ONE

Summarize the main need of each stakeholder

STEP TWO

Articulate what your current strategy for each stakeholder is

STEP THREE

Which stakeholder relationship could you improve?
Which stakeholder relationship is the most neglected?
Which relationship, if strengthened, would have the greatest impact on the business?

EXERCISE #2

WHAT ARE THE NEEDS OF EACH STAKEHOLDER

List the needs of each stakeholders, the strategy of working with each, and put a star next to those you feel you could work on.

Work on this with your team or talk through with your group.
Hearing others talk about the relationships they have with their stakeholders can spark ideas.

FINDING THE WIN-WIN-WIN

CONFLICT BETWEEN STAKEHOLDERS IS INEVITABLE BECAUSE FROM TIME TO TIME SIMPLY BECAUSE EACH STAKEHOLDER ALWAYS WANTS MORE."

- Liberating the Heroic Spirit of Business: Conscious Capitalism



What to do when an opportunity or conflict* arises?

- Acknowledge the opportunity or conflict*
- Find common ground between parties involved
- Understand all sides of the issue
- Attack the issue, not each other
- Develop an action plan

Conflict: Anytime it comes to the attention of one of more stakeholders that there is a more effective and/or synergistic win-win-win strategy available

EXERCISE #3

WHERE ARE THERE OPPORTUNITIES TO IMPROVE WITH EACH STAKEHOLDER

Individually brainstorm out a few ways that you can improve your work with stakeholder groups.
Share with your group.

Share back at least one great idea that came from your group's talk.

Remember: There are no bad ideas! Sharing your ideas may spark the creativity in someone else to work through a challenge they don't know how to solve for.

NEXT STEPS: HOW TO BRING IDEAS, PLANS, AND THOUGHTS TO LIFE IN THE WORKPLACE

1

CONFIRM YOUR THOUGHTS

Ask members of your team to take assessment surveys about stakeholder relationships and ask them what relationships could be improved.

3

CREATE A PLAN WITH YOUR TEAM

Once you've identified where your opportunities, create an implementable action plan

2

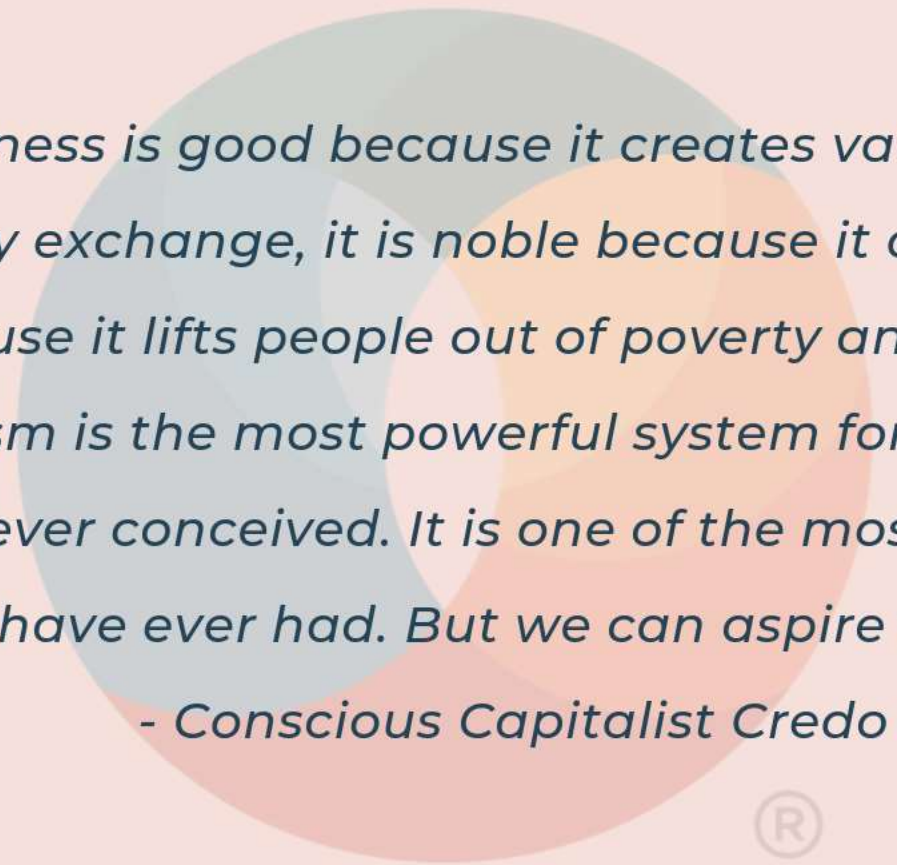
BE VOCAL ABOUT YOUR INTENTIONS

Share your intention to be stakeholder oriented both internally and externally

4

REFINE THE PLAN ALONG THE WAY

Check in with your team, your stakeholders, and survey and asses often, making adjustments along the way



We believe that business is 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. Free enterprise capitalism is the most powerful system for social cooperation and human progress ever conceived. It is one of the most compelling ideas we humans have ever had. But we can aspire to even more.

- Conscious Capitalist Credo



THANK YOU FOR BEING A
CONSCIOUS CAPITALIST!