

Conscious Capitalism Chapter Handbook

2017

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Section 1. Welcome Letter

Dear Chapter Leader,

Congratulations and thank you for taking on the personal responsibility of growing the Conscious Capitalism movement by leading a Conscious Capitalism chapter!

Conscious Capitalism is a young and vibrant movement that seeks to change the way business is practiced and perceived throughout the world. As described in the Conscious Capitalism credo, this is a movement dedicated to the elevation of humanity through the voluntary cooperation of individuals in business and the system in which those businesses operate:

"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."

There is a great deal of work ahead. However, the rewards for both humanity and the individuals involved are worth it.

The purpose of the chapter program is to grow the impact of the Conscious Capitalism movement in your geographic area. That means building the community of Conscious Capitalists who practice this philosophy in their business and educating the wider community about Conscious Capitalism.

The Conscious Capitalism movement is larger than any individual or group. Everyone has a role to play, but cannot play every role. It is up to you and the other leaders in your chapter to develop and execute a strategy that will grow the movement in your area. But you are not alone. Conscious Capitalism, Inc. is here to provide you with guidance, infrastructure, and support in your endeavors.

This handbook provides an introduction to the principles, structure, and best practices of running a Conscious Capitalism chapter. However, reading this handbook will only provide the framework. It will take significant work, attention, and refinement to apply the content of this handbook to your work to create a thriving chapter. You will have access to unique trainings, resources, and networks that will help you on your journey. Most importantly,



**CONSCIOUS
CAPITALISM®**

you will have access to all of us at Conscious Capitalism, Inc. to support you in this undertaking.

Best,
Alexander McCobin & Doug Rauch, co-CEOs

Section 2. Conscious Capitalism, the Philosophy

2.1 Conscious Capitalism Credo

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 Capitalism is a way of thinking about capitalism and business that better reflects where we are in the human journey, the state of our world today, and the innate potential of business to make a positive impact on the world. Conscious businesses are galvanized by higher purposes that serve, align, and integrate the interests of all their major stakeholders. Their higher state of consciousness makes visible to them the interdependencies that exist across all stakeholders, allowing them to discover and harvest synergies from situations that otherwise seem replete with trade-offs. They have conscious leaders who are driven by service to the company's purpose, all the people the business touches, and the planet we all share together. Conscious businesses have trusting, authentic, innovative and caring cultures that make working there a source of both personal growth and professional fulfillment. They endeavor to create financial, intellectual, social, cultural, emotional, spiritual, physical and ecological wealth for all their stakeholders.

Conscious businesses will help evolve our world so that billions of people can flourish, leading lives infused with passion, purpose, love and creativity; a world of freedom, harmony, prosperity, and compassion.

2.2. An Integrated Philosophy

Conscious Capitalism is a philosophy that integrates the micro and macro levels of business. At the micro-level, Conscious Capitalism provides guidelines for how businesses ought to operate to fulfill their potential in elevating humanity. At the macro-level, Conscious Capitalism provides a robust defense of the free market system that allows for human flourishing through business. They are two sides of the same coin that cannot be separated under the philosophy.

2.2.1 Micro-Level: Business

At the micro-level, Conscious Capitalism provides an approach to business based on four tenets: Purpose, Stakeholder Orientation, Conscious Leadership, and Conscious Culture. Other approaches may advocate either for businesses redeeming themselves by giving away money already earned or by providing guidelines for the formal structure of an organization. Conscious Capitalism focuses on the importance of individuals within the business adopting certain perspectives and values to create *a conscious system of production*. People make up the organization. And the values of the people in an organization determine the nature of the organization. What makes Conscious Capitalism unique is that it does not establish certain practices that businesses must follow to be “conscious” (i.e. to mark off on a checklist), but rather requires a different mindset about the meaning of business and its role in society.



Higher Purpose: Recognizing that every business has a purpose that includes, but is more than, making money. By focusing on its Higher Purpose, a business inspires, engages and energizes its stakeholders.

Stakeholder Orientation: Recognizing that the interdependent nature of life and the human foundations of business. A business needs to create value with and for its various stakeholders (customers, employees, vendors, investors, communities, etc.). Like the life forms in an ecosystem, healthy stakeholders lead to a healthy business system.

Conscious Leadership: Human social organizations are created and guided by leaders – people who see a path and inspire others to travel along the path. Conscious Leaders understand and embrace the Higher Purpose of business and focus on creating value for and harmonizing the interests of the business stakeholders. They recognize the integral role of culture and purposefully cultivate Conscious Culture.

Conscious Culture: This is the ethos – the values, principles, and practices – underlying the social fabric of a business, which permeates the atmosphere of a business and connects the stakeholders to each other and to the purpose, people and processes that comprise the company. All companies have a culture, but not all companies intentionally develop a culture that promotes their values and purpose.

2.2.2 Macro-Level: Economics

At the macro-level, Conscious Capitalism provides a robust defense of the free market system. Chapter 1 of the book, *Conscious Capitalism*, is titled, “Capitalism: Marvelous, Misunderstood, Maligned,” and opens with this:

In the long arc of history, no human creation has had a greater positive impact on more people more rapidly than free-enterprise capitalism. It is unquestionably the greatest system for innovation and social cooperation that has ever existed. This system has afforded billions of us the opportunity to join the great enterprise of earning our sustenance and finding meaning by creating value for each other. In a mere two hundred years, business and capitalism have transformed the face of the planet and the complexion of daily life for the vast majority of people. The extraordinary innovations that have sprung from this system have freed so many of us from much of the mindless drudgery that has long accompanied ordinary existence and enabled us to lead more vibrant and fulfilling lives. Wondrous technologies have shrunk time and distance, weaving us together into a seamless fabric of humankind extending to the remotest corners of the planet.

So much has been accomplished, yet much remains to be done. The promise of this marvelous system for human cooperation is far from being completely fulfilled. Too much of the world still has not embraced the core principles of free-enterprise capitalism, and as a result, we are collectively less prosperous and less fulfilled than we could be.

The Conscious Capitalism interpretation and defense of capitalism, however, differs in meaningful ways from the interpretations and defense most commonly associated with capitalism. These take either a hyper-economic or regressive moral approach. The hyper-economic approach, following a literal Friedman interpretation, holds that business exists to maximize profit and the value of capitalism is its efficiency. The regressive moral approach, following a literal Randian interpretation, holds that capitalism is the aggregate system that maximizes the virtue of selfishness.



In contrast, Conscious Capitalism builds on the foundations of Capitalism - voluntary exchange, entrepreneurship, competition, freedom to trade and the rule of law. These are essential to a healthy functioning economy, as are other elements of Conscious Capitalism including trust, compassion, collaboration, and value creation. Conscious Capitalism believes that capitalism empowers individuals to achieve higher ideals in the world through voluntary interactions.

Conscious Capitalism provides an approach to business that uniquely emphasizes its human nature. People run businesses. People make up economies. The purpose of both is to support the real-world needs of real individuals both now and in the future. Rather than separate economic goals from tangible value in both the short and long terms, Conscious Capitalism offers a way to continue elevating humanity to even greater heights.

Section 3. Conscious Capitalism, Inc., the Organization

"Elevate humanity through business." ~ Conscious Capitalism's Purpose

3.1 Vision

Conscious Capitalism, Inc. (CCI)'s vision is a world where business *is* and *is recognized as* the greatest force for good.

3.2 Strategy

CCI's strategy for social change is premised upon an inherent connection between the way business operates and the way business is perceived. By changing the way businesses are run, we change the narrative about business; and By changing the narrative about business, we change the way they are run, creating a 4-step self-reinforcing cycle.



Change Business	Step 1. <i>Outreach</i>	Identify and actively engage unconscious conscious capitalists and educate youth and entrepreneurs.-Invite business leaders who are not yet interested in Conscious Capitalism to build the network.
	Step 2. <i>Support</i>	Provide support to conscious capitalists in our network to develop a community, advance their understanding and practice of Conscious Capitalism, and empower them to be more effective spokespeople of Conscious Capitalism.
Change the Narrative	Step 3. <i>Generate Content</i>	CCI and its business leaders generate content, both compelling stories and management analysis on Conscious Capitalism.
	Step 4. <i>Advocacy</i>	CCI and its business leaders actively educate others and advocate Conscious Capitalism as a philosophy, focusing on the business world, media, and academia.

3.3 Structure

Conscious Capitalism, Inc. (CCI) is a US-based 501(c)(3) nonprofit organization.

A Board of Directors governs the organization and provides vision and direction for the institution's long-term success. It is comprised of leaders in the Conscious Capitalism community who establish the long-term objectives of the organization and ensure the organization's ongoing health.

Paid staff run the daily operations of the organization. Operations of the organization are led by two co-CEOs, Doug Rauch, formerly President of Trader Joe's for 14 years of his 31 years at Trader Joe's, and Alexander McCobin, previously co-founder and President of Students For Liberty. CCI is regularly expanding the number of individuals on its staff to provide greater support for the movement at large.

A larger team of volunteers spread out around the globe provide on the ground activity to grow the Conscious Capitalism movement. Conscious Capitalism chapters are the principal vehicles for this volunteerism. Each Conscious Capitalism chapter is an independent corporation and legally separate from CCI. Affiliation with CCI is through the use of the Conscious Capitalism name, adherence to Conscious Capitalism's principles, and use of CCI's resources to enable growth. This handbook will provide greater detail on that relationship.

Additional boards of advisors and supporters may be created from time to time to support the success of the organization.

CCI and the Conscious Capitalism movement are related, but distinct entities from one another. The Conscious Capitalism movement is the informal and total combination of the many people, organizations, initiatives, theories, conversations, and related efforts to advance the philosophy of Conscious Capitalism. CCI is the principal organization that seeks to unify and advance this larger movement. CCI's endeavors do not encompass the entirety of the movement. CCI is a starting point, providing intellectual grounding, resources, and infrastructure upon which the larger movement may be built. ***The success of Conscious Capitalism as a philosophy depends upon the larger movement leveraging CCI's support to achieve more than what CCI could do on its own.***

3.4 History of Conscious Capitalism

1984:	R. Edward Freeman publishes <i>Strategic Management: A Stakeholder Approach</i>
1995:	Muhammad Yunus uses the term “socially conscious capitalist enterprise” for the first time in an <i>Atlantic Monthly</i> article
2005 (January):	FLOW (Freedom Lights Our World) is founded by John Mackey and Michael Strong with the purpose of “liberating the entrepreneurial spirit for good.”® The founding team of Michael Strong, Philomena Blees, and Jeff Klein jointly led 3 projects under FLOW: <ol style="list-style-type: none">1. Peace Through Commerce2. Accelerating Women Entrepreneurs3. Conscious Capitalism
2005 (September):	Patricia Aburdene publishes <i>Megatrends 2010: The Rise of Conscious Capitalism</i>
2005 (October):	John Mackey debates Milton Friedman and T.J. Rodgers in <i>Reason Magazine</i>
2006:	501(c)(3) tax exemption granted to FLOW
2007 (February):	Raj Sisodia and David Wolfe publish <i>Firms of Endearment</i>
2007 (August):	John Mackey publishes a white paper titled, “Conscious Capitalism: Creating a New Paradigm for Business
2007 (October):	First gathering of thought leaders at The Crossings in Austin, TX to discuss how to grow this movement
2008 (June):	John Mackey partners with Sounds True to release “Passion & Purpose” audio program
2008 (October):	First Catalyzing Conscious Capitalism Conference was held with 120 individuals in attendance (would later be renamed the CEO Summit)
2009:	FLOW’s projects are reorganized under 2 divisions: <ol style="list-style-type: none">1. Conscious Capitalism Alliance to carry on the Conscious Capitalism project. Within this division, there were three

different “groups” with different visions for Conscious Capitalism. One group was interested in an academic institution. Another group wanted an alliance of businesspeople. Yet another group wanted to invest in entrepreneurial projects aligned with CC.

