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[More Than Money](#)

Audio interview with Dr. Mark Albion, Founder of Net Impact

Danielle L. Scott

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Start

Danielle L. Scott: Good day. This is Danielle L. Scott, associate editor of the *Graziadio Business Report*. We're pleased to have here with us today Dr. Mark Albion, social entrepreneur, founder of Net Impact. Mark spent nearly 20 years as a student and professor at Harvard University and its business school. A seven-time social entrepreneur, he left Harvard to develop a community of service-minded MBAs, cofounding Net Impact in 1993. He has made over 600 visits to speak at business schools, covering over 135 different schools on five continents, for which *Business Week* dubbed him "the savior of B-school souls." Mark is the author of the New York Times' bestseller, *Making a Life, Making a Living*. He's also the author of *Finding Work That Matters*, and *True to Yourself: Leading a Values-Based Business*. His latest book, *More Than Money: Questions Every MBA Needs To Answer*, has been electronically distributed to 54,500 MBAs at 75 business schools, including 9 of the top 10, and 17 of the top 20 U.S. business schools. It is accompanied by the three-minute animated movie, *Good Life Parable: An MBA Meets a Fisherman*, produced with Free Range Studios. Mark, thank you so much for being here with us today. A common theme throughout your books is, in a sense, the name of your latest, that

it's about more than money. As someone who's spent their life in the world of business, how do you make that leap from being a school professor to being a social entrepreneur?

Mark Albion: In terms of it being a leap, I think it was a leap back in my day, maybe not as much today, in that I needed to find an environment where I could really be myself and be the person I wanted to be. Just for me, being a business school professor, I couldn't do that. But that was partially a limitation of the environment back in the '80s. It was actually my own limitation of figuring out who I wanted to be. But the leap wasn't as great as you might think, in that even when I was a professor at the business school, a lot of time I spent helping students. I spent a lot of time helping out in programs that were done for minorities. In fact, I think I was one of the few people not of color who actually taught in those programs. So in a lot of ways, I was still involved in things that made a difference, but I couldn't do it enough. I remember when I looked up at mentor's office-- somebody I really adored at Harvard Business School, John Lintner, just a phenomenal man, a great professor in every way I would define great. And I said, "That's wonderful, but that's not where I want to me." So for me, I had to find a vehicle that would allow me to be myself, and that's what social entrepreneuring did. It certainly gave me the freedom. I didn't have a job or a paycheck. But not only that, it gave me a culture and a group of friends who I met through a social venture networking group I met after I left Harvard Business School. Even though, as I like to say, we all have different minds and different things we do, we share one heart, and our heart is really focused on having a social impact, and making a little bit of difference in the world while we're here. And certainly we'd like to be able to make money as well; that keeps things sustainable. But that was a different sort of set of priorities than I had earlier on. It was some sort revelation. It was always in me, but I really needed, not only the environment, I needed to grow up, frankly. In your 20s, at least for me-- I see young people today in their 20s and they blow me away. I just can't believe the things they're doing, and I could probably give you hundreds of stories of young Net Impact MBAs and what they've done. I wasn't like that. I wasn't that mature yet. So I needed a little bit of time as well. So I think in terms of making that sort of leap, it was recognizing that I needed to be in a culture and environment where I felt I could thrive in these ways. In those days, the business school environment wasn't yet there. It probably is a lot more there today than it was in my day. In terms of service outside to needy areas of the world or needy people, that's great, and some people do more of that, some people do less of that. But sort of the way I'm looking at it is saying that, especially as MBAs, we've had an education really focused on ourselves. When you're really going to find happiness and truly be a happy person, I think pretty much everybody finds that through service to others, being needed by others and feeling like you're making a contribution to others. So that's sort of the way I look at it when I say community service-- service to the community. Community is something that I define as a place where everybody knows your name and misses you when you're not there. Maybe that's your family. Maybe that's a school. Maybe that's a town. Maybe it is service at the Red Cross or a homeless shelter or whatever-- wherever you feel is a place that you like to spend some time and you feel good about. That to me is serving others in that community. That's what I'm really talking about.

Danielle L. Scott: That makes a lot of sense. I think you're right, in that everyone does want to feel part of a community and kind of incorporate that into their everyday work life. For someone like you with an extensive business background-- PhD, Harvard Business School credentials-- some may say that it's easy for you to now turn around and decide to focus on being community-minded, but for the rest of us who-- for example, like me, I'm working through getting my MBA. I'm also working full-time. Is there a right time in your career to turn the focus from trying to make money to giving back?

Mark Albion: Yeah, I think the right time is now. I mean, I'm actually pretty broke right now, as you're talking to me. I've had ups and downs and I just don't really focus my life too much on making money, and I should. To be honest, Danielle, for any of us, there's certain times in your life you do need to focus on that. It's just being aware of the fact that when you're focusing on money that there's other parts of your life that you just don't have energy for. But it actually really is now. It really is how you want to live your life. It's how you want to focus your conscience. It's how you want to focus your life energy. There's never a perfect time. I mean, I'm still doing this work and right now, I really badly need to focus a little more on making money, with some external costs of a mother-in-law in a nursing home at 12 thousand a month that I didn't expect, and things like that. But still somehow we get through. So the second question is about, "Well, gee, Mark, you've already-- you got this, and you got a house and all that." Well, you know what? There's never a position where you feel you're either that safe, or, frankly, when I started out, I did this work and my wife and I lived with my best friend for a few years-- for a couple years actually-- down in Atlanta because we didn't have any money but we were focused on service. And then out of that came some opportunities to make some money. So I guess it just depends on what you decide to focus on in life, and I've never really focused my energies on money, even when I didn't have any. I certainly then am more aware that I need to do things to make money. I'm not stupid. But I still don't really-- I'm not really making a tradeoff other than certain periods of time where I feel, "Okay, for the next year or two, I'm going to just go out and make money." Now, I haven't done this, but I advise MBAs, "Sure, if you feel that way, go do it. But just make sure after one or two years that you're back on your path, your destiny path." As I talk about in the book, the big risk is not not having enough money. The big risk is not living your life. The big risk is getting trapped and focused so much on money and thinking you constantly need more, and really not getting on the path of what I call your "destiny" in the book, or the path of what really makes you happy. So sure. People used to say that Oprah, "Oh, well Oprah can do this. She's Oprah." But look. You know, Oprah takes chances like she does-- they're showing stuff-- at her level, she's taking big risks, and those risks just don't change just because you have a couple dollars in your pocket. They are still big risks, because the biggest risks we take aren't with money; they're with the way people think of us. We call it psychosocial risk. It's how you are identified. And certainly when you're a Harvard Business School professor, you're in a certain clique there of other people, and I certainly probably make the least amount of anybody in that clique. So I'm a loser. I'm the black sheep. But I'm also somebody who's pretty happy with what I do. So if you have a lot of money or not, it doesn't change a lot of things. That said, I will repeat myself, there are times that you do need to focus on putting a little money away, putting a little stash away, making sure you have enough to get yourself through, and there's nothing wrong with doing that. Just don't get stuck there.

