



Chavalit Frederick Tsao

**EDITORS' NOTE** Chavalit Tsao, known as Fred, is the fourth-generation steward of a family business that started in The Shanghai Bund before 1906. He joined the family business at the age of 20 after graduating from the University of Michigan with an M.S. in engineering. His early business successes include the startup of a highly-profitable palm oil business in Thailand and the turnaround and listing of a bankrupt Thai national shipping line. In 1995, at the age of 37, Tsao took over as Chairman of IMC Group. Under his stewardship, the traditional shipping company transformed into a multi-national conglomerate with diverse business interests. Throughout the years, Tsao has founded and led numerous maritime and non-profit organizations. He served for seven years as Chairman of Intercargo, an international dry cargo shipping organization, and created a number of platforms to promote collaboration within the maritime industry. He is passionate about cutting-edge business economics and sustainability. As the Founder and President of Family Business Network (FBN) in Asia, he served on the FBN International Board to promote sustainable family businesses and continues to be active as Chairman of FBN Foundation. Tsao advocates that evolution is the key and consciousness is the mother of all capital. For this reason, he formed a research center in 1995, the East West Cultural Development Centre, which conducts research in the areas of globalization, sustainability, societal and management issues. The research work has evolved through the years in tandem with Fred's own evolution. He believes that we are living in a new era with new challenges and we must create a new paradigm to face these challenges – an era of Quantum Leadership, where we can access the unprecedented creativity that is embedded within us. He is the co-author with Chris Laszlo of a book recently published by Stanford University Press, Quantum Leadership, New Consciousness in Business. Drawing on extensive research, the book argues that current approaches to leadership

# Quantum Leadership

An Interview with Chavalit Frederick Tsao,  
Chairman, IMC Pan Asia Alliance Group;  
Founder, OCTAVE Institute; and President, FBN Pacific Asia Chapter

fail to produce positive outcomes for businesses and the communities they serve. It explores how changing a person's consciousness is the most powerful lever for unlocking his or her leadership potential to create wealth and serve humankind. OCTAVE Institute is a new business model that is the manifestation of Tsao's world view, a result of numerous years of research and contemplation.

**COMPANY BRIEFS** IMC Pan Asia Alliance Group ([imcgroup.info](http://imcgroup.info)) has interests in four strategic business areas. One is IMC Industrial, an integrated industrial supply chain group that covers resources, ports, logistics, shipping, offshore engineering, shipyards and other services. OCTAVE Institute is a sustainable living lifestyle and real estate group and platform of curated well-being to help people find clarity, harmony and a new level of consciousness and freedom. AITIA Institute is a learning institute dedicated to shifting consciousness of leadership and organizations in pursuit of sustainability, focused on mindfulness as a sustainable process to build a harmonious society. Heritas Capital Management is an investment and fund management group.

OCTAVE Institute ([octaveinstitute.com](http://octaveinstitute.com)) is a platform to help people find clarity, harmony and a new level of consciousness and freedom. It is comprised of SANGHA Retreat ([sangha-retreat.com](http://sangha-retreat.com)), the VILLAGE, and AITIA in Suzhou; and THE LIVING ROOM, an urban support center in Shanghai. SANGHA Retreat is located west of Shanghai on the outskirts of Suzhou, China. An innovative and impactful holistic health and well-being destination, the retreat combines Eastern philosophies with Western science to help people awaken to a life of greater purpose and personal well-being. The 47-acre retreat designed by Tsao & McKown includes AT ONE guest suites; AT ONE Clinic, offering comprehensive wellness assessments and well-being programs; AT ONE Healing Spa with an extensive spa treatment menu and hydrotherapy circuit; THOUGHT FOR FOOD restaurant; Meditation Domes; and a daily schedule of AT ONE living habits with classes on six living habits specifically designed in rhythm with the daily clock and yearly season. SANGHA Retreat is about expansive mind and expansive living, a new path to optimal living through oneness and evolving consciousness which allows everyone to flourish.