2. AWE Alliance to carry on the Peace Through Commerce and Accelerating Women Entrepreneurs projects.

2009 (March):	John Mackey and Michael Strong publish <i>Be The Solution: How Entrepreneurs and Conscious Capitalists Can Solve All the World's Problems</i>
2010:	The different projects under FLOW are separated into independent corporate entities. The AWE Alliance was spun off as an independent nonprofit organization named Peace Through Commerce, led by Philomena Bles. Radical Social Entrepreneurs was spun off as a new initiative for entrepreneurship, led by Michael Strong. And FLOW was renamed Conscious Capitalism, Inc., with Jeff Klein remaining to continue the program.
2011:	Doug Rauch becomes CEO of Conscious Capitalism, Inc.
2012 (January):	John Mackey and Raj Sisodia publish <i>Conscious Capitalism: Liberating the Heroic Spirit of Business</i>
2012 (May):	The first Conscious Capitalism Chapter launches in Australia
2013:	Doug Levy becomes Chair of the Conscious Capitalism, Inc. board
2014:	Jeff Klein passes away, leaving a tremendous gap not only in Conscious Capitalism, Inc., but in the world.
2016:	Alexander McCobin joins Doug Rauch as co-CEOs for Conscious Capitalism.

Section 4. The Chapter Program

4.1 History

CCI's chapter program was not the product of a strategic planning process at CCI. It began at the request of a member of the Conscious Capitalism community who wanted to do more for the movement. Early in 2012, an individual in Australia wanted to bring the Conscious Capitalism message to her country. She reached out to CCI and requested permission to use the name and begin organizing events. CCI approved the request with the rationale, "This group is halfway around the world, so even if it goes poorly, how much damage could they do?"

In May 2012, Conscious Capitalism Australia held its launch event. (Full details of the Australia chapter's founding are available in Appendix E.) Since then, the chapter program has expanded to include many chapters both in the United States and abroad as more and more individuals have expressed an interest in spreading the Conscious Capitalism message in their communities.

The chapter program does not have a long history to draw upon or a blueprint for what to do. It is new and evolving. We continue to iterate upon the program and experiment with new strategies for building the Conscious Capitalism movement.

4.2 Purpose of Chapters

CCI is a US-based 501(c)(3) nonprofit organization that seeks to elevate humanity through business by changing the way business is both done and perceived. To achieve this, CCI runs a diversity of programs and has created a system to include a multitude of individuals who wish to help CCI in that effort.

The chapter program is one of CCI's core organizing initiatives around both areas. On the one hand, it is a leadership structure that allows more individuals to participate in and support CCI's activities. On the other hand, it is a program run by CCI to advance the Conscious Capitalism philosophy.

Whereas CCI provides a vision, common principles, and coordination for the global Conscious Capitalism movement, the chapter program provides the infrastructure for the development of the movement on the ground in local areas. The purpose of each chapter is to build the Conscious Capitalism movement in a geographic area. This can be summarized as two things:

1. Building the community of Conscious Capitalists in the area who practice the philosophy in their businesses, which includes broadening and deepening the practice of Conscious Capitalism (i.e. spreading the philosophy to more people and helping them practice the philosophy more successfully).
2. Educating the wider community outside of business about Conscious Capitalism to change their perception of business/capitalism.

4.3 Metrics of Success

Building upon the types of value that the chapter program offers to the Conscious Capitalism movement, there are four principal metrics of success for each chapter:

1. Size of list-serve
2. Event attendance
3. Media coverage
4. Fundraising (although this is a means to an end, it is indicative of the chapter's ability to fulfill its purpose)

These metrics are not the end goal of each chapter. They are outputs of the chapter's work, not the outcomes that chapters should seek to implement. However, they are items that can easily be measured, tracked over time, and serve as leading indicators of the health and success of a chapter.

1. The size of a chapter's listserv indicates the immediate reach of a chapter's work. It is a key indicator of the size of the chapter, which is the basis by which the chapter can have an impact. A single evaluation of the number of contacts on a listserv does not provide much insight. However, tracking the growth or decline of a list-serve over time provides significant insight to the success of the chapter. Additional analysis of a listserv may be valuable to supplement this metric including qualitative evaluation of the people and companies on the listserv, how often people on the listserv read messages sent to them, conversion from listserv messages to actions, etc. It all starts, though, with measuring the size of the list-serve.
2. Events are the life of any chapter. Like the previous metric, a single evaluation of event attendance is not as important as tracking the directionality of attendance. Generally, if more events are being held and more people are coming out, the chapter is thriving. And generally, if fewer events are being held and few people are coming out, the chapter is waning. The increase or decrease in attendance at events is a significant indicator of the value of the events for attendees.
3. Unlike the previous metrics, each media hit is worth evaluating on its own because it represents the reach of the chapter beyond its normal membership/viewership. More media hits from larger outlets means more people are learning about Conscious Capitalism.

4. Fundraising may be a means to the ends of deepening the chapter's impact, but is critical to the chapter's ability to have an impact. Indicating the importance of it being included as one of the top measures.

Prior to 2016, CCI did not have metrics to evaluate chapters. This is the first iteration of an ongoing process to develop metrics and help chapters grow.

4.4 Organizing Principles

Conscious Capitalism chapters are conceived as independent, self-organizing entities affiliated with CCI and the Conscious Capitalism chapter network. To be recognized as such, chapters formally agree to the following principles, and to periodically report to Conscious Capitalism, Inc. on their activities and their ongoing alignment with these principles:

1. We support and actively advocate the Conscious Capitalism Credo: "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."
2. In the spirit of Conscious Capitalism, the leaders of Conscious Capitalism, Inc. and each Conscious Capitalism chapter commit to engaging with each other with conscious awareness and care, to cultivate trust and alignment.
3. We commit to embracing a spirit of curiosity and inquiry, always open to expanding our awareness and deepening our understanding of the idea and practice of Conscious Capitalism.
4. We encourage openness, honesty, and the courage to speak truth, even if it is difficult to speak or hear.
5. We seek and embrace diversity in its many forms.
6. We foster communities of inquiry and peer-to-peer learning.
7. We welcome as members all individuals, organizations, and associations who subscribe to the Purpose, Core Beliefs and Principles of the Conscious Capitalism Chapter Network and to the Rights and Responsibilities of Chapter members.
8. We maintain the highest standards of integrity and ethical conduct, prudent use of resources, and fair and accurate disclosure of information.
9. We are committed to and actively excited about organizational learning, adaptation, and evolution as an opportunity to achieve even greater impact.

4.5 Chapter Licenses

Each chapter, in accordance and alignment with the guidelines laid out in this handbook can:

1. Determine its own process of governance and decision-making in line with the guidelines laid out in this handbook.
2. Use the names Conscious Capitalism and Conscious Capitalism Chapter and related names, logos, and images within their community as outlined in the Chapter agreement.
3. Surrender its Charter so long as written notice is delivered to Conscious Capitalism 30 days prior to effective date.

4.6 Required activities of an Interim Chapter

1. Grow knowledge and understanding of Conscious Capitalism: Interim Chapter leads will do the required reading, view videos and attend events and encourage Interim Chapter members to do so as well.
2. Social Media: Interim Chapter leads will participate in existing Conscious Capitalism sites for online conversations posing questions they may have and supporting others to find answers to their own. Interim Chapter leads will encourage members to participate in these forums as well. (Facebook, LinkedIn, Twitter)
3. Establish Local Chapter Presence: Chapter leads will establish a Local Chapter social media presence where they will welcome members, post content and information about events, etc.
4. Host Events: Interim Chapters will host a minimum of 1 kick-off event prior to becoming a full-status Chapter. Events can include speaker events, social/networking gatherings, tour of a local business or similar.
5. Establish Website: Interim chapters will establish their own website using the template available from CCI. Interim chapter will provide information about their events to CCI to be posted on the Conscious Capitalism website.
6. Grow chapter's number of active members: A minimum of twenty members should be established before becoming a full status chapter. This information will be shared with CCI.

4.7 Moving from and Interim to Full Status Chapter

A full status designation indicates a chapter has established the infrastructure and stability required to maintain the operational and financial responsibilities of a Conscious Capitalism chapter. The process to obtain full status is outlined below:

7. CCI splits the annual chapter dues of \$2500 into two payments over the interim chapter's first year.
8. The interim chapter has 12 months from the date that the initial payment was received to achieve full status.

9. Full status is indicated when the final invoice of \$1250 is paid in full and the chapter has held at least one successful “kick off” event.
10. CCI issues one invoice in the amount of \$2500 to all full status chapters for annual chapter dues in January of each year. The billing cycle is independent of the date in which a chapter has achieved its full status.
11. If an interim status chapter is unable to pay the remaining balance within 12 months to become a full status chapter, the chapter Status Review Process is initiated.
12. 2017 full status chapter privileges:
 - a) Eligibility for Seed Funding to initiate projects
 - b) Prioritized access to new programming, events, and tools
 - c) Full status Chapters event partnership applications and requests are taken into account before interim status Chapters
 - d) Reimbursement of expenses up to \$1000 to the Chapter to send participants to the CC2017 Pre-Conference Chapter Leader Training in Philadelphia if chapter dues are paid on time
 - e) Specialized communication and listserv

4.8 Common Traits of Successful Chapters

While there are many factors that lead to the success of any chapter, there are several common features/activities of chapters that are most successful in the network that are worth identifying here.

The most successful chapters:

1. Sustain or increase their network base, and make the expansion of both their list-serve and event attendance throughout the year a priority.
2. Execute successful events that teach CC to members and their larger communities. This requires holding multiple events with different goals for different audiences.
3. Garner media attention for the Conscious Capitalism philosophy and community, which supports their efforts to expand.
4. Provide support for their members in understanding, embodying, and advocating Conscious Capitalism.
5. Actively recruit, train, and integrate new leadership into the chapter to provide new perspectives and establish ongoing sustainability.