Danielle L. Scott: Like you said, it's about making a life as well as making a living.

Mark Albion: Also there's the notion of that sometimes we think we need to have a lot more than we need to have. If you look at-- we did a U.N. report back in the mid-90s, an 843-page report, looking at who are the people becoming really great young socially responsibility business and government leaders, and what common traits did they have. The one common experience they had, Danielle, was they'd all spent at least one or two years working in either developing areas of the world or developing areas of this country, the U.S. And that's from a couple things. One, it taught them sensitivity to other types of people, and it also taught them that they didn't really need as much as they thought they needed financially to really get by decently. We've asked MBAs how many they need after graduation to get back, factoring out whether they live in California or Utah, and trying to create a standard for the U.S. We got a range from 25 thousand a year to 175 thousand a year. So again, everybody has a different way of looking at how much money they really need. So if you want to be happy, your H has to be bigger than your W. That means what you have has to be equal or bigger than what you want, and you can do that one of two ways. You can either increase what you have, or you can decrease what your wants are.

Danielle L. Scott: When you give that 25 thousand number, I'm sure you get a lot of laughter.

Mark Albion: Absolutely. We get laughter at both ends. The point just is that we have assumptions in our mind. For example, my group-- we're in our 50s. We have assumptions. We all have to own a house. We all have to have this and that. A lot of us have lived together over the years. My security is not in the bank, again, which I have very little these days. My security is in my friendships. I travel the country and basically stay with my friends. They're happy to see me and happy to take care of me. We don't see each other that much, and it's basically free. Similarly, I've had some of my friends live with us, and I mentioned my wife and I lived with my best friend. So there's a lot of different ways of thinking how much money do you really need, and oftentimes that number is quite a bit more than it really needs to be. As one student at Portland State said to another student who was saying that he really had to go out and make money because he had all these loans. The student said, "How close are you to the gutter? How close are you to really falling through the cracks?" And usually for most of us, since we have friends and family who are more than willing during times of our lives to take care of us as well, we can think of sort of pooling our resources together. My three closest friends, the four of us, we own six houses. Do we need six houses? Unfortunately, I have friends <inaudible>. But the point is, when they start-- one of them called me right after the financial collapse. He was really worried. I said, "Hey, sell the house, come live with us. What's the problem?" So again, it all depends on how you look at how many do you really need?

Danielle L. Scott: Can you tell us a little bit more about how it was starting out as a social entrepreneur and about some of the businesses that you founded?

Mark Albion: Sure. I don't know was I called social entrepreneur, but I started as an entrepreneur when I was about six years old. So I think some of us who do this have always had it in us. So if you really want my really early days, I used to sell stories door to door when I was six to seven years old-- three cents for one page, and five cents for two-page stories. That was until my parents said, "Well, you can't be a writer. Writers don't make money." And I had a little advice stand that I used to use to give my friends advice on how to get along better with your siblings. I charged a nickel for that. Of course I didn't have any brothers or sisters at that time. Anyways, my folks said, "Oh, that's great. You want to be a psychiatrist." I said, "No, I really want to be a social worker." So that was the end of that one. But that sort of branched into the work that I continued when I got older. In terms of being a social entrepreneur, I think-- in fact, I'm writing a piece right now for Stanford on this-- I think what the difference is is that you focus your energies on some social challenge, which of course that enterprise is going to be sustainable. If it's a for-profit, it's got to make money. No margin, no mission. So the ones I got into that you would call more social enterprises was I had a pet product company with my good friend up in Vermont, that basically we made a lot of great products for pets. Every step of the way, whether it was production, whether it was sourcing from a Native American tribe, whether it was democratic decision making, all 50 people in our first bakery all had equal decision making power to any decision that I had or my partner Paul had. Whether it was figuring out how to actually get homeless people involved in some of the production, students involved in the marketing so that they could also make money for scholarships for schools-- every step of the way we tried to figure out clever ways that we could also include a social aim as well as a financial aim. But as I wrote about in *True to Yourself*, not the *More Than Money* book that just came out, but the one I wrote two years ago on leadership, often these goals conflicted. So we would just have to sit down and sort of work those out. But again, always we had sort of in mind as a social entrepreneur what those social challenges were. But, while they really helped us through a lot of the hard times, they also make it a little bit harder, certainly in terms of decision making. When you tell people to give two or three bottom lines, it's a lot harder for them to make decisions than when they have one. So it's a little bit harder being a social entrepreneur in terms of operations for a while, but it really helps you through a lot of tough times. So I guess that's what I learned. But more than that, you know why we're social entrepreneurs? It's because it's the only way we want to do business. If all our business does is make money, most of us just aren't interested. That just isn't enough. Even Henry Ford, the industrialist, said, "If the only thing you do is make money with your business, that's not a very good business." You got to do more than that. Even if you back through all these industrialists, they were all creating things that people really needed. They were fulfilling a very deep social need. We didn't call them social entrepreneurs, but they really were. Mother Theresa was an incredible social entrepreneur. Read her business plan for setting up her missions of charity and stuff like that. It's just amazing. So we didn't use the term, I think it really is, and what really helps people through it, is that it really is trying to fulfill some important social needs. And for a lot of us, it's also running our company democratically and trying to create challenging and meaningful work for people on a daily basis. So I found, as I got into it, more and more <inaudible> to do it, and more complicated decision making, but tremendously fulfilling and, an example, when we had hard times-- we had a situation that wasn't hard times, but it was going to cause hard times in Vermont. We were going to have to move some of our

