

Saving the Home Planet

An Interview with Charles Conn, Chairman of the Board, Patagonia

EDITORS' NOTE Charles Conn serves as Chairman of the Board of Patagonia and was previously CEO of the Rhodes Trust in Oxford. He co-founded Monograph Capital after having served as CEO of Oxford Sciences Innovation, a deep-science venture firm formed in partnership with Oxford University. He is a technology entrepreneur and former public company CEO (Ticketmaster, Citysearch, Match.com). Earlier, Conn was senior advisor to the Gordon & Betty Moore Foundation in San Francisco. He began his career at McKinsey & Company, where he was a Partner. He is a best-selling author on problem-solving and is a member of The Nature Conservancy's European Council for Global Conservation. Conn is a graduate of Harvard Business School, Boston University, and Oxford University, where he was a Rhodes Scholar.



Charles Conn

You serve as Chair of the Patagonia board. What interested you in this role and how do you define the role of a board chair today?

Patagonia is a unique and inspiring company to serve. The example set by Yvon Chouinard and his family over the last 50 years of building a company based in a deep purpose is wonderful – something like this has to be the model for the future. Companies and capitalism have been remarkable drivers of innovation, but at the expense of the environment and communities. It is time to change that.

Every board is different. Being a board chair in Patagonia – led by a visionary founder and a strong CEO – is a straightforward thing. I act as an advisor to CEO Ryan Gellert, and help the board juggle a complex set of objectives. We all work together to guide the company toward its mission of being in business to save our home planet including, since the new company structure was announced last September, its relationship to the Holdfast Collective, the nonprofit we created to distribute dividends to fight the environmental crisis and defend nature.

What led to Patagonia's decision to become a Benefit Corporation and what impact has it had on the way the company is managed?

Our founder, Yvon Chouinard, has been in the vanguard of a movement to make companies more responsible, to tie their purpose to something bigger than profit. The Benefit Corporation idea is ideally suited to a company like Patagonia, which has always put goals for

our environment, our teams, and our communities alongside being a successful business. We made sure to be the first Benefit Corporation in California – Yvon even put on a tie when he went to register us as a B-Corp.

Will you highlight the process in Patagonia's decision to make the Earth its only shareholder?

Patagonia has been working on being a responsible company for a long time, both in reducing harm in our operations as a business, and as an activist in the environmental battle. Five years ago, Yvon raised the bar again, changing our mission to something both simple and incredibly challenging: We are in business to save our home planet. In many ways that bold act is what led the Chouinard family to make the Earth our only shareholder last year. The ultimate alignment of walk with talk was to fully commit the company's resources to the benefit of the planet.

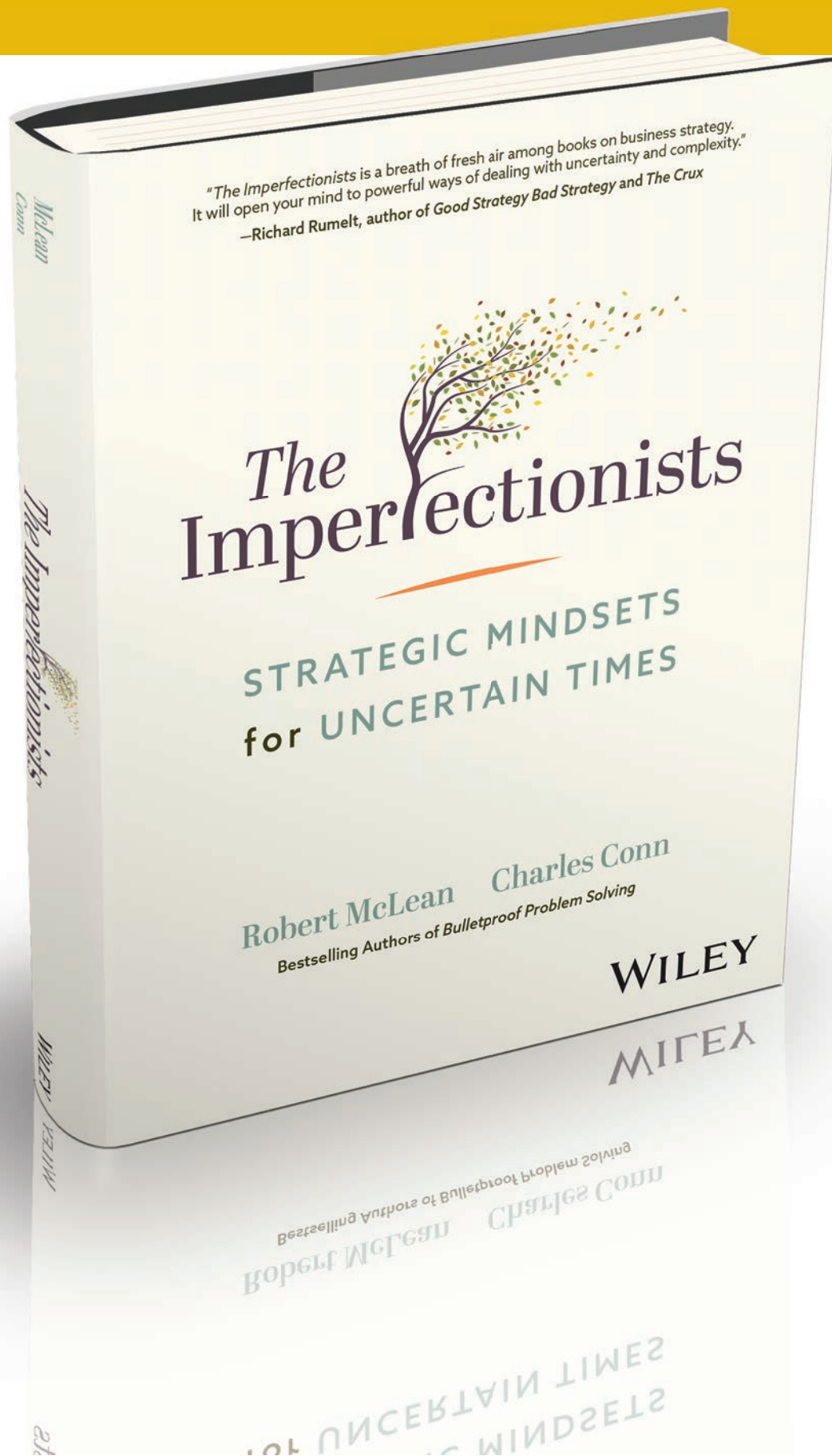
What do you see as the responsibility that leading companies have to corporate citizenship and to be a force for good in society?