Section 5. Expectations

5.1 Relationship between CCI and Chapters

The relationship between CCI and chapters is one of global and local collaboration.

CCI's goal is to play a unifying, standardizing, and supportive role while allowing individual chapters the autonomy to develop strategies and approaches to organizing that will be most successful for their team and area. This federated structure is easier said than done. The execution of this approach requires constant refinement and balance.

CCI unifies grassroots chapters around the globe with a common vision, goals, and principles. CCI standardizes best practices for chapters by creating a forum for chapter leaders to share their experiences with one another and codifying those practices that have consistently proven to be successful as expectations for all chapters. CCI supports chapters with assets ranging from intellectual capital to financial resources. Conscious Capitalism chapters take the goals established for the movement at large and have the responsibility to develop creative strategies to achieve those goals within the parameters established by CCI.

The following table provides a helpful breakdown of the relationship between CCI and chapters:

CCI's Role	Chapters Role
Provide a common vision for the movement and minimum goals for chapters.	Establish and execute a strategy to meet and exceed those goals to achieve the common vision.
Establish core principles that all leaders throughout the movement adhere to.	Teach the principles of Conscious Capitalism to others.
Provide resources and other support.	Utilize CCI's resources and make requests of additional resources that chapters would like to see developed.
Check in with chapters on their progress in achieving goals.	Communicate both successes and challenges with CCI so the former can be shared with others and CCI can assist with the latter.

5.2 Responsibilities of the Chapter

1. Act in accordance with the Core Beliefs, Purpose, Principles and any articles, bylaws, or operating procedures of the Conscious Capitalism chapter network and of the chapter.
2. Remain actively involved, and in communication with, Conscious Capitalism, Inc.
3. Engage with other chapters to learn from their experiences and share best practices.
4. Train new chapter leaders to ensure that there is a sustainable base of leadership for the organization.
5. Determine its own process of governance and decision-making in line with the expectations set by Conscious Capitalism, Inc.
6. Encourage and monitor that its own members act in accordance with the Core Beliefs, Purpose, and Principles and articles, bylaws or operating procedures of the Conscious Capitalism chapter network and of the chapter.
7. Actively work toward achieving the Purpose in accordance with the Principles.
8. Adhere to articles, bylaws, and operating procedures as they evolve.
9. Communicate best practices, stories, and highlights of activities with Conscious Capitalism, Inc. and other chapters.
10. Develop a financially self-sustaining model for its operations; including paying associated chapter dues to CCI on time.
11. Keep accurate and current records of its members, financial transactions, and activities. Share records with Conscious Capitalism, Inc. as reasonably requested.
12. To indemnify and hold the Trustees, Conscious Capitalism, Inc., its employees and representatives, harmless from any liabilities arising out of or in any way caused by the Chapter's breach of any provision of the Core Beliefs, Purpose, and Principles and articles, bylaws or operating procedures of the Conscious Capitalism Chapter Network and of the Chapter.

5.3 Limitations

1. Do not engage in lobbying of any kind for or against any politician, political party, or legislation. Conscious Capitalism, Inc. and all chapters are 501(c)(3) nonprofits that is prohibited from engaging in any such lobbying.
2. Do not organize as a for profit entity. Conscious Capitalism, Inc. is a 501(c)(3) nonprofit and requires all chapters using the Conscious Capitalism trademark to organize the same to simplify legal issues.
3. Do not misrepresent the Conscious Capitalism brand, philosophy, or organization in any way. Abide by CCI's Messaging Protocol and remain in regular contact with CCI to align messaging moving forward.
4. Do not make negative comments or disparaging remarks, in writing, orally, or electronically, about CCI or any of its affiliates and their respective products and services.
5. In the course of your work with CCI, you may, from time to time, be placed in a position of trust and confidence in which you receive and/or contribute to the creation of confidential and/or proprietary information related to the operations of

- CCI. Do not share any such information with anyone outside of CCI and seek to keep all confidential material as such.
6. All CCI chapters are required to abide by local, state, and federal laws of their territory.
 7. CCI will not tolerate unlawful discrimination (including any form of unlawful harassment or retaliation) on account of a person's sex, pregnancy, age, race, color, religion, creed, national origin, ancestry, citizenship, immigrant status, military status, veteran's status, disability, handicap, atypical heredity cellular or blood trait, genetic information, sexual orientation, gender identity, marital status, family status, domestic partner or civil union status or membership in any other protected group.
 8. CCI will not tolerate sexual or any other form of unlawful harassment
 9. Do not engage in any activity that would serve to hinder the reputation of Conscious Capitalism.

5.4 CCI Reservations

CCI reserves the right to do what it believes is in the best interests of the movement and chapters network, including any or all of the following to the degree deemed reasonable and appropriate solely determined by CCI:

1. Share models and best practices for setting up and operating chapters, and for running programs and events.
2. Share content and facilitate access to talent as appropriate.
3. Facilitate information sharing and learning between chapters.
4. Invite participation in Conscious Capitalism, Inc. events and programs.
5. Allow chapters to use Conscious Capitalism, CC, Inc.'s registered trademarked name.
6. Provide recognition and/or referrals to chapters.
7. Revoke a chapter upon written notice for deviation (as determined by Conscious Capitalism, Inc.) of Chapter's Responsibilities. Conscious Capitalism, Inc. may at its discretion provide 30 days for the chapter to cure any grounds for revocation.

5.5 Chapter Status Review Process

If a Full or Interim Chapter is in a position where it cannot meet financial or operational responsibilities the following steps will be followed:

Step 1: It is the Chapter Leader's responsibility to initiate a call with Conscious Capitalism Inc. to review barriers or challenges that are preventing the Chapter from meeting the basic financial or operational responsibilities.

Step 2: With consultation from Conscious Capitalism Inc. the Chapter Leader and Chapter Board will have the 2 weeks following the first call to develop a 90-day Strategic Action Plan that actively addresses how it will reestablish stability and meet the financial and operational responsibilities.

Step 3: The Chapter Leader sends the documented action plan to CCI. CCI will review and submits suggestions or revisions. Once both parties agree on the outlined steps, each signs off, and the Chapter is placed on “provisional” status for the 90 days that follow.

Step 4: The Chapter has 90 days from the sign-off date to put the strategic plan into place. Over this time the Chapter actively engages to show measurable improvement in its ability to fulfill financial and operational responsibilities.

Step 5: The Chapter Leader schedules a meeting to review results with CCI at/before the 90-day period closes.

Step 6: Based on the review of the results, CCI determines if the progress made by the Chapter indicates reinstatement to Full or Interim status:

If the Chapter is able to meet basic operational and financial responsibilities and indicates stability, the Chapter resumes to its original status.

If measurable improvement has not been shown, and the Chapter is unable to meet the financial responsibilities at the end of the 90-day period, CCI reserves the right to place the Chapter in Defunct status.

Ultimately, it is the responsibility of the Chapter Leader and Chapter Board to seek assistance and support from CCI in the event that it cannot meet its responsibilities. If a Chapter Leader or Chapter Board fails to initiate the Status Review Process within 30 days of an incident or indicator posing significant financial or operational challenges, such as being unable to pay yearly dues, Conscious Capitalism Inc. reserves the right to place the Chapter in defunct status until further notice.

5.6 Definition of Defunct Status:

A defunct status indicates a Chapter must discontinue all activity under Conscious Capitalism™

1. Scheduled events are to be cancelled.
2. The logo will be rescinded.
3. The use of existing website and email lists are to be retired.
4. The rights to any branded materials are revoked.
5. Chapter level discounts for Conscious Capitalism™ events will be revoked.
6. Defunct Chapters are welcome to reapply for active status in the future.
7. Defunct status indicates that the geographical area is available for Chapter development by alternative organizing individuals/parties.

6. Leadership Structure

6.1 Background

Each chapter is responsible for developing its own governing and leadership structure within certain guidelines from Conscious Capitalism, Inc. The information below will demarcate that which is mandatory and that which is advised.

6.2 A Chapter's Board of Directors

Every chapter is required to have a board of directors to serve as the principal governing council of the chapter. Each board must include a chairperson, treasurer, and secretary (and may include more individuals and/or positions). These individuals should be selected every year or every other year and serve for a term that ends with the calendar year. The names and contact information of each person filling one of these positions for the following calendar year are to be submitted to CCI during the annual review/planning process in December.

The board of directors may include more individuals and/or positions. It is advised that the immediate past chairperson of the chapter is a member of the board as well. Other positions that may be of service to the chapter include a vice chair, marketing officer, etc. These officers may or may not serve on the board, depending on the chapter's bylaws. The duties of a board of directors and officers are detailed in its bylaws.

The composition of the chapter's board will depend largely upon the needs of the chapter. However, a strong model developed over the years has been a minimum of a 50/50 split between business owners/executives and consultants (i.e. at least 50% of the board ought to be business owners/executives) to garner greater buy-in from the local business community.

The activities of each board will vary depending on the size, operations, and expectations of the chapter. At minimum, the board of directors ought to meet at least once per month to discuss and plan the affairs of the chapter. More may be requested, though, depending on the needs of the chapter.

6.3 Board Roles

While every board will have its own set of positions that it believes are important, three roles ought to be established at the outset and held by different individuals: chairperson, secretary, and treasurer. The breakdown of these responsibilities should include:

Chairperson. The chairperson is responsible for:

- a. Overseeing the effective functioning of the board. This includes being responsible for board meetings (including scheduling, setting the agenda, and running meetings).
- b. Reviewing the composition of the board (including being involved in the review of current board members and consideration of new board members).
- c. Ensuring the board fulfills its responsibilities.

Secretary. The secretary is responsible for the following:

- d. Certify and keep an electronic copy of all of the organization's records including, the chapter's bylaws as amended or otherwise altered to date, the minutes of all meetings of the directors and any committees, and lists of all the corporation's directors, staff, and agents including their contact information.
- e. See that all notices are duly given to directors in accordance with the law.
- f. In general, perform all duties incident to the office of secretary and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

Treasurer. The treasurer is responsible for the following:

- a. Work with others to develop the annual budget, as well as comparing the actual revenues and expenses incurred against the budget.
- b. Oversee the development and observation of the organization's financial policies.
- c. Keep the board regularly informed of key financial events, trends, concerns, and assessment official health in addition to completing required financial reporting forms in a timely fashion and making these forms available to the board.

6.4 Qualifications

Each officer and director should be a regular member of the chapter. All board members should be individuals who are passionate and committed to making their chapter vibrant.