production out to the Midwest because of a very large order. That meant we would have to lay off people in Vermont. One of our missions of our company, our social mission to start with, was to employ as many people as possible in Vermont because Vermont is a great state to live in, but there are really issues about getting good employment. There's not enough jobs up there as we would like there to be. So we basically sat down with everybody and said, "What do you want to do?" And they decided that rather than laying people off, everybody would work five or ten hours less a week. We put that money sort of into a pool as it accrued, and that when we got back to the point where everybody could be hired full-time, they would be able to make back that extra money. So I think those are some of the challenges and some of the wonderful things that come out of being a social entrepreneur.

Danielle L. Scott: One of the questions that people have today when thinking about working for the community is the difference between having a nonprofit organization, as opposed to having a for-profit social enterprise. Can you tell us a little bit about the pros and cons of each, and what kind of constitutes perhaps a better business model for today?

Mark Albion: First of all, we could talk about this for hours. It's a big topic. Secondly, what you are seeing today, in terms of the new models, or what are called hybrids, we're seeing-- we always say that the form of the organization isn't important. What's important is to figure out what your social challenge is. What is it that really gets you up in the morning? What's that injustice out there that you really care about doing something about? And then we sort of figure out what needs to be done. In my case, say, educating women. Okay, what are the different ways you can educate women? Maybe it's some scholarship programs for women so they can get equal access to education. How do we do that? And then in our case, we create a company. That company can be for- or nonprofit. It just really depends upon what the market conditions are, what you think will work better in that marketplace. That said, each one has its pluses and minuses. In terms of students working in for-profits, of course if they're not mission-driven, a lot of people can feel, "Oh, all they care about is money." In terms of the problems of working in nonprofits, the problem can be that, "Gee, the cause is great, but I'm tired of starving. I'm tired of having a stupid boss, and the inefficiencies in this organization." It's the same thing if you're actually trying to start an organization as a non- or for-profit. It's great with a non-profit in that you have social challenges, but I can tell you from having one nonprofit out of my seven companies over the years that it's a little frustrating in that we don't take as many risks. We don't move as fast, in many ways, as a for-profit company does. So if you're somebody who gets a little impatient, working at a nonprofit, even starting one of your own, can be a little frustrating in terms of the type of the people you tend to get in; they don't tend to be the risk-takers and the leapers, and processes tend to be slow. On the other hand, in terms of a for-profit, things are very fast that way. But, for example, right now I'm looking at trying to get some foundation funding. Well, they don't usually fund for-profits. So, again, that can limit different ways that you can work in that arena. So I think the answer today is we don't really look so much at form. An example being CitySoft, which is a company started by a Harvard Business School MBA, Nick Gleason, basically to help inner-city young people work in the whole website area. And when Nick

started that, it was during the bubble, the big run-up in the dot-com world. So even though it cost more to get these people trained and get them into work-- not just really training them to do the skills, but training them in terms of how to go to work, how to talk to somebody, how to talk to a client. They had no role models for this. Those costs can be borne by the marketplace because people are willing to pay a little bit more because it was during that big boom. When the boom was over, nobody was willing to pay more. So what CitySoft did is they split off a nonprofit called CitySkills, and CitySkills then really handled all the training for, not only those people, but people for other companies. So I think the for-profit/nonprofit position, as Bill <inaudible> says, it's sort of a false position these days. Also the citizen sector and business sector. And what we're seeing is a lot of us are trying to meld those two together, trying to take the best from both worlds in terms of meeting the social challenge we want to meet and having a sustainable organization, either because it's able to drive a profit, or because we have a good funding source from one of the foundations who are-- by the way, the foundations have plenty of money, just as long as you can show them accountability in terms of how their money is used in your nonprofit.

Danielle L. Scott: Tell us a little bit more about Net Impact, and how you “use business to improve the world”, quote-unquote. What was your inspiration there? And tell us more about the mission and how you go about achieving it.

Mark Albion: Well, I have no official position anymore at Net Impact, so I'm speaking unofficially as a long-time friend and founder. And we are actually constantly looking at that issue of what is Net Impact. Certainly in terms of its roots, its roots came from what most organizations' roots come from, which is pain. Back when I was a professor at Harvard Business School, I had many students who really wanted to go out and make a difference but didn't want to starve to death, and didn't have any place that they could go. Secondly, I got famous in the mid-80s, so I used to get letters from many students from other schools, and particularly women at business schools. Many were suicide notes. I say that not lightly. It was really shocking how these suicide notes I would get back then, of women who really wanted to make a difference but that in school all anybody cared about was making money. So in the late 80s, _____ Social Venture Network, which is the group that I joined after I left Harvard Business School. Social Venture Network was started by the 50 doughnuts-- 50 young people with a lot of dough but a little bit nuts. And the reason we thought they were a little nuts was because they actually thought business should be used as a force to create more social and economic justice in the world. Hooking up with them, the first thing they said to me was, “What are we going to do about our business schools? We really got to get to young people, first when they're getting educated, and help them get an education that includes a social contribution, that includes both a financial and social and environmental contribution. How do we do that?” And that was sort of the genesis of starting Net Impact. It was called Students for Responsible Business, started with our first executive director was Nancy Katz, who did a wonderful job. My job was going around to schools and getting the chapters going. So the mission back then was really we were doing number four [ph?]. Meaning, if you want to go into investment banking, management consulting, or high-tech marketing-- there wasn't a lot of entrepreneuring back then-- that's great. But if