**You are involved in a number of different companies. Will you discuss your key areas of focus and interest?**

My family has always been in industrial businesses. There are many changes in industrial businesses as industrialization is coming to an end, which will make things quite different. We are in the industrial supply chain so our family business is involved in areas such as mining, construction, building materials, marine & offshore engineering, shipping, ports and others, primarily in Asia. Of course, with a shipping company, we trade globally, but Asia is our home base.

**How important has it been to evolve your businesses in order to remain relevant?**

There has been a major change since my great-grandfather started our business. In those days, industrial activities were at the top of the demand chain. Now, it's moving to the bottom of the supply chain, so we are gradually repositioning the businesses. Since machines are finally capable of taking over human jobs and creating material goods, industrialization is coming to an end. In this major era of change, we have to reposition ourselves in a major way.



Meditation dome at SANGHA Retreat



*Living room of a seven-bedroom AT ONE villa*

**Are you now a technology business rather than a people business?**

No, that is not the case. All the IT is part of the industrialization process. Technology enhances that process but it is, after all, created by people for people, so people are always part of the formula.

It is not about technology replacing people; it is about defining the next era after the industrial era. That is the issue. Even AI is still part of the industrial era. It may represent the third or fourth wave of the industrial revolution, but it's still industrial. However, it's coming to an end because the industrial era is about economic efficiency and material construction. It's about machines doing humans' work. That is coming to an end.

We are now going to have to create a new era. However, this new era cannot be created from our previous mindset. As Einstein said, "You cannot solve problems with the same level thinking that created them." You cannot create a new era with an old era mindset, so a new paradigm is needed. Everybody wants to look at trends, but the real question is what is next after the industrial era. For our family business, thinking very long term, we need to position ourselves for a new era.

**What is the most immediate challenge to be faced in this new era?**

I can say this era's challenge is well-being. We're not well. The family is not well. Businesses are certainly not doing so well. Our environment is not well. Society is not well. We see a world that is chaotic. Nothing is well. But it always makes sense because I can only be well if everything else is well because I live in an environment. I cannot be well if my family is not well. If my family is not well, then my friends and loved ones, my community and my business, are also not well. So what are we going to do? We need a change of paradigm but wellness is certainly the challenge currently.

**Are you optimistic that we can meet those challenges?**

I'm promoting a quantum paradigm. This is the latest scientific discovery. Scientists have succeeded in creating one theory that explains everything. In fact, this theory explains all the other paradigms we have. They have also discovered, but not explicitly said, that because one theory explains everything, there's one solution for everything. That solution is raising consciousness, shifting consciousness.

**How do wellness and well-being align in this new paradigm?**

The wellness industry cannot agree what wellness is today and well-being is one step ahead of wellness, so there is a gap. The Chinese tradition, which is validated by the quantum paradigm, says wellness is nurturing life and well-being is freedom. This appears to run counter-clockwise to traditional thinking. There's a process of awakening to these things. We are moving clockwise in the material reality. We move counter-clockwise when the era shifts.

For example, we all know that we are dancing with outside influence and we always want to control the outside. But when you try to control the outside, you have no control. Soon, you feel totally disempowered because you cannot control anything. You feel very small and insignificant because you cannot control those external factors. You cannot even control yourself on the external side. You need to turn around and realize that the projector is actually on the inside. Your projection of the outside really comes from the inside. If you start moving counter-clockwise, you can start controlling inside. Then, everything becomes holistic and relationships are co-created. You hear people say, "Change yourself and the world will change around you." Until you are doing this, you can't see it. Once you start experiencing it, you actually become very empowered.