I think Patagonia's actions make it clear that we believe companies have a fundamental responsibility to the planet and the communities in which we live. We need to invest in a regenerative and circular economy if there is to be a future for our children and other living creatures.

How can business leaders find a balance between the short-term pressures for quarterly results and the need to make long-term investments for the future?

At the end of the day that is a false trade-off and I think we all know it. Short-term

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profits that undermine investments in the future will make weaker companies and damage their social license to operate.

What interested you in writing your latest book, *The Imperfectionists*, and what made you feel the timing was right for the book?

We live in a different world than the one in which most of us learned how to develop

strategies for our companies and nonprofits. We all feel it: change has been accelerating, with greater uncertainty and threat of disruption in every segment. Artificial intelligence, programmable biology, robotics, and other technologies are transforming existing fields and blurring old boundaries. External shocks, from pandemics to environmental crises, cut across borders and impact all organizations, even those that

appear to enjoy structural advantages. In this volatile environment, established approaches to company strategy development don't work very well. We wrote the book to address this set of challenges, to give leaders confidence to step into that uncertainty.

What are the key messages and lessons from the book?

The Imperfectionists puts forward a dynamic approach to developing organizational direction under uncertainty, based on harnessing six reinforcing strategic mindsets, which we call curiosity, dragonfly eye, occurrent behavior, collective wisdom, imperfectionism, and show and tell. Imperfectionists are deeply curious, they look at problems from several perspectives, gather new data via experimentation, and source new approaches from outside their current space. They deliberately step into risk, proceeding through trial and error, utilizing nimble, low consequence, and reversible moves to deepen their understanding of the unfolding game being played, and to build capabilities. They accept ambiguity and some apparent failures in exchange for improved learning and market position. Imperfectionists succeed with fluid, real-time strategic problem-solving, carefully moving forward while others wait for certainty or make impetuous bets.

The book is based on a decade of research and 50 new case studies, with examples drawn from both nonprofits and companies.

What do you feel are the keys to effective leadership in today's quick-changing times?

Our view is that company and nonprofit leaders need to start with audacious goals, such as those we have seen with Yvon Chouinard and Patagonia. Then, they need to be comfortable being curious experimentalists, to step into risk with thoughtful, parallel moves, understanding that some of these will fail. It is critical that frontline teams be given room to develop and test ideas, without fear of punishment. Risk aversion paralysis is the real threat in fast-changing times.

Did you always know that you had an entrepreneurial spirit and desire to build your own businesses?

I have always loved the feeling of being part of building things, especially those that have a strong sense of purpose.

What advice do you offer to young people beginning their careers?

Experiment! I think we have hurt a generation of young people by cultivating a perfection narrative. Everyone should have a learning agenda and a clear set of values – after that, it is critical to get out there and try different roles on. Joy comes from aligning purpose and work.

With all that you have accomplished in your career, are you able to enjoy the process and take moments to reflect on what you have achieved?

Most of what we can achieve we do by working together, not as sole architects. Real partnership with good collaborators is the heart of this. There is much left to do. ●