you're looking to do something different, if you're looking to have some sort of social impact, come to us. And we were really there to try to create, first of all, some support. So don't think you're crazy. There's a lot of people who want to make a difference. So the number one job I would do is just answer emails and give people hugs. Then second was then actually connecting with each other and begin to develop a network where you could communicate with others that were really interested in doing that. Then the third part was then helping you get into a career and be able to make a life and make a living, that you wouldn't have to either leave your values at the door, or bring your values to work but starve to death. So that was really sort of the genesis. It's evolved since then. Liz Maw, our current executive director, has been just fabulous. She's been with Net Impact since 1999 in different forms, starting as a Columbia co-president of that chapter at Columbia Business School, and I think many other roles. She's been our executive director since 2004. She's gotten Net Impact very involved in curriculum change, also expanded us to now we're in 100 countries. We don't really put down the membership, but we say we have a little over 200 chapters now in over 100 countries. Really, the network today has really grown into more of a leadership network of really trying to help young people get a hold of the tools they need and the resources they need to be a leader in the 21st century, which means you better bring your values to work; you need to care about the environment. That's a very, very big part of the cost-benefit analysis of doing business. Certainly in terms of social issues and social upheaval around the world, that we do look for ways that you can use business to uplift the human spirit, business to help alleviate some of the poverty and suffering in the planet. And we do it in a number of ways. We have, of course, our big conference is coming up for our North American conference. We now have a European one way. It's coming up in a week at Wharton. We actually had to cut-off, unfortunately, registration over three weeks ago. Two thousands MBAs is our limit. We also have another several hundred MBA graduates and a few hundred speakers. So the organization has gotten quite large, and we continue to try to serve our, not only MBA membership, but now our graduate MBA membership, and now our undergraduate membership. We're going to grow that slowly, serve them by providing them tools and support so that they at the local level-- that's how Net Impact is run. It's run at the local level, so that at Pepperdine and UCLA and USC, you run your chapter given a certain set of values that we all agree on, in terms of what you do having a social, financial and environmental mission. But you figuring out what works in your community. For example, at UCLA a couple of years ago, a big part of the Net Impact work was to get more MBAs involved in K through 12 administration. There was a lot of interest in the education in Los Angeles. Not so much like Teach for America, which does a great job with college students teaching, but this was getting MBAs involved in administration. So it's really at the local level, so a lot of different things are done in the different chapters, all in terms of really healing the planet, giving MBAs opportunities to get jobs where they can bring their values to work, and hopefully creating leaders that when you're in the corner in 2022-- that's when it's been written up already that it will start-- that hopefully in the corner office that Net Impact MBAs who are running companies will make different types of decisions than we did in the past, decisions that really do have a positive impact on people and the planet, on all living things.

Danielle L. Scott: Let me see if I've gotten this right. Net Impact is very geared towards the students and recent graduates who are trying to make their social mark in the world, as well as in the business

world. Whereas the other group which you work with, the Social Venture Network, is more for already established social entrepreneurs?

Mark Albion: Yeah. To be fair, and this is something we have to revisit at Net Impact, Net Impact was really, in my vision, an MBA network. But today, in our graduate group, we have more non-MBAs than MBAs. What that does is it starts overlapping with Social Venture Network. Social Venture Network-- you're right-- are basically already established entrepreneurs. However, starting about five years ago, myself as well as Social Venture Network members, were really interested, as we got into our 50s, to bring in more people in their 20s and 30s. So we now are bringing in, through what we call the Social Innovation Awards-- we just had our last ones a couple of weeks ago down in La Jolla-- we're bringing in people in their 20s and 30s. So there's beginning to be a little bit of an overlap there between the two groups. But yes. The difference is that Net Impact, in general, serves emerging social entrepreneurs, social innovators, social intrapreneurs in large companies. We have a number of students working in Wal-Mart, companies like that, on the greening issue, on also the healthcare issue that Wal-Mart's working on right now. So that tends to be more emerging leaders. Social Venture Network tends to be more already established.

Danielle L. Scott: I think you touched a little bit on this earlier, but do you feel that every entrepreneur should be a social entrepreneur? And what, for you, constitutes a values-based business?

Mark Albion: Right. Let me do the values-based first. All your questions are great, but that's particularly important, because we toss around these terms. We don't really have-- other than sustainability, which even that has multiple definitions-- we don't really have a lexicon, what we call an Esperanto, yet for a lot of these terms. So go to a conference, or go on a panel on social entrepreneuring, and they'll spend two hours trying to define it. There are definitions that have been thrown out by people who more knowledgeable than I. But I don't see a lot of difference between an entrepreneur and a social entrepreneur, other than the fact of this: as a social entrepreneur-- because every entrepreneur is trying to fill a need. When I talk about social entrepreneur, I'm talking about also not just about in terms of the products, but how you treat people. All the things, I wrote about this in this book *True to Yourself: Leading a Values-Based Business*. If you read all the things I talk about in there, all gathered from interviewing 75 Social Venture Network's established social entrepreneurs, you'll read that and say, "Well, any good business should run that way." Right. They just don't. And the difference is because of the pressure of the bottom line; the pressure possibly of venture capitalists who've come in who really want quick returns, which they normally do, unless they're social venture capitalists who still want returns, but they're willing to wait longer. So the difference tends to be the balance between the profit motive, and let's call them social and environmental concerns. What tends to happen to what I would call a traditional entrepreneur is the profit motive outweighs everything else. It doesn't mean you still don't want to do them, but when you make decisions, the ruling decision is, "Does it increase our