**Is that something that can be taught?**

Absolutely. It's shifting consciousness. We can help people shift consciousness, through an alignment process, through science. We have to help people rewire their neuro-connectors and open up new neural pathways so their intuitive mind and their conscious logical mind can work together. We can train people to upgrade their thinking. We all start out thinking on the level of algebra, geometry, and logic, but in the holistic integrative world, you have to, at minimum, think at the level of calculus. So you have to upgrade that thinking and start working with complex theory. You will then start to understand and see the world differently. Then you will see reality differently because it is being interpreted from a different mindset. This requires rewiring, reframing, re-skilling, and renewing. It's a process of alignment.

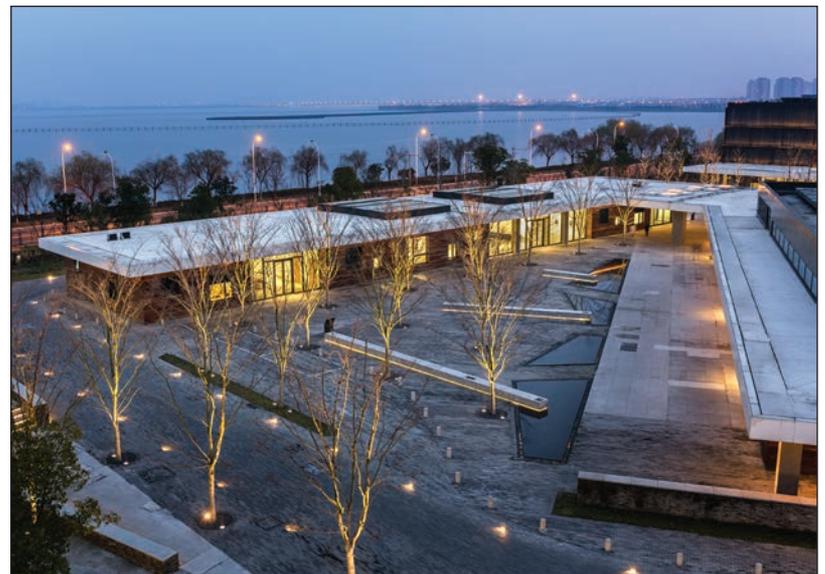
**What was your vision for SANGHA Retreat and how is it different from other approaches to wellness in the market?**

First of all, the wellness industry has many voices with many theories about wellness. They

are all addressing familiar topics like food, but they are now starting to think more about integration. Holistic wellness is what they call it, but do you see a holistic clinic? They all say they are holistic, but what is holistic? Actually, holistic wellness addresses the whole human system. As I said, you can only be well in an environment that is well. The good news is everything that is happening externally actually happens internally. So our goal was to design a system based on Chinese traditional structure but updated for the twenty-first century. We call it the Chinese medicinal soup with global medicine being added in.

**What is the optimal amount of time for people to spend at SANGHA Retreat?**

It doesn't matter. It's actually most important just to start your experience and that often happens with people from Shanghai or traveling to Shanghai. They can go and do a tasting program and spend as little or as much time as they want. Everyone has their own tastes, fancies and needs. Some people want a more thorough assessment of their health. Others want to learn particular living habits to shift or how to improve their relationships with their children. We have different facilities to do different work systemically. We have space for people to work on themselves. We have family villas to do family work. We have corporate villas to work on organizational issues.



*The VILLAGE gallery and town hall*

We have a learning hotel to host organization work. We have apartments for family work. We even do rehab and have a full rehab license. At most rehab places, they address your body. We address you, your family, your mind, and your spirit as well as your body.

**Was this a vision and concept that you had been developing for a long time?**

I've been doing research for a long time. I founded East West Cultural Development Centre to do cultural research on sustainability 25 years ago. I have published 34 books on the Chinese tradition because I was searching for answers. I'm also trained as an engineer and studied in the West. I've done research and have now written an English book to begin a series on quantum leadership, which is a new paradigm to create a new era. Leadership is creativity and you need it to match that paradigm to create the new era. Then, in the new era, we create our lives and, because our life is holistic, everything falls in line. ●