All chapter officers and directors are encouraged to attend the Spring CC Conference. In addition, each person who serves as an officer should:

1. Have the skills needed to lead the chapter and rally the support of its members.
2. Be able to give the time and effort necessary to carry out the work of the chapter

- and lead its members;
3. Have been a member of the chapter for at least one year prior to nomination and have already made a substantial contribution of some kind to the chapter.
 4. Have attended at least one previous CCI Conference.
 5. Understand the chapter's bylaws.

6.5 Selection Process

The specifics of the selection process for a chapter's board of directors and officers are provided in each chapter's bylaws.

Selection of the board and officers should take place in either October or November to provide time for any training of new board members or officers prior to the start of their term in January and inform CCI. of the chapter leaders for the following year.

Chapters should change officers every 1-3 years to offer leadership development opportunities to more members and to implement different ideas. This best practice should be applied to membership on the board of directors, officer positions, and chairmanship of committees. In some cases, a chapter's best option may be to elect a member for multiple terms in an office; however, when it can be avoided, chapter officers should not be encouraged or expected to hold office for more than 5 years at a time.

6.6 Onboarding

Each chapter should hold an officer installation meeting at the beginning of each year to give officers and members an opportunity to renew and reaffirm their commitment to the chapter and to CCI.

Each new board member should go through an onboarding process prior to their induction to the board. The specifics of this process will vary by each chapter, but ought to include some combination of the following:

1. Read and discuss the contents of the Chapter Handbook.
2. Meet with previous members of the board to learn from their experience.
3. Attend at least one board meeting prior to their term in office solely to listen without participation.

6.7 Creating a High Performing Board

The keys to any high performing board are its people and their relationship with one another. This includes:

1. High standards for involvement (both recruiting and continuing leadership)
2. Regular meetings
3. An Annual Review of the board
4. Spend time together to build bonds (both during official meetings and social settings outside of those meetings)
5. Discuss both short-term and long-term issues facing the chapter
6. Establish clear expectations of both the board as a whole and individual directors
7. Be honest when people can't contribute

6.8 Volunteers

There are lots of ways for individuals to support and volunteer for the chapter without joining its board of directors. In fact, not everyone who supports the organization should be on the board. These positions should be limited to those who are active members of the community who would add significant value to the chapter in such a role.

Additional volunteer opportunities ought to be developed. Volunteers can be valuable assets when managed and utilized effectively. See Appendix A. A Theory of Volunteerism for guidance on how to best engage volunteers.

Section 7. Communications Guidelines

7.1 Context

As stewards of the philosophy and brand of Conscious Capitalism, the leadership team of Conscious Capitalism, Inc. recognizes our role and responsibility to foster clear and consistent representation of the ideas underlying Conscious Capitalism. Providing guidance to people using the name with our permission and in collaboration with the organization, such as leaders and members of Conscious Capitalism Chapters.

To this end we feel that diligence, oversight and ‘quality control’ are appropriate and necessary for the well being of the Conscious Capitalism movement.

7.2 Request: A Call for Responsible Attention

In this context, we ask that you exercise awareness and respect when you refer to or define Conscious Capitalism.

Many thoughtful and deeply engaged people have spent decades developing the ideas underlying Conscious Capitalism and testing them in practice in their businesses.

We ask that you start with the language and definitions that we publish and provide to you.

We encourage you to work diligently to understand and to practice the principles of Conscious Capitalism in your own work.

We ask you to consider and acknowledge the level of your experience with the ideas – in both theory and practice – and to let others know the level of your experience when you share information with them.

If you don’t have an answer, don’t try to answer. You can always refer people to CCI, or to the resources we recommend.

If you want to add to or change a definition, please check in with us.

If you find that others (in your Chapter, etc.) are not accurately or appropriately representing the ideas of Conscious Capitalism and the intention or activities of Conscious Capitalism, Inc. and of the Conscious Capitalism movement, please intervene or let us know.

7.3 Social Media Guidelines

CCI encourages chapters to establish their own accounts and use social media activity to enhance communication, collaboration, and information exchange to further chapter objectives.

Please Join or Follow Conscious Capitalism here:

- Online: www.consciouscapitalism.org
- Facebook: www.facebook.com/consciouscapitalism
- Twitter: www.twitter.com/consciouscap
- LinkedIn Groups:
 - Conscious Capitalism Movement:
<http://www.linkedin.com/groups/Conscious-Capitalism-Movement-3843393>
 - Conscious Capitalism Chapter Leads (Private group - e-mail
julie@consciouscapitalism.org)

Conscious Capitalism Chapter Social Media Brand Guidelines

- Conscious Capitalism is always capitalized.
- Your Chapter Name should be Conscious Capitalism Chapter/Location Name (each capitalized) or Conscious Capitalism Chapter Location (for LinkedIn).
- This disclaimer should be displayed on your About pages: The postings on this site do not necessarily represent the positions, policies, program, strategies or opinions of Conscious Capitalism, Inc.
- While social media is a great forum for more informal interactions, proper spelling and punctuation rules still apply.
- Likewise, affiliations, biases and sensitive topics are not to be addressed via your Conscious Capitalism Chapter social media accounts.
- Stick to Chapter relevant material.
- Do not endorse political candidates and/or parties.
- Engage. Respond to posts and mail. Ask questions. Delete spam. Keep an eye on your page.
- Keep it current. Keep the latest news about your Chapter and the Conscious Capitalism organization updated.
- Add value. Stay on topic.
- Correct your mistakes. If you make an error, be upfront and quick with your correction. You may choose to modify earlier posts – just make it clear you have made corrections.

Posting Ideas

- Feel free to share content from the Conscious Capitalism Inc. website or social media pages and feeds.



- Post pictures from your events.
- Link to Chapter activities in other media (ie: event sign-up pages, newspaper calendar listings, etc.)
- Quotes from Chapter representatives, event speakers or volunteers.
- Quotes from Conscious Capitalism books and event speakers.
- Chapter and organization event information.
- Poll questions.
- Gratitude to your members and volunteers.

If you have something noteworthy to share on the main Conscious Capitalism Facebook page or Twitter feed, e-mail info@consciouscapitalism.org the details and we'll do our best to expand the reach of your post.

Section 8. Events

The principal activity of each Conscious Capitalism chapter is events. Organizing regular events is not only a way of maintaining momentum, doing so is the means of building the community of Conscious Capitalists and attracting attention to the philosophy.

8.1 Goals

1. **Attendance** – How many people attended (did you meet your goals for the event)?
2. **Quality of Attendees** – What kind of people attended (e.g. CEOs, students, or community leaders)?
3. **Quality of Programming** – What are attendees taking away from the event (e.g. information or inspiration)?
4. **Media Attention** – How many people learned about the event who did not attend?
5. **Post-Event Impact** – What do people do after the event that advances the Conscious Capitalism movement? Examples might include starting a new business or adopting new approaches to an existing business.

8.2 Advice

Here are some best practices for running a successful event.

Marketing

1. Promote the event across multiple platforms.
 - a. Electronic newsletters
 - b. Facebook
 - c. Twitter
 - d. LinkedIn
 - e. Promotion from similar groups
 - f. Promotion from Conscious Companies in the area
 - g. Promotion from community groups
 - h. Flyer on campus (Hint: ask students to volunteer)
 - i. Meetup.com
2. Don't send a message once. Repeat the promotion over and over again.
3. Send out a press release to local media to invite them to attend and cover the event.
4. Provide full details of the event including title, date & time, location, and a short description on every piece of marketing material.
5. Request people to register for the event beforehand to track expected attendance and send email reminders to them beforehand. (Hint: People don't treat Facebook RSVP's as actual RSVP's, so don't rely upon them)

Pre-Event Communication

1. Send reminder emails to registrants and likely attendees leading up to the event, especially 1 week and 1 day beforehand.
2. Keep reminder emails brief, but include title, date & time, and location every time.
3. Include exciting information or updates in your reminder emails to avoid the messages from getting stale.
4. Encourage people to bring friends in reminder emails. (Hint: Give them the language they can use to persuade others to come)

Running the Event

1. Have nametags printed out.
2. Have beverages and snacks available.
3. Sign people in when they arrive so you know who showed up afterward. (Hint: If you do this electronically, you will avoid either (a) extra work for yourself after the event or (b) forgetting to do proper follow-up)
4. Expect attendees to arrive a few minutes late.
5. Don't let it just be a lecture for 60 minutes. Engage the audience.
6. Let people know about the next event at the end.
7. Invite attendees to get more involved with your chapter by making a donation or becoming a volunteer.
8. Network with as many attendees as possible. (Hint: Pay attention to people who are attending for the first time to encourage them to come back again)

After the Event

1. Keep a record of everyone who attended and their contact information so you can do the appropriate follow up and track how much people are involved over the course of the year.
2. Send a follow-up email the next day thanking everyone for attending, including any material you can share from the event, reiterating your invitation for them to donate or become a volunteer, and providing a link to the next event.
3. Do personalized follow-up with people you met, e.g. invite them to coffee to learn more about their interests and form a stronger connection.
4. Write up a blog post summarizing the event to preserve its key lessons and build up a repository of material that highlights the success of your chapter.

Other

1. Don't pay for space. Find a local business that supports Conscious Capitalism and ask them to donate space for your event.
2. Search for in-kind donations for the event like food and drinks to minimize your costs.

8.3 Sample Events

Here are some common events that Conscious Capitalism chapters have run in the past with great success:

1. **Ambassador Training** – Conscious Capitalism, Inc. will partner with any CC chapter to organize an Ambassador Training workshop for members of the chapter to learn the fundamentals of Conscious Capitalism and best practices for delivering presentations to other communities about the movement.
2. **Conscious Capitalism Workshop** – Conscious Capitalism, Inc. will partner with any CC chapter to organize a Conscious Capitalism workshop that helps local businesspeople get started on the journey to Conscious Capitalism.
3. **CEO Breakfast Series** – The Chicago chapter runs a CEO Breakfast every quarter to bring 15-20 CEOs of local companies together to meet and share their experiences with one another.
4. **Sum+Substance** (<http://sumandsub.com/>) – These are one night events that bring business leaders in the area together to inspire others.
5. **Business Leader Lectures** – Invite a prominent Conscious Capitalist either from the local area or elsewhere to talk about how they are applying Conscious Capitalism in their business.
6. **Academic Talk** – Invite an academic from the Conscious Capitalism community to come in and discuss some of the finer points of the philosophy.
7. **Panel Discussion** – Invite multiple speakers together to talk about putting a tenet of Conscious Capitalism into practice.
8. **Conference** – Organize your own conference around Conscious Capitalism, e.g. the New York Chapter organized a Conscious Investors Conference to garner greater attention in the finance industry of the area.
9. **Site Visits** – Get out into the real world and take people on a tour of a business that is practicing Conscious Capitalism.
10. **Socials** – You don't always need to have a speaker or panel. Sometimes it's valuable to just bring the community together to spend time with one another in a relaxed environment like a BBQ, holiday party, or Thursday night.