profitability?" I'm not saying there's anything wrong with that. With a social entrepreneur, you will see decisions made that maybe don't make the most money, maybe sometimes don't make any money. Again, you can't make too many of them like that or you'll go out of business. As a social entrepreneur or any entrepreneur, the least socially responsible thing you can do is put your company out of business, because just lost their jobs. But, for example, I mentioned the pet product company. We had a situation; we had to start moving to more capital, meaning more-- bigger production units, bigger machines. When we first put those in, those machineries-- again, by putting in a new big machine, it would lay off people. As an entrepreneur, I would just do that. I would just, "You know, I'm sorry. When we have more work, come back." But again, as a social entrepreneur, and again, as I mentioned with the other situation, we talked to our people, we introduced the machinery more slowly than we would have normally, and in a way to try to even out the flow so by the time the machine was fully online, then all of the people could be fully employed. So we never had to lay anybody off. So that probably meant for a period of time, we were still making money, probably not as much money as we could have. But that to me is the difference. As a social entrepreneur, you really do pay a lot of attention to your social, environmental impact. On the other hand, let me give you an example of where you don't go overboard. This has been in the early days. We're sort of the third wave, at least this history, this current history of social entrepreneuring. The early waves, people would really just do everything in terms of socially, maybe things that financially didn't make a whole lot of sense and get in trouble-- offered 401(k)s, offer a lot of leave time, paternity and maternity leave-- all those sort of those things. When you really added up those costs, it put them in a bad position, and when their sales went down. It happened with _____ Anderson's [ph?]; it happened with Just Desserts, a number of our companies. They end up losing a lot of money. Even Patagonia, when they decided to go all organic-- and Yvon Chouinard, the CEO of Patagonia, is absolutely a social entrepreneur, 100 percent the real thing, authentic, all the way, walks the talk. Even he realized, "Look it, we can't go from 0 to 100 percent organic overnight. We'll go out of business. But we can do it in a measured fashion." Or companies like Levi's will say, "Look it. We can do certain things in Bangladesh in terms of paying kids to go to school, ways to go to school. We pay them the same as we would pay them to work in the factory, and then when they're old enough, they come and work in the factory for that rate." They can do that in Bangladesh, but in China, they can't do it. Bigger country, too many people. So again, there's sort of this balancing act. There's always that looking out for the social mission and trying to put that right up front, given that you can continue to be a sustainable company.

Danielle L. Scott: For a traditional entrepreneur who wants to incorporate a values-based approach into their work, when are some of the questions that they need to ask themselves and the subsequent actions that they would need to take?

Mark Albion: Right. And that goes back-- I'm sorry, I didn't answer the second part of your question. I basically defined values-based as meaning that you make your decisions on the basis of how they impact people and the planet, all living things. Just putting that mindset into it. For example, when you say to

someone like Yvon Chouinard, people every day have to make decisions at Patagonia. Here they're making decisions on clothing, making these clothes or whatever. They know they want to make sure that it makes money. They want to make sure that it's good environmentally and maybe it helps a group in need. But how do they come out making the decision? What is the bottom line? The bottom line, Yvon will tell you, is you don't do anything that will harm the planet. That's our bottom line. Obviously we can't do things-- if things don't harm the planet but we lose money on them, we can't do them. He doesn't say, "Our bottom line is it doesn't make a profit margin." He says, "Our bottom line is we want to make sure to make decisions in terms of how it impacts people," in his case, the planet and all living things. So that's the mindset. That's the first step you have to work on is the mindset of how you make day to day operational decisions. It's easy to say you have a triple bottom line, but anybody who's run a company knows you can't run a company with three masters. You have to have some process, some culture, some understanding of how you juggle, if you way, integrate these three concerns that oftentimes can conflict. So the first thing you have to do, I think, is have consciousness that that is why your company gives meaning. When we were doing our pet product company, if couldn't accomplish some of our social skills, we'd prefer to go out of business. Are you willing to do that? Are you willing to say that, "What is the social goal of your company?" Let's say in a case, a big one was employment in Vermont. That was a big one. Sounds pretty simple. That was a big one, so that for us, when we got the opportunity to expand, we took some but not others. We wanted to make sure that we kept increasing employment in Vermont. So whatever that social mission is, make sure that you really stay with it, thinking always about-- make your decisions in terms of how does it impact people? How does it impact the planet? How does it impact all living things? Look at *True to Yourself*. It takes you through five-- I mean, I could just read you the book-- but it takes you through five steps, practices on how to do this, as well as sort of three qualities you need to develop as a leader-- the five best practices, including things like how you turn your values into values so that it's valued in the marketplace, how you communicate within the company, how you set examples. I'm just saying you have to set this sort of consciousness where you yourself have to be an example; how you basically facilitate collaboration, and how you focus very much the internal of your company on growing. There are some more specifics I could get into, but again, it's a whole book.

Danielle L. Scott: Thank you. I'll be sure it include a link to your book on the website. I want to shift a little bit to talking about Generation Y. Generation Y, who would be I guess the students that are entering that _____, and the recent graduates. A lot has been said about their community-mindedness and how much they love working in nonprofits and how much they want to be in mission-driven businesses. And the other thing is <inaudible>, have you seen that generational shift with giving back?

Mark Albion: <inaudible>. Of course, I have kids that age. So I think the generation-- first of all, they want to be inspired. It's that simple. They want to be inspired. They want to believe in something. They've seen things go on in their brief lifetimes that don't make a lot of sense to them. There are hard lessons, tough things going on out there, anywhere from terrorism, people losing jobs when they didn't

deserve to lose their job. A lot of them have a very negative impression about business, the way business operates, and those sort of things. So they've seen some pretty tough stuff. As you know, issues about loyalty to a company, or almost to anything is very dangerous territory. That generation, like many generations, feels alone, wants community badly, and wants to be inspired-- inspired in some way to be part of something they feel really good about; they feel good about the community that they've joined, and they feel good about what they're doing. With our Generation Y-ers right now, the number one criterion on picking jobs is they first try to pick a community where they're going to live. Where do you want to live? Where's a community that I'd like to live in, and people I'd like to enjoy? The second question then comes, in what type of company is there a community of people that I would enjoy work with, both in terms of peers, bosses, and even clients-- where I can work and feel like I'm working for something important. Again, it doesn't mean you have to go out and have a beer with everybody, but at least you're working with people that you feel aligned with, and that's the big draw to a nonprofit. The frustration, as I talk to our MBAs who've worked for nonprofits, is that they get in. As they say, they feel it's run inefficiently, they don't think their bosses are very smart; they'd like to see it run better. But certainly the attraction is feeling part of a community you want to be part of, and secondly, be inspired by what you're trying to do. I think those are the two real driving forces of Gen-Y. I hear a lot from my generation that Gen-Y is lazy. I don't think Gen-Y is lazy at all. I think Gen-Y is very lazy about getting connected to stuff that just makes money and for them has no meaning. They're lazy about that. But if you can create a space and an environment where they feel inspired and have meaning, they'll work as hard if not harder than any generation has worked before.

