

# Conscious Leadership

An Interview with John Mackey, Co-Founder and Chief Executive Officer, Whole Foods Market

**EDITORS' NOTE** John Mackey has built Whole Foods Market, the natural and organic grocer, from a single store in Austin, Texas in 1978, into a Fortune 500 company which went public in 1992, and was purchased by Amazon in 2017. He envisioned and launched the Whole Planet Foundation to help end poverty in developing nations, the Local Producer Loan Program which provided \$25 million in low interest loans to help local food producers expand their businesses,



John Mackey

and the Global Animal Partnership's rating scale for humane farm animal treatment. Mackey has been recognized as one of Fortune's "World's 50 Greatest Leaders," Ernst & Young's "Entrepreneur Of The Year™ Overall Winner for the United States," Institutional Investor's "Best CEO in America," Barron's "World's Best CEO," MarketWatch's "CEO of the Year," Fortune's "Businessperson of the Year," and Esquire's "Most Inspiring CEO." A strong believer in free market principles, Mackey co-founded the Conscious Capitalism Movement and co-authored a New York Times and Wall Street Journal best-selling book titled Conscious Capitalism: Liberating the Heroic Spirit of Business, to boldly defend and reimagine capitalism, and encourage a way of doing business that is grounded in ethical consciousness. Mackey is also co-author of The Whole Foods Diet: The Lifesaving Plan for Health and Longevity and The Whole Foods Cookbook: 120 Delicious and Healthy Plant-Centered Recipes. His most recent book is Conscious Leadership: Elevating Humanity Through Business.

**COMPANY BRIEF** For 40 years, Whole Foods Market ([wholefoodsmarket.com](http://wholefoodsmarket.com)) has been the world's leading natural and organic foods retailer. As the first national certified organic grocer, Whole Foods Market has more than 500 stores in the United States, Canada and the United Kingdom.

**Will you describe the Whole Foods Market culture and how critical is culture to the success of Whole Foods?**

Culture is a huge part of Whole Foods Market and it has been since the beginning when we had just one natural food store in Austin. Our culture is based around our higher purpose,

core values, and leadership principles. Part of my personal journey of being a better, more conscious person aligns with being a better leader – one who can awaken the best in all of those in the organization. I have learned how to use my own sense of purpose and passion to help others find their own sense of purpose, to acknowledge and appreciate the team for their efforts, and to do something that is personally very liberating for me, which is to lead with love. Fostering a conscious culture is incredibly important to

me, and we do that through gratitude and appreciation, particularly in our meetings. When you authentically appreciate someone, it not only makes that person feel good, but it helps to build trust and break down barriers between people. Part of being a conscious leader is being authentically and actively appreciative. We can be tough leaders at times, we can and should be strong, but at the end of the day, human beings respond best to care and appreciation. In business, everything we accomplish is ultimately done with and through other people. Conscious leaders inspire, motivate, develop, and lead others while also appreciating what team members contribute. The bottom line is that when leaders become more conscious, the organizations they lead become more conscious. In this way, everyone wins.

**Whole Foods has experienced four decades of incredible growth and innovation. What have been the keys to Whole Food's leadership in the industry and its ability to remain relevant and current?**

At Whole Foods, we have consistently challenged ourselves to innovate, and these ideas do not just come from the top but throughout our entire organization. In fact, it is one of our core leadership principles. At Whole Foods, we are aware of what others are doing, look for new ideas from everywhere, and are not limited by "not invented here" thinking. We continually innovate in our retail operations to upgrade and improve the way we operate our stores, buy products, merchandise them, and how well we serve our customers. We also encourage innovation in new products through our Local Producer Loan Program. On many occasions we have worked with local suppliers to put unique products on the shelves and grow their footprint from one region to the next, with an aim of

eventually becoming a global supplier at Whole Foods and giving them the foundation that they need to launch at other retailers nationwide. This is a true win-win-win experience for us, our suppliers and, of course, our customers. Another example where we continue to innovate and push boundaries is through our private label brand, 365 Everyday Value. Our team is constantly looking at food trends and flavors to add exciting offerings to this line, for example plant-based products which are largely popular amongst our customer base right now.

**How has Whole Foods adapted the way it works to address the challenges created by the pandemic?**

COVID-19 has reminded us that we're all in this together and that we are a family. I'm quite proud of what I saw in our stores during this time. We have been cited for our quick response to the pandemic. We were among the first to mandate mask wearing for team members, we closed down our hot and cold food bars, and we quickly instituted new practices to sanitize carts and other surfaces. Our top priority was keeping both our team members and our customers safe. Despite the fact that our team members are masked eight hours a day since they're on the front lines dealing with thousands of customers coming into our stores every day, our culture – a conscious culture led by conscious leaders – has been strong. This is really helping people get through this. Customers are cooking at home more, and the way people are shopping has become much more transactional with curbside pickup, delivery options and less browsing in-store. Some of that will continue when this is all over because, for some, the convenience factor is the most important thing. Others – the people who really enjoy food and who like to touch it and smell it – will be back to shopping in-store because it's an important part of how they consume food.

**How important is it for Whole Foods to build a diverse and inclusive workforce?**

With more than 515 stores spanning across the U.S., Canada, and the U.K., we have an incredibly diverse and inclusive workforce made up of hundreds of different ethnicities and languages. Racism and discrimination of any kind have no place at Whole Foods Market.