Section 9. Generating Revenue

Every chapter is responsible for its own fundraising. There are different models employed by chapters across the Conscious Capitalism network that have proven to be effective for different groups. It is worth considering which one will be best suited for your chapter and developing your own model for revenue generation that allows you to maximize your impact. It is also worth noting that these models are not mutually exclusive. A chapter can incorporate components of each model into its strategy for revenue-generation.

Model 1: Advocacy/Sponsorship

Following a more traditional nonprofit fundraising model, the Advocacy/Sponsorship approach provides programming and support to people in the community at low or no cost and relies upon supporters of the chapter making tax-deductible donations to cover the costs of the activities. While this may be a difficult strategy for some to employ as traditional nonprofit fundraising is challenging, it has proven highly effective for many chapters. The basic approach follows a simple, 3-step process:

1. Find people who support elevating humanity through business in your area.
2. Ask those people to make a donation to support the mission.
3. Keep those people informed of your progress and excited about the potential of the chapter to do more.

Hint: One way to think about this is an investment model, you are asking people to invest in the chapter and receive an ROI in terms of advancing your mission.

Model 2: Membership

Treat your chapter like a trade association and solicit individuals and businesses to join as members. This creates an expectation on the part of members that they will receive enough in return for their membership to make it worthwhile. It's important to establish early on what you believe those benefits will be and invest your energy throughout the year in providing those benefits to paying members.

Hint: One way to think about this is a long-term customer model. You are asking people to become long-term customers and receive certain benefits for doing so.

Model 3: Programming

Some chapters generate most of their revenue from the programs they run. This may come from event fees, leadership roundtables, book publications, or other activities.



Hint: One way to think about this is a short-term customer model, you are asking people to pay you for particular goods or services you provide them. Acquiring new and developing repeat customer loyalty is the lifeblood of the chapter.

Section 10. Long-Term Planning

Each chapter should create its own strategic and leadership plans to become a strong chapter. Past, current, and incoming chapter leaders should work together to customize a plan that incorporates current strengths and best practices such as these:

1. Developing annual goals and a plan to achieve them in conjunction with CCI.
2. Creating a long-term plan for strengthening the chapter.
3. Ensuring chapter leaders understand their specific responsibilities, are effectively prepared to fulfill them, and are in communication with other chapter leaders to leverage them.
4. Delegating responsibilities for the chapter beyond a handful of individuals.
5. Actively seeking out and developing new chapter leaders to take on responsibilities both in the present and future.
6. Providing for long-term chapter stability through succession planning.
7. Fostering friendships by holding social events for members.
8. Actively participating in the global Conscious Capitalism community by attending events hosted by other chapters and Conscious Capitalism International.
9. Actively reaching out to every member in the chapter as an individual and providing them with opportunities to become more involved in Conscious Capitalism.
10. Offering regular, consistent events for members.

Appendix A. Additional Resources

A.1 Read

- *Conscious Capitalism: Liberating the Heroic Spirit of Business* by John Mackey and Raj Sisodia
- *Firms of Endearment* by Raj Sisodia, David Wolfe, and Jag Sheth
- *Everybody Matters* by Raj Sisodia
- *It's Just Good Business: The Emergence of Conscious Capitalism & The Practice of Working for Good* by Jeff Klein Watch
- *Uncontainable* by Kip Tindell

A.2 Watch

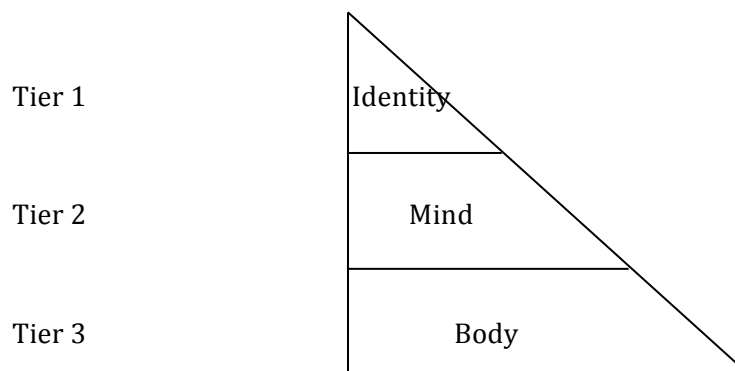
- Conscious Capitalism Overview - <http://vimeo.com/105931516>
- The Four Tenets of Conscious Capitalism:
 - Higher Purpose - <http://vimeo.com/125928165>
 - Stakeholder Orientation - <http://vimeo.com/125928166>
 - Conscious Leadership - <http://vimeo.com/125927996>
 - Conscious Culture - <http://vimeo.com/125927899>
- It's Not Corporate Social Responsibility - <http://vimeo.com/55503943>
- Everything at <http://vimeo.com/consciouscapitalism/videos>

A.3 Attend

- We highly recommend that you come to our Annual Spring Conference and/or other related events.
- If you are the CEO or President of a company with annual operating revenues of \$5MM or more, consider attending our annual CEO Summit.

Appendix B. A Theory of Volunteering

To fully understand how to run a successful organization, a comprehensive and coherent theory of volunteering must be established. Why should people give up their time to work with you, on your project, rather than something else? How can they be best utilized by the organization? What organizational structure will maximize the value produced by the volunteers? This section's rhetoric is of volunteering, which is most appropriate for describing how to get individuals to put forth effort with few tangible rewards in a nonprofit organization, but it applies to the various motivations people have for dedicating their time to any type of organization. There are three different types of volunteers that can be illustrated according to this pyramidal scheme:



(Note: This pyramid is the inverse of the Hayekian Structure of Production. On the Volunteer Pyramid, the ultimate volunteer is at the top of the pyramid.)

What is important to note is that not all individuals will reach the third and final tier of volunteerism. Some will make it to the second tier, but not be willing or capable of making their identity the organization. Most won't even go past the first tier, looking for direct commands on how to support the cause, but failing to provide more than their time and body to the cause.

Tier 3 Volunteers

Tier 3 individuals are at the base of the volunteer pyramid because they are the most common type of volunteer. They are willing to dedicate their body to the cause through menial tasks that do not involve creative thinking or significant mental energy. This is not a criticism of individuals at this level, but an explanation of their best fit into the organization's leadership.

The paradigmatic Tier 3 individual is passionate about the mission of the organization, but ignorant of either the intricacies of the philosophy of liberty or strategy for how to affect social change. This is most common in new volunteers because they are simply unfamiliar with the organization and cannot determine how to put their skills to use.

They might also simply not have the time to move up the volunteer pyramid. It's important not to ignore these individuals. By getting them to volunteer for a few hours, you make them feel like they are part of the organization and the cause. Not only will this make them appreciate the cause more, but it may lead them to value the organization more and offer to get involved in the future.

The types of tasks you should give them should be as straight-forward and step-by-step as possible (i.e. a checklist or simple instructions for a single task). Flyering is a great task for Tier 3 volunteers. However, make sure you don't just ask them to flyer. Give them instructions on where to flyer, how many flyers should go up, and any details of the way the flyers should be placed. The more specific you can be, the better.

Tier 2 Volunteers

Tier 2 volunteers are willing to go beyond using their bodies to using their minds to better the organization. They are willing to strategize about projects or even organize events themselves. They are capable of both critically evaluating what the organization is doing and constructively developing it.¹

Do not give total authority over a project to a Tier 2 volunteer. While they are willing to organize a single event and have the skill set to get the job done, because they do not associate their identity with the organization, they may run the project in a way detrimental to the organization. They may not account for the branding or image of the organization because they are not as familiar with it. They may cut corners that they consider inconsequential, but which might actually undermine your purpose for running the event because they don't have the same end in mind. The best strategy is to delegate responsibilities to Tier 2 volunteers, but have a Tier 1 volunteer provide oversight to make sure things are running smoothly and fulfilling your expectations.

Just because someone offers to organize an event or says they have lots of time to help out does not mean they are a good Tier 2 candidate. These are prerequisites, but there are other qualities you should look for in Tier 2 leaders. These include creativity, past experience, an understanding of the purpose of the project, professionalism, and trustworthiness.

¹ Lots of individuals will provide criticism and think they are helping the organization. However, so long as their criticism is strictly negative, providing feedback on what you should not be doing, they are offering little support. They are not Tier 2 individuals. They are not on the scale at all because criticism is only valuable if it is accompanied by plausible solutions to that criticism. Unless the individual provides criticism, offers a solution, and then volunteers to implement that solution, do not consider them a valuable contributor.

Tier 1 Volunteers

The highest level of volunteers for an organization go from just donating time, body and mind, to developing *identity* with the organization. When someone asks them, “What do you do?” their first response is, “Conscious Capitalism”.

Tier 1 individuals understand the vision of the organization, creatively critique and construct the strategy for advancing the organization, and spend a significant amount of their time thinking about the organization. Tier 1 individuals spend time visualizing their work for the organization, predicting possible events that will occur and envisioning how they would respond to those events.

A person who is ready to volunteer their body, but not their mind, will not be able to successfully organize an event that takes significant planning. You should not rely on a person who only offers to organize a single event. Remember that an organization is driven by its Tier 1 volunteers: it will not succeed without the right people in the right positions of leadership.

The Lesson: Do not give all volunteers or leaders the same amount of responsibility. Honestly assess what tier of volunteer they are and give them responsibilities commensurate with that tier. Giving individuals too much responsibility when they are not qualified threatens the projects they are responsible for and the stability of the organization and will most likely only serve to overwhelm and discourage. Giving individuals too little responsibility when they are qualified for more will leave them disappointed and disheartened with the organization. Treat Tier 3 volunteers as Tier 3 and Tier 1 volunteers as Tier 1.

Appendix C. Sample Bylaws

Note: These are based on California law and should not be copied verbatim without consulting laws for your territory.

BYLAWS
of
CONSCIOUS CAPITALISM SAN DIEGO
A California Nonprofit Corporation

I. ORGANIZATION

- 1.1 Name. The name of the Corporation shall be: CONSCIOUS CAPITALISM SAN DIEGO (the “Corporation”).
- 1.2 Fiscal Year. The fiscal year shall begin on January 1st and end on December 31st.
- 1.3 Classification. This Corporation is organized and operated exclusively for public benefit charitable purposes within the meaning of Section 501(c)(3), Internal Revenue Code.

II. PURPOSE

- 2.1 Purpose. The purpose for which this Corporation has been organized: Conscious Capitalism San Diego fosters the adoption of Conscious Capitalism and activates the potential of San Diego businesses to maximize value for their company and all stakeholders by providing information, education, and community.