Danielle L. Scott: On a practical level, what kind of service and community incentives do you think that organizations can employ to help retain these Generation Y employees?

Mark Albion: First of all, talk to them, find out what they want. Generation Y likes a lot of communication. They like a lot of communication, a lot more than my generation did. For example, my generation-- I went to a private school. Private school told you what to do and that was it. When my daughters were going through private school, they had a part in deciding how things were run at the school. I mean, they actually talked back. Well, we didn't do that. And you see that in the workplace as well, is that-- at least the people I know, the students I know, and even with my own children-- they want constant communication. They want communication on what's going on. Maybe they want to have more time at a certain period of the year to do some things with religion. <inaudible> They want time for their religion, and they're very happy to work at other times. So what they want tends to change, but one thing most of them do want is they want regular communication and feel that-- again, a little different than my generation and the generation before that-- that their work is meeting a number of their needs, not just meeting their needs in terms of having a great place to work and making a decent income, but also is allowing them to have a life, however they define that, outside of the company. I think that's become increasingly important, and at different ages, what that means. I don't think you want to get into older ages, but if you do, I can give you the data. What it means to have a life outside the company varies,

certainly by age and also by gender. But I think that's simply what it is, just respect and regular communication to find out, "Hey, how's it going?" In fact, one of the things I recommend with companies and Gen-Ys is to have what I call a 5/15 report every Friday. What a 5/15 report is that you take no more than 15 minutes to write and 5 minutes to read. And that's that a Gen-Yer will spend up to 15 minutes in Friday saying, "Okay, this is what happened this week. This is what I liked. This is what I think needs to be changed." And his or her boss, on Monday, spends five minutes giving some communication back. Whether that's done through email, verbally, it all depends on the person. In fact, I talk about how people that I know that really do a great job of this spent a lot of their trying to understand how each person likes to be communicated with. So I think finding little channels to keep that communication up on a regular basis really works great with Generation Y, and it I and a lot of personal involvement and where, again, young people are inspired to really try to make a difference and work really hard in their company.

Danielle L. Scott: You talked a little bit about the current volatility in the U.S. economy and how you kind of joke about it with your friends, but I was wondering, with money being such a looming issue right now for so many people regardless of their stage of life, has it shifted your message at all? Are there new things that you're telling MBA students about how to deal with their future work, their future careers?

Mark Albion: I've been through this, Danielle, before, although I think this one's going to be more severe. I think we'll have a lull for a while, but it's going to be more severe. We had a big fallout in 1987 when I was a professor at Harvard Business School, and then 2001 as well. I mean, the initial response is that the work I do, <inaudible> flooded. I mean, good news/bad news. The good news is sort of like if you work in Europe, you recognize that there's a much smaller cap, meaning there's a much smaller ratio between the highest and lowest paid worker there. So that if you really, really hard, you can't make much more money. In the U.S., to this day, you could make a fortune. So in countries where the monetary opportunities are limited, people tend to spend a lot more time with friends and family, and other sort of goals in life, other ways of measuring success, other things that are important to them. So that's the good news. So you'll see that here as well. I mean, the first initial response is that, "Well, everybody is really looking for a life of more than money." Book sales are great, and all these schools have these books, and I'm getting great cuts and this and that. But there's another side that comes out too, which is that people get desperate about making money. So the way you could say it, it sort of divides the marketplace in that, yeah, I got a lot of people running over my way. But then there's a lot of people saying, "Oh my god, I really need to learn some tricks on how to make more money. It's going to be really hard." And people like myself and others who are older-- in fact, my biggest group are executive MBAs because they're older and we've all seen our investments are worth about half of what they were. Our houses are worth about half. You can't get a loan. How can I financially get out of this mess? Which my response is, change your thinking. I mean, I'm in the mess too, by the way. All the speaking I do is very authentic. I am my customer. I am just like an MBA. Good or bad, I have lived a life of making a lot of money, giving away a lot of money, ups and downs, and right down I'm in a pretty tough financial place, and all of this stuff hurts me just as much as about anybody in the economy. But I'm saying, "You

know what? We've got to sit back and rethink how we're going to live our life, what's really important. Do we need all this?" As I said with my friends, "Do we need all these houses?" "Well, gee, if I sell my house, I get less." So what? You'll get something. You'll get more than you paid for it. What's wrong with that? So again, I think there's two things that happen with the economy. One is the opportunity to really engage in what's meaningful to you and rethink what you need and how you want to live your life. Do you really need this? Do you really need that? Do you really need the big house? Do you really need the fancy car? Those sort of things. The other opportunity are for people like Suze Orman who will just go off the charts, for people who are saying, "Okay, things are bad. I got to learn more about money, as opposed to less." So I'm in the first camp, and there's people like Suze Orman who do a great job for people in the second camp. So if anything, I think it divides the marketplace. In general, at least what I've seen in the past, you get a lot of people looking for more meaning in life. Sort of falls into my territory.

Danielle L. Scott: My last question for you is going to be real easy since you just published an entire book on the topic. What do you wish you knew then as a new MBA graduate? What is the one single piece of advice that's most important that you would want them to take away?

Mark Albion: Of course, as you say, it's really the focus of more than money is exactly the question you asked, said in a different way. What basically happened to me was I gave a speech to Harvard Business School alumni at the end of the year, November 16, 2002. It's a speech usually given by a CEO of a big company, but that was right after Enron and WorldCom and all that sort of stuff. I gave this speech and they figured I'd be safe-- "Let Mark give his speech." Afterwards, somebody raised their hand, one was a person who turned out-- as she said; she was the first question-- she said, "You were my marketing professor at Harvard Business School first year back in 1982," meaning 20 years before the speech. "We learned a little bit about marketing from you, but you were the most arrogant _____ I ever met." She actually said, "You know, but now you seem to be pretty together and pretty comfortable with yourself, and have a nice way about you, and you seem to be a lot kinder. I don't know what you did in the last 20 years, but good for you." What it really made me think about were these two people-- the person who, to be honest, was making quite a bit of money, was very successful, on *60 Minutes* a couple times, profiled, top profession-- we could go on and on. In fact, that's the beginning of the *Making a Life* book, which started this whole series of books, written basically because the advance went to Net Impact at a time that we were going under, back in 1999. The truth was when I came back and sat down, I said, "Jeez, if I'm going to be remembered as somebody when I go, I don't want to be remembered as the first guy. I'd rather be remembered as the second guy." So the basic message is that, look it, all of <inaudible> are always concerned about money. Life isn't about that. The biggest risk, as I said before, is not living your life. The biggest risk is getting to the end of days not having the right regrets. The biggest risk is getting to the end-- and it's the biggest fear people have. Number three fear is dying. Number two is public speaking. The biggest fear people have is not living a meaningful life. So why not start now? And I know it's hard when you're in your 20s to think this way, when you're worried about paying those bills, and later on it's going to be the mortgage, and you're going to have kids; some of you will have kids and

all that sort of stuff. The real question that should be driving you, which I wish I knew earlier than later, is the question of, "Okay, what's my contribution going to be? How will I be remembered? What kind of person do I want to be? At the start. The _____ I do in the book, or you do in the book, is you go through the 64 questions, the two lifelines and four fundamental questions. You go through this process of creating your own destiny plan of the person you want to be. Which of course, in order to make a contribution, it must be sustainable. Of course it includes making a good living, not starving. That's part of it. But the focus, just like we've talking about social entrepreneur versus entrepreneur, the focus is really on how you can contribute. That's what makes you feel good in life. That's what makes you feel happy, and that almost always leads to making a very good living as well. Again, you're not as concerned about making a living. You may make more, you may make less-- whatever. What you do know is you're enjoying each and every day you're here. Most of us are going to work 100 thousand hours in our life. Ten thousand hours of that we're going to spend rebooting Windows. The other 90 thousand hours, shouldn't they be fun too and enjoyable? So if we can just start our careers that way. As MBAs, even in this very, very tough economy, we have the lucky lottery tickets. We have tremendous opportunities. How are we going to use that to really make some sort of contribution? Which can be done in a million ways. You don't have to work at Ben & Jerry's to make a contribution. I have friends who are investment bankers who are 57 years old, at well known institutions, probably having a little bit of a tough year right now. But you know what? They do great deals. They really do things that are good for both parties. They are tremendous contributors, not only at work, but they treat their people well. Some of them give big bonuses to people who work for them. They're very philanthropic, loving and wonderful with their kids as well. Great people. It doesn't matter what the profession or job is. But it is the focus on what is going to be my contribution? That's what I wished I realized earlier. I wish I realized that money wasn't as big a deal as I thought it was. I was always afraid of not having enough money. To some extent, I still am. That's still part of me that I fight every day. The real thing to focus on is really making that difference, and more about spending days where you're not making a difference in whatever way it is for you. For me, five years of that was staying home a lot and dealing with a different daughter who my wife had problems dealing with. So making a difference in done in a million ways. That's really the number one message is, focus are clearly as you can on what do I want my contribution to be? And try as much as you can to put money-- still being important-- a little more in the background than certainly I did early on in my career. I think what I'd like to add is that all this stuff that we talk about is really hard to do alone. Extremely important-- I think there's a couple of things that I'd like to add, some learning <inaudible>. One thing I learned is the question you begin with, how you set your foundation. Again, in my books are many examples of some of our greatest social entrepreneurs and how they built their businesses. That initial question, that initial foundation is really critical. Just if you're forming a company, those first people that you join up with who form that basic unit for starting the company and actually critical. So I'd say spend a lot of time on that first question, and that's what we're trying to rearrange for you in *More Than Money*. Secondly, this is an iterative process. It's not like you go out, find exactly the right place. Herminia Ibarra wrote a wonderful called *Working Identity*, which goes through 37 integers, both mid-level and high-level executives, and they look at their careers. It's very iterative. Part of it is just finding your way by finding out what you don't like. You find out where you fit in by where you don't fit in.

The third thing is this community. It's very important to do this work, <inaudible> people that support you. It can be very lonely, trying to fit in where other people don't fit in, trying to find the role-- I don't know what to say <inaudible>, but it is being an outsider. It is that fear of doing things a little differently. So it's great to have a group to support you doing this. So I think those are important takeaways. And then finally, understand that success is personal. Don't be afraid to really develop your own definition of what success means to you, on a daily basis, weekly, monthly. Really, in fact, when I do any work now, when I start a phone call, <inaudible> say, "Okay, what will success be in an hour? What will that look like?" In this case, it's easy. We're doing an interview. But in other cases, it's not so easy. So what does success look like for you? Make sure you develop your own personal definition, which you have to do if you go through the destiny plan in *More Than Money*. Make sure you develop your own, and then you keep consciously updating that. And finally, number five would be-- you've heard it all the way through-- this is really all about being aware, and being awake. Just be aware of what you're doing and not doing, aware that when you do go for the money, which is fine, there's a price to that. There's a price to the fact that you're looking at the world in terms of money, unlike with, let's say, an artist, who's looking at the world in terms of art. There is a piece of your soul you're giving up. As one of our students Maureen Gilbert once said, "Think about when you take one of these jobs, do you think about what is your soul price? How much money do you need to be paid to do something you really don't want to do, that's really not your passion?" So think about that, that money has a cost to it too. Sometimes it costs too much. So be aware of the decisions you make, the impact on other people and on yourself, and then it's up to you want to go ahead and do it. Those I think would be five takeaways for people to have. As I said earlier, doing this is harder than just being a quote-unquote straight entrepreneur and maximize. It's harder to do things this way. People do it because that's the way they want to operate as a human being. <inaudible> do it because you'll make more money this way, right? Well, you might make more, you might make less. That's not the point. The point is, this is the way I want to operate my company.