III. LIMITATIONS

- 3.1 Nonpartisan Activities. This Corporation has been formed under the California Nonprofit Corporation Law for the purpose described in Article 2, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the corporation shall consist of publication or dissemination with the purpose of attempting to influence legislation. The corporation shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.
- 3.2 Prohibited Activities. The Corporation shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described in Article 2. The Corporation may not carry on any activity for the profit of its Officers, Directors or other persons or distribute any gains, profits or dividends to its Officers, Directors or other persons as such. Furthermore, nothing in Article 2 shall be construed as allowing the Corporation to engage in any activity not permitted to be carried on (i) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended or (ii) by a corporation, contributions to which are deductible under section 170(c)(2) of the Code.

IV. DEDICATION OF ASSETS

4.1 Dedication of Assets. The properties and assets of this nonprofit corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member, director or officer of this corporation. On liquidation or dissolution, all remaining properties, assets, and obligations of the corporation shall be distributed and paid over to an organization dedicated to charitable purposes consistent with the purposes and mission of the Corporation, provided such organization continues to be dedicated to the exempt purposes as specified in Section 501(c)(3) of the Internal Revenue Code. Selection of organization(s) shall be selected by Board resolution prior to liquidation or dissolution.

V. OFFICE

5.1 Principal Office. The Corporation's principal office for its transaction of business is located at 5452 Caminito Herminia La Jolla, California 92037 or at such other location as the Board of Directors shall determine.

5.2 Change of Address. The Board of Directors (the "Board") may change the location of the principal office.

VI. MEMBERSHIP

6.1 Members. The Corporation shall have no members. Any action which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the Board. All rights which would otherwise vest in the members shall vest in the members of the Board (the "Directors").

VII. DIRECTORS

7.1 Powers. The Corporation's Board shall exercise its power and authority to manage and direct the business and affairs of the Corporation in their entirety. The Board shall have full discretion and authority to engage in any business, adopt any policies and make any decisions that are in accordance with the Articles of Incorporation, these internal regulations (the "Bylaws"), and governing laws, all as they may be amended from time to time.

7.2 Number of Directors. The authorized number of Directors shall be not less than three or more than twenty-five. No more than 49% of California Board Members can be "Interested Persons." An interested person is (1) any person being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into

by the Corporation.

7.3 Selection and Term of Office. Directors shall be selected by the Board. Each Director shall hold office for a designated term and/or until a successor has been designated and qualified. There is no maximum tenure for Directors. Directors will be elected to staggered terms based on approximately equal groups to serve terms to be set during each election year with the aim of not more than 1/3 of eligible Board Directors being elected in a given year. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which he or she was elected and until the election and qualification of a successor, or until that Director's earlier resignation or removal in accordance with these Bylaws and California Nonprofit Corporation Law. The Board Chair position need not reapply, the term is indefinite and will be held only by the Founder.

7.4 Vacancies. Vacancies on the Board shall be filled by approval of the majority of the Board or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office, (2) the affirmative vote of a majority of the Directors then in office at a meeting held according to notice requirements, or (3) a sole remaining Director. A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation, or removal of any Director, or if the authorized number of Directors is increased.

7.5 Election, Resignation and Removal of Directors. Subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, any Director may resign upon giving written notice to the Chair of the Board, the Secretary, or the entire Board. For election of Directors, a confidential and anonymous ballot shall be provided. A majority vote is required for the election of Directors. At any regular or special meeting, if a majority so requires, any question may be voted upon in the manner and style provided for election of Directors. Any Director may resign at any time on written notice to the Corporation without prejudice to the rights, if any, of the Corporation under any contract to which the Director is a party. At any duly authorized meeting of the Board, any Director may be removed, with or without cause, providing that written notice is given that the removal of one or more Directors will be considered at that meeting, and providing that the majority of the remaining Directors then entitled to vote at an election of Directors votes in favor of the removal.

7.6 Voting. At all meetings, except for the election of Officers and Directors, all votes shall be made by voice or ballot. Directors do not need to be physically present to vote. Voting by way of telecommunication and electronic ballot is permitted per the procedures outlined in these bylaws. However, Directors may not vote by proxy. A majority vote is required in order for all votes to be approved unless otherwise specified herein. Directors may participate in any meeting of the Board in person, or by means of conference telephone, video conferencing or similar electronic communication equipment by means of which all persons participating can hear each other at the same time. Participation by such means shall constitute presence. There may not be any non-voting members on the Board. However, the Board may involve non-Directors in Board meetings. Such a person may



express opinions about matters up for discussion, present reports and be involved in the logistics of organizing Board meetings, such as notification and setting the agenda. However, non-Directors may not be counted toward meeting voting requirements or quorum requirements.

7.7 Meetings. The Board shall hold regular meetings quarterly for the transaction of any necessary business and may elect to hold more frequent meetings with appropriate notice given as outlined herein. Each year, at the last regular meeting of the calendar year, the Board shall decide on and publish the meeting dates and places for the regular meetings for the next calendar year. The election of Directors and/or appointment of Officers for the upcoming calendar year shall also be conducted at the last regular meeting of each calendar year. Special Meetings may be called by the Chair of the Board, the President or by any two (2) Directors. Directors may participate in any meeting of the Board in person, or by means of conference telephone, video conferencing or similar electronic communication equipment by means of which all persons participating can hear each other at the same time. Participation by such means shall constitute presence.

7.8 Place of Meeting. Regular meetings shall be held at the principal place of business or such other place that may be designated by the Chair of the Board or President.

7.9 Notice of Meetings. No notice need be given of any regular meeting of the Board, in accordance with the procedures outlined in these bylaws; however, for efficiency, the minutes from the meeting prior, together with pertinent background information will normally be distributed to each Director not less than five (5) days in advance of each regular meeting. Written notice of Special Meetings shall be served upon each Director by any means reasonably calculated to provide actual notice, including, among others, by hand, by facsimile, by electronic mail or by regular mail addressed to him or her at his or her last-known address, sufficiently in advance of the meeting to reasonably allow participation. Notices of Special Meetings shall specify the time and place of the meeting and the business to be transacted. At any meeting at which all Directors shall be present, although held without notice, any business may be transacted which might have been transacted if the meeting had been duly noticed. Attendance at or participation in a meeting shall constitute a waiver of any defect in notice, unless the Director specially appears solely for the purpose of objecting to notice.

7.10 Quorum. A majority of the authorized number of Directors constitutes a quorum of the Board for the transaction of business. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

7.11 Adjournment. A majority of the Directors present at the meeting, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of the adjournment to another time or place must be given to the Directors who were not present at the time of adjournment.

7.12 Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting only if all members of the Board unanimously consent in

writing to the action. “In writing” shall include consent written via electronic communication. The consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board. These actions can include execution of Board committee activities, as outlined in approved Board committee quarterly and annual plans.

7.13 Rights of Inspection. Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the Corporation of which such person is a Director.

7.14 Committees. The Chair of the Board, subject to approval of a majority of the Board, shall have authority to appoint standing and/or ad hoc committees and advisory committees. Only Directors may serve as members of committees that exercise Board power. However, the Board may create advisory committees, which do not have authority to act for the Board, and both Directors and non-Directors may serve on these committees. In exercising their fiduciary duties, Directors may rely on information prepared or presented by advisory committees composed of non-Directors. Committee Chairs shall perform the duties generally assigned by the Chair of the Board, the President and/or the Board.

7.15 Fees and Compensation. The Directors of the Corporation shall not, solely by virtue of their positions as Directors, be entitled to receive, directly or indirectly, any salary, compensation or emolument from the Corporation. However Directors can be reimbursed for any expenses incurred on behalf of the Corporation. Nothing in this provision shall prevent an employee or consultant of the Corporation who is also a Director, from receiving fair compensation for services rendered to the Corporation as an employee or consultant. The salaries of Officers or staff, if any, shall be fixed from time to time by resolution of the Board. The

Board shall periodically review the fairness of compensation, including benefits, paid to every person.

VIII. OFFICERS

8.1 Officers. The officers of the Corporation (“Officers”) shall be either a President or a Board Chair, or both, a Secretary, and a Treasurer or chief financial officer, or both. Other than the Board Chair, these persons may, but need not be, selected from among the Directors. The Board shall have the power to designate additional Officers, including a Vice President, with such duties, powers, titles and privileges as the Board may fix, including such Officers as may be appointed in accordance with the Bylaws. Any number of offices may be held by the same person, except that the Secretary, the Treasurer and the chief financial officer (if any) may not serve concurrently as either the President or the Chairperson. An individual who holds more than one office in the Corporation may act in more than one capacity to execute, acknowledge or verify any instrument required to be executed, acknowledged or verified by more than one Officer.

8.2 Election, Resignation and Removal of Officers. The Officers of the Corporation shall be

chosen as vacancies become available and shall serve at the pleasure of the Board. Any Officer may resign at any time on written notice to the Corporation without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party. At any duly authorized meeting of the Board, any Officer may be removed, with or without cause, providing that written notice is given that the removal of one or more Officers will be considered at that meeting, and providing that the majority of the Directors votes in favor of the removal.

8.3 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to the office, provided that vacancies shall be filled as they occur and not on an annual basis.

8.4 President. The President shall, if present, preside at all meetings of the Board, and shall exercise and perform other powers and duties as may be prescribed by the Board or the Bylaws. If the Board designates both a Chairperson and a President, the Board shall, by resolution, establish the specific duties carried by each position.

8.5 Secretary. The Secretary shall keep or cause to be kept, at the principal office or other place ordered by the Board, a book of minutes of all meetings of the Board and its committees, with the time and place of holding, whether regular or special, and if special, how authorized, the notice given of the meeting, the names of those present at Board and committee meetings, and the proceedings of the meetings. The Secretary shall keep, or cause to be kept, at the principal office in the State of California, the original or a copy of the Corporation's Articles and Bylaws, as amended to date. The Secretary shall give, or cause to be given, notice of all meetings of the Board and any committees of the Board required by these Bylaws or by law to be given, and shall have other powers and perform such other duties as prescribed by the Board. In absence or disability or refusal to act of the Chair of the Board, the Secretary shall perform all the duties of the Chair of the Board and when so performing shall have the powers of and be subject to all the restrictions of the Chair of the Board. In the absence of the Chair of the Board, the Secretary shall preside at all meetings of the Board.

8.6 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation. The books of account shall at all times be open to inspection by any Director. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation with depositaries designated by the Board. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board, shall render to the Directors, whenever they request it, an account of all transactions as Treasurer and of the financial condition of the Corporation, and shall have other powers and perform other duties as prescribed by the Board.

8.7 Chair of the Board. The Chairperson of the Corporation (the "Chair") shall, if there is no President, in the President's absence, or as otherwise specified in the specific duties

outlined in the position description, preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him or her by the Board or prescribed by these Bylaws.