Danielle L. Scott: Right. And the time to start building your life is now.

Mark Albion: Absolutely. When I decided to leave Harvard Business School, it took me two more years. I wrote about this in the *Making a Life* book. My mother had stage 4 cancer. School was great about it, blah, blah, blah. My mother, by the way, lived, and still running her company at 80 years old. At the time, she was given six weeks to live. Well, I wasn't going to leave Harvard Business School then. I only had to teach one class a year, and <inaudible> happened with my mother, the school was great. They said, "<inaudible> teach, don't teach. Don't worry about it." I'm still getting my paycheck. That was not a time to make a leap. It took me about two more years. But when I say now, unless you have some really extraordinary thing going on in your life, yeah. It's not like all of the sudden, <inaudible>. And also when you put out the energy-- for example, I'm starting to look for a job. The process started about 18 months ago. I decided about two weeks ago that the job I was looking for at universities was the wrong job. Now I've created this notion of what the job is. Well, I'm now starting to make contacts, and I'm putting that energy out, <inaudible> quicker, rather than later. The truth is, I really don't want to do anything until

probably next July. I'm putting it out right now. Great. We'll move things faster. It's the same with you. When you sort of make that decision, when you're willing to really put yourself out there, and you tell your friends, you tell everybody-- which makes it harder for you to go back on your word-- you create an energy field where people start showing up that wouldn't show up otherwise. Because they wouldn't now. One of the things my friends have always said helping me was, "Gee Mark, what do you want? We're not really sure what you want. You don't really sell anything. You got a free newsletter and free books. What do you want?" So part of it is putting that intention out there, and it does create energy, and putting it out simply so people-- *True to Yourself*, by the way. I keep going back to it. <inaudible> with *More Than Money*, but *True to Yourself* is my favorite book of my seven books, and it's sold the least well. It's still selling well, but not like *Making a Life*, which sells a gazillion copies. There's tidbits on everything I'm talking about. There are pieces in that. Meaning, problems, it doesn't have one big idea. It has like 75 great ideas, which I got from all the people I interviewed. I just put them together. I just did a good job of collating them, of being an editor, really, of all the people I interviewed and creating a structure for the book, and BK really helped on the structuring. But all of these things is putting out simply in a way other people can remember. A lot of times people don't help you because the message you gave them about what you wanted was too complex, <inaudible> to try to communicate it to somebody else. I say to people, "What I want to do is run an academic Ashoka." Two words.

Danielle L. Scott: Can you explain that?

Mark Albion: Academic Ashoka? Do you know Ashoka?

Danielle L. Scott: No, I don't.

Mark Albion: In my world, most people know Ashoka. Ashoka is run by Bill Drayton. Ashoka is now 2000 Ashoka fellows. These are young people-- actually all ages, because one of my friends who's in his 50s is an Ashoka fellow. They get funded by Ashoka. Now it's only three years, used to be five-- for some sort of social entrepreneurship they're doing. A social entrepreneurship can be something as straight as, "I want to be able to get big tractors into small outlying areas of Columbia, the country of Columbia, so that farmers will be able to do their work efficiently and cost-effectively. And then what Ashoka does is help them, through all the fellows, get done whatever they're trying to get done. They create what are called hybrid social value chains. Meaning, for example, in doing that particular project I just mentioned, obviously it involves a tractor company, which is a for-profit. It also involves gangs at a local level to make sure these things are really distributed. You got a make a deal with the gangs. If you don't make deals with the gangs, they'll make sure it doesn't happen. There's also part of the chain are some schools who are involved in the education. Anyway, Ashoka helps you accomplish whatever that social innovation is you want to do in your country, and you're helped by the other 2000 Ashoka fellows who have all been doing great things. On average, after five years, each Ashoka fellow has improved the

lives of 175 thousand people, and over half of them have changed major parts of their nations' policies towards some of these social issues. Incredibly successful organization. It's considered our number one or two social entrepreneuring company in the United States. Bill gets all the awards all the time. So Ashoka is doing great things about how you basically bring an idea to scale. One of the biggest problems you have in social entrepreneuring is going to scale. We see that all the time. How do you go from Bill Strickland doing one school to help kids, to Bill Strickland doing 100 schools? So Ashoka tries to help these innovators go to scale. What I want to do is have an academic-- I thought I was going to become president of the university, but there's too much garbage that goes along with the job. What I really want to do is run an institute in social entrepreneuring, where you not only help <inaudible> with incubation, help social entrepreneurs do that. Then we do the research, write cases, develop the teaching courses, and conferences, develop the academic knowledge of what works and what doesn't work. <inaudible> my group, I can say I want to do an academic Ashoka, and that's only two words that people have to remember. Daniel can say, "Well, what does Mark want to do?" "He wants to run an academic Ashoka." Again, it'd be harder for you, because, again, the people in my world know Ashoka. So they go, "Oh yeah, an academic Ashoka." So all you have to do is remember one word: academic.

Danielle L. Scott: Well, people in my world definitely know that one.

Mark Albion: <inaudible> money people remember. But my big book, *Making a Life, Making a Living*, nobody gets that one right. Or they'll say, *Making a Living, Making a Life; Making a Life, Making a Difference*. They have trouble with that. *More Than Money?* People can remember that.

Danielle L. Scott: Oh, yeah. That's a succinct message.

Mark Albion: Right. So that's sort of what you need to do is come up with that succinct message that allows you to get it across.

Danielle L. Scott: Mark, thank you so much for your time. You certainly have an inspirational career and it's been a great pleasure talking with you.

Mark Albion: You as well, Danielle. Thank you.

Danielle L. Scott: Thank you so much.

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