IX. OTHER PROVISIONS

9.1 Authority to Bind the Corporation. Subject to the provisions of applicable law, any contract or other instrument in writing entered into between the Corporation and any other person, when signed by any one of the Chair of the Board, the President, the Secretary, or the Treasurer shall be valid and binding on the Corporation. Unless so authorized by the Board, no Officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

9.2 Indemnification. To the fullest extent permitted by law, this Corporation shall indemnify its Directors and Officers, and may indemnify employees and other persons, including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any proceeding, including an action by or in the right of the Corporation. On written request to the Board by any person seeking indemnification, the Board shall promptly decide whether the applicable standard of conduct has been met and, if so, the Board shall authorize indemnification.

9.3 Conflict of Interest.

If an issue is to be decided by the Board that involves a potential conflict of interest for a Director, it is the responsibility of the Director to:

- a. Identify and fully disclose all material facts relating to the potential conflict of interest.
- b. Not participate in discussion of the issue or motion being considered.
- c. Not vote on the issue.

It is the responsibility of the Board to:

- a. Only hire or contract with the Director or the Director's close relative if he or she is the best qualified individual available, and willing to provide the goods or services needed at the best price.
- b. Record the potential conflict of interest and the use of the procedures and criteria of this policy in the Board Meeting minutes.
- c. The Board Meeting minutes shall contain:
 - i. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.
 - ii. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

9.4 Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

X. AMENDMENTS OF BYLAWS

10.1 Amendments by Board of Directors. A two-thirds majority of the Board shall have the power and authority to amend, alter or repeal these Bylaws in whole or in part, and new Bylaws may be adopted by a majority of the members of the Board then present and entitled to vote at a duly constituted meeting of the Board. The Board shall have no authority to adopt Bylaws inconsistent with the Articles of Incorporation or the Corporation's charitable purpose.

CERTIFICATE OF THE SECRETARY of CONSCIOUS CAPITALISM SAN DIEGO

I hereby certify that I am the duly elected and acting Secretary of said Corporation and that the foregoing Bylaws, comprising eight (8) pages, constitute the Bylaws of said Corporation as duly adopted by resolution of the Board of Directors on 17 August 2016, and effective as of the date of incorporation.

[Signature]

[_____] , SECRETARY
Bylaws of CONSCIOUS CAPITALISM SAN DIEGO

Appendix D. Guidelines for Board Members

As a Board member Conscious Capitalism X Chapter (CCX) I am fully committed to the vision and work of the organization and am dedicated to carrying out its mission. I understand that as a member of the Board I have the following responsibilities:

1. To ensure that the organization has the necessary funds to advance its mission;
2. To give as substantial a financial donation as possible and to actively engage in fundraising in whatever ways are best suited for me and most effectively serve the purposes of CCX;
3. To support volunteers and staff, and encourage them to grow professionally and personally.
4. To know as much as I can about CCX and its vision for the future;
5. To be an ambassador for the organization and as such, to participate in promoting the image of the organization and raising funds for the organization;
6. To participate in strategic planning for CCX, to evaluate results of the organization and ask appropriate and searching questions about the organization's goals and the staff and Board performances;
7. To attend Board meetings, be available for phone consultation, and serve on a committee when asked; and
8. To uncompromisingly stand for the Conscious Capitalism Credo, "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."

Among the Boards I serve on, I shall consider my work with CCX to be a top priority, one of the top three boards that I serve on.

If I am not able to meet these obligations as a CCX Board member, I understand that I may be asked to offer my resignation.

In signing this document, I understand that no quotas are being set, and no rigid standards of measurement and achievement are being established. Every Board member makes a statement of faith to be a partner with every other Board member to strive for the success of our great cause. We trust each other to carry out the above agreements to the best of our ability.

Appendix E. Australia Chapter Formation Story

By Amy Powell

I am one of the co-founders of Conscious Capitalism Australia, and I would like to share the steps we have taken to build a chapter and a community in Australia over the past 2 years. Originally, I wrote this as a LinkedIn post, and therefore it has a personal feel to it. I'm keeping to that tone; this is not presented as "How To" set up a Conscious Capitalism chapter. It is simply a description from my own perspective of the journey we have been on.

I've broken down the story of the development of Conscious Capitalism into stages. It should be noted that these only became "stages" in hindsight! Throughout our start-up, our journey has tended to look something like this:

- Figure out what we want/need to do next
- Take a deep breath, and
- Plunge in and do it, learning how as we go

Despite – or maybe because of - the organic nature of our development, we have had some great results. I would like to particularly acknowledge the vision, gutsiness and commitment of Kate Walker, who started it all here originally. Without Kate, none of this would be happening. It has been an honour to work by her side. Here's how we did it.

Our Stages:

Stage 1.	Incubating Conscious Capitalism in Australia
Stage 2.	Launching with our first event
Stage 3.	Creating our Community
Stage 4.	Becoming a Conscious Capitalism Chapter
Stage 5.	Events and Initiatives
Stage 6.	Forming our Board, and clarifying our Purpose and Strategy.

Stage 1. Incubating Conscious Capitalism in Australia.

In May 2011, having been inspired by **Firms of Endearment**, I attended my first Conscious Capitalism Conference in Boston. At the conference, I learned from Julie van Amerongen that Kate Walker (Owner and Manager of a Sydney-based Creative Agency called "human"), who had previously attended the previous two CC CEO Summits, had started up an incubator group with the objective of bringing Conscious Capitalism to Australia. As soon as I returned to Australia, I met Kate, and she invited me to join that little group. They had already created a vision and a high-level strategic plan. Kate, together with others, had even written a book about Conscious Capitalism called "Touchy-Feely Tree-Hugging Bullsh#t (and other successful ideas from the world's most inspiring businesses)." I felt very aligned with what they were doing, and made a commitment to spend one day a week of my time supporting Kate and the group in bringing the vision to life.

In the early days, we spent time together over several months talking and dreaming, imagining a website and a community and powerful public events. We had plans to present case studies of Conscious Capitalism-aligned organisations, find Australian Ambassadors who would speak in public about these ideas, connect with business academics, create tools and road maps, and generally provide as much information as we could to as many people as possible.

Late in 2011, we decided it was time for the rubber to hit the road! We began to imagine a wonderful launch of Conscious Capitalism to the Sydney business community. We approached Raj Sisodia to see if he could come to Sydney at some point, and discovered that he had plans to be in the general region and could divert his itinerary to Sydney in May 2012.

We were making a commitment; planting the flag of Conscious Capitalism in the Antipodes. This was going to become real.

Stage 2. Our Launch Event.

Once we had confirmed that Raj could come to Australia, we started work on creating an event that would serve to raise awareness about Conscious Capitalism in the business community, and also help us to identify people who were deeply interested in these ideas and willing to help us co-create Conscious Capitalism Australia. The event was scheduled for May 1st, 2012.

Our incubation group, after some discussion, agreed that we would hold a business breakfast in the morning, as a public event. The breakfast was all Raj: Giving a 70-minute presentation on Conscious Capitalism, followed by a 10-minute Q&A. We saw this event as the "What" and the "Why" of Conscious Capitalism.

This was to be followed by a Master Class on Conscious Capitalism, for the remainder of the day. This was more about the "How": aimed at people who wanted to deeply understand and practice the principles. We identified local Australian speakers who could give 30 minute presentations on each of the Four Pillars. We also had a CEO panel representing companies we had identified as aligned to these ideas, with a Q&A for them. Raj hosted the Master Class, ran our session on Stakeholder Integration, and answered questions throughout the day.

In terms of marketing; we had a group of four people who worked on creating and marketing the event. None of us had experience with public events on this scale. We talked to everyone we knew who knew about running events, and got lots of advice!

Given that Conscious Capitalism didn't yet have a high profile in Australia (Most of the companies featured in **Firms of Endearment** have no presence here) we decided that we

should hold the event in an upscale, contemporary venue, showing that Conscious Capitalism was, in fact, a mainstream movement for aspirational businesses.

We used our "connector" friends to help us sell tables as much as possible, rather than individual tickets. Several corporates bought tables, and consultants also bought tables, inviting their clients. Our little team invited everyone we knew! In the end we had 330 people at the breakfast event (33 tables of 10) with about 45 people attending Master Class.

We also organised PR and Social Media around the breakfast, with media interviews for Raj. While the PR was good for our profile, we had an epiphany immediately prior to the event: Looking at our list of people attending, we realized that almost the entire audience represented 2 degrees of separation: They were either the people WE knew, or the people THEY knew. The power of personal connections!

Both the breakfast event and the Master Class were professional, inspiring, and packed with new ideas, and went off virtually without a hitch on the day. Much of the smooth execution had to do with the wonderful organization skills of Tanja Perl, who worked part-time on the project.

We used the Master Class to identify people who wanted to be a part of Conscious Capitalism going forward, and that was the beginning of the formation of our community; coming up next.

But before that, I should answer a question that is often asked: "Did we make a profit from our first event?" The answer: No. We didn't make a profit (and in fact lost money). That was ok ... for the time being. Our primary goal was to raise awareness: To "light the fire" as we often put it in those days. Just as a visionary fledgling business rarely breaks even from day 1, neither does a visionary business movement. But that would change in the year to come.

Stage 3. Creating our community

Post-Launch, the next step was creating our community. After discussing our aims, we decided that we needed to have a number of overlapping communities. We identified these groups as:

- Our General Members: All those who are interested in Conscious Capitalism and want to learn more. We see this group as the people we are here to serve: the general business community. Our aim is to inspire, connect, and support this group. General Membership is free, and open to anyone.
- Our Founding Members: These are the people who are prepared to contribute to Conscious Capitalism Australia both financially and through resources and personal

action. These are the passionate, committed people who will work together to make it all happen.

- **Our Grassroots Communities:** Almost as soon as we launched, there was an immediate demand for live communities to form interstate. We have identified two state communities initially: in Victoria and Western Australia (these were chosen because two Founding Members who attended the launch and Master Class have volunteered to be our community leaders in those states). We also are in the process of establishing a Youth Community, specifically targeting under-30s. Two of our Founding members have volunteered to lead that group.

Events and initiatives for our communities:

For our General Members, we have created a community-oriented website (www.consciouscapitalism.org.au) that provides case studies, profiles of members, articles, reading, videos and other resources, and information on events that are aligned with Conscious Capitalism in Australia, the US, and globally. We also have offered our first “Conscious Capitalism 101” sessions, conducted as in-person group sessions and as webinars. These sessions are aimed at people who have had little or no exposure to the principles of Conscious Capitalism, to give them a better understanding of the movement and our aims.

Our Founding Members will have 3-4 gatherings per year, including “download” sessions from those who attend the Boston CCI Conference and the Austin CEO Summit. At least one of our Founding Members’ gatherings will be an overnight retreat; to create a bonding, shared experience for our Founding Members. We conducted our inaugural Founding Members’ Forum, a 1 ½ day retreat, in September 2012, with 31 (out of 36!) of our Founding Members attending. We generated ideas and actions for the group, and each individual Founding Member made specific commitments. Our Founding Members have offered amazing contributions, including legal advice, financial management, and advice on governance and infrastructure.

Our Community Leaders went through an incubation period similar to the one described in a previous post: spending six months deepening their understanding of Conscious Capitalism and developing plans for the initiatives/events they would like to undertake. They have come up with some great ideas! The community leaders meet monthly, via skype, to share ideas and progress.

Finally, to assist us in funding our activities, three organisations that are strongly aligned to Conscious Capitalism have stepped up and become Partners, offering financial contribution, resources, and time.

Stage 4. Becoming a Conscious Capitalism Chapter

From the start, one of our goals had been to become an official part of the Conscious Capitalism movement; a genuine extension of the US group. Initially, this was challenging, as the US group had not yet established any sort of framework for chapters; as such, we were a bit premature in our request. After some discussions with Doug Rauch, CEO of Conscious Capitalism Inc., the leaders of the movement decided to work with us to create a chapter in Australia.

Jeff Klein, one of the founders of Conscious Capitalism Inc, created (with input from others) an agreement that would govern our relationship with Conscious Capitalism Inc. Using the principle of “Chaordic Relationships” as outlined in Dee Hock’s book *One From Many* (about the creation of the original Visa Corporation), the agreement gave us considerable freedom to create an organisation that would thrive in an Australian business environment. While we were a bit surprised at the latitude we were given, we have found that the freedom enables us to be nimble, and to creatively shape and guide the Australian organisation without having to go back to ask the CCI board for permission for every local decision we need to make.

As a result of our Chapter Status granted in August 2012, we are able to use the Conscious Capitalism name and logo, and we have linked our own “Aussie-Flavoured” website to that of the US, thus maximising our resources and information for our target groups.

Stage 5. Events and Initiatives from launch in May 2012 through April 2013 (time of this writing)

Many of these events shown below required considerable work behind the scenes. Sometimes it feels like a small miracle that we have been able to achieve everything outlined in this section! How much time is required? Kate Walker dedicates at least two days a week to Conscious Capitalism on a regular basis, doing this without payment and in addition to running her own business. The 2 days can spike to almost full-time just prior to a significant event. As I indicated earlier, I spend (on average) one day a week on Conscious Capitalism, again with huge spikes when we have big things happening. We have one part-time employee, Tanja Perl (our project manager), who is paid by Conscious Capitalism Australia. In addition, our Founding Members assist us in a variety of ways.

The events and initiatives over are shown below, commencing with our launch.

May 2012

- Raj Sisodia Breakfast Event
- Master class, hosted by Raj Sisodia, on the Four Pillars.
- Amy Powell attended the Boston Conscious Capitalism Conference.

June 2012

- Initial meeting with those who have volunteered to lead interstate communities
- After-work drinks event, with a pre-launch of our website and a download from the May Boston Conference for potential Founding Members

July 2012

- Ran our first “Conscious Capitalism 101 session” for those who haven’t yet been exposed to Conscious Capitalism.

August 2012

- Became an official Chapter of Conscious Capitalism Inc.
- Set up membership for all Founding Members of Conscious Capitalism Australia, with follow-up calls for each to each, to more deeply understand why they wanted to be Founding Members, and what they might be able to contribute (skills/time/contacts) to the movement.

September

- Ran an overnight Founding Members’ Retreat in Manly, to begin to Co-create the Australian movement. (Launched with a video from Doug Rauch, CEO of Conscious Capitalism Inc). Each Founding Member came up with a personal commitment of a way that he/she would help to bring Conscious Capitalism to life in Australia.

October 2012

- A contingent of four Founding Members (Kate Walker, Bill Withers, Geoff Manchester, and Deanne Stewart) attended the Conscious Capitalism CEO Summit in Austin, Texas.
- Major Breakfast Event (300 attendees) with Fred Kofman, Author of Conscious Business and CEO of Axialent.
- Special Q&A for our Founding members and guests with Fred Kofman.
- CEO Lunch with Fred Kofman.

November 2012

- Conscious Business ½ day workshop facilitated by Mark Burrell, Principal of Axialent Australia.
- Second “Conscious Capitalism 101” event for newly interested people.

December 2012

- Founding Member forum, conducted as a webinar, including a download from the people who attended the CEO Summit in Austin, and a follow-up on Founding Member Retreat commitments.
- Formation and initial meeting of the Conscious Capitalism Australia Board.

February 2013

- Strategy session for the Conscious Capitalism Australia Board.

March 2013

- Melbourne Conscious Capitalism Launch Event, hosted by Founding Members Carolyn Tate (Community Leader Victoria) and Geoff Manchester (CEO Intrepid Travel).

- Assembled a group of Founding members who are representing CC Australia in San Francisco at the conference.

April 2013

- Contingent of 12 Australians attended the Conscious Capitalism Conference in San Francisco.
- Founding Member forum (Dinner with speakers, including an overview of the Conference, a case study from two Founding Member CEOs, and an update on our activities and plans).

Stage 6. Forming our Board, and clarifying our Vision and Purpose

As shown above, our first Board meeting for Conscious Capitalism Australia was held in February 2103. We have put together a talented Board of highly credible business leaders, including CEOs and subject matter experts. Together our Board is able to provide expertise in Accounting/Finance, Law/Governance, Advertising and Digital media, Entrepreneurial and Start-up Business skills, Executive Coaching, Not-for-Profit sector, and Fund Raising. We are now in the process of looking for a Board Member who can represent the Business Education sector. Just as important as their impressive qualifications and experience, each of our Board members is committed to the principles of Conscious Capitalism, and is willing to contribute to bringing the movement to life in Australia.

Our Higher Purpose Statement is “To inspire Australian businesses to a purpose beyond profits.” We have begun working on our business strategy, realising that if we are to achieve our potential, we need to move beyond our former “Just Do It” mindset.

Appendix F. Sample Chapter Strategic Plan

Section 1. Purpose

This Strategic Plan is intended to establish the goals and guide the activities of the Conscious Capitalism Sample Chapter for the 2017 calendar year.

The purpose of the Conscious Capitalism Sample Chapter is to elevate humanity through business by changing the way business is both practiced and perceived. We do so through four steps:

1. Conducting outreach to bring more businesses into the Conscious Capitalism community
2. Supporting those businesses in the practice of Conscious Capitalism
3. Generating narratives about business as a force for good
4. Advocating Conscious Capitalism to the rest of society

Section 2. Goals

- | | |
|----------------------|------------------------------|
| 1. List-Serve Size: | 1,000 people |
| 2. Event Attendance: | 12 events with 600 attendees |
| 3. Media Coverage: | 50 media hits |
| 4. Revenue: | \$50,000 |

Section 3. Key Programs & Objectives

The Conscious Capitalism Sample Plan will focus on three programs to advance Conscious Capitalism in the Sample area during 2017:

Program 1: Public Events

Monthly public events will be held to engage the community, raise awareness about Conscious Capitalism, and build the chapter membership. These will include lectures, panels, and social events.

Program 2: Executive Roundtables

The chapter will organize quarterly roundtables to connect business leaders working in the same field with each other, focusing on CEOs, COOs, and CFO's.

Program 3: Speaking Engagements

The chapter will seek to speak at a variety of events in the community to spread awareness about the chapter, including at universities, high schools, social organizations, and more.

Section 4. People

The core team of the Conscious Capitalism Sample Plan will include:

1. **Person A, Chairperson** – Person A is the founder and CEO of Conscious Manufacturing. Founded in 2000, Conscious Manufacturing employs 500 individuals in the Sample community and produces high quality products that are sold across the US. Person A is one of the founders of the Conscious Capitalism Sample Chapter and has served on the board for the past 3 years.
2. **Person B, Treasurer** – Person B is the Chief Operating Officer of Conscious Technology. Person B joined Conscious Technology five years ago and helped them double their revenue from \$10 million to \$20 million. Person B joined Conscious Capitalism Sample Chapter last year, serving as lead organizer of two of our most successful events.
3. **Person C, Secretary** – Person C is the Chief Marketing Officer of Conscious Event Planning. Person C has been with Conscious Event Planning for ten years. Person C has served on the board of directors for two years prior to taking the Secretary role.
4. **Person D, Director** – Person D is the founder and CEO of Conscious Advisors. Begun in 2010, Conscious Advisors includes a client list of 25 business leaders in the area.
5. **Person E, Director** – Person E is Project Manager at Conscious Financial Group. Person E has worked at CFG for six years, advising clients on how to invest in conscious companies.

In addition, the chapter will develop its leadership bench through several programs.

1. **Ambassador Program** – The chapter will organize an Ambassador Program with quarterly trainings for those who want to advance in the chapter's leadership.
2. **Volunteer Opportunities** – The chapter will request members to serve as volunteers to help organize events and grow the chapter's reach.
3. **Internships** – The chapter will advertise for and bring on two interns each trimester to support the chapter's work.

Section 5. Revenue

Conscious Capitalism Sample Chapter intends to raise \$50,000 from four sources.

Source 1: Donations/Memberships
[INSERT DETAILS]

Source 2: Event Registrations
[INSERT DETAILS]

Source 3: Book Sales
[INSERT DETAILS]

Source 4:
[INSERT DETAILS]



Section 6. Timeline

January

1. Board Meeting
2. Business Lecture (open to the public)
3. Ambassador Training
4. CEO Roundtable
5. Local University CC Talk

February

1. Board Meeting
2. Panel on Conscious Culture (open to the public)
3. COO Roundtable
4. Rotary International CC Talk

March

1. Board Meeting
2. Business Lecture (open to the public)
3. CFO Roundtable
4. High School CC Talk

April

1. Board Meeting
2. Panel on Stakeholder Orientation (open to the public)
3. Ambassador Training
4. CEO Roundtable
5. Local University CC Talk

May

1. Board Meeting
2. Business Lecture (open to the public)
3. COO Roundtable
4. Vistage Network CC Talk

June

1. Board Meeting
2. Sum+Substance
3. CFO Roundtable
4. High School CC Talk

July

1. Board Meeting
2. Panel on Higher Purpose (open to the public)
3. Ambassador Training
4. CEO Roundtable

5. Local University CC Talk

August

1. Board Meeting
2. Business Lecture (open to the public)
3. COO Roundtable
4. YPO CC Talk

September

1. Board Meeting
2. Panel on Conscious Culture (open to the public)
3. CFO Roundtable
4. High School CC Talk

October

1. Board Meeting
2. Business Lecture (open to the public)
3. Ambassador Training
4. CEO Roundtable
5. Local University CC Talk

November

1. Board Meeting
2. Business Leader Stories (open to the public)
3. COO Roundtable
4. High School CC Talk

December

1. Board Meeting
2. Holiday Party (open to the public)
3. COO Roundtable
4. Rotary International CC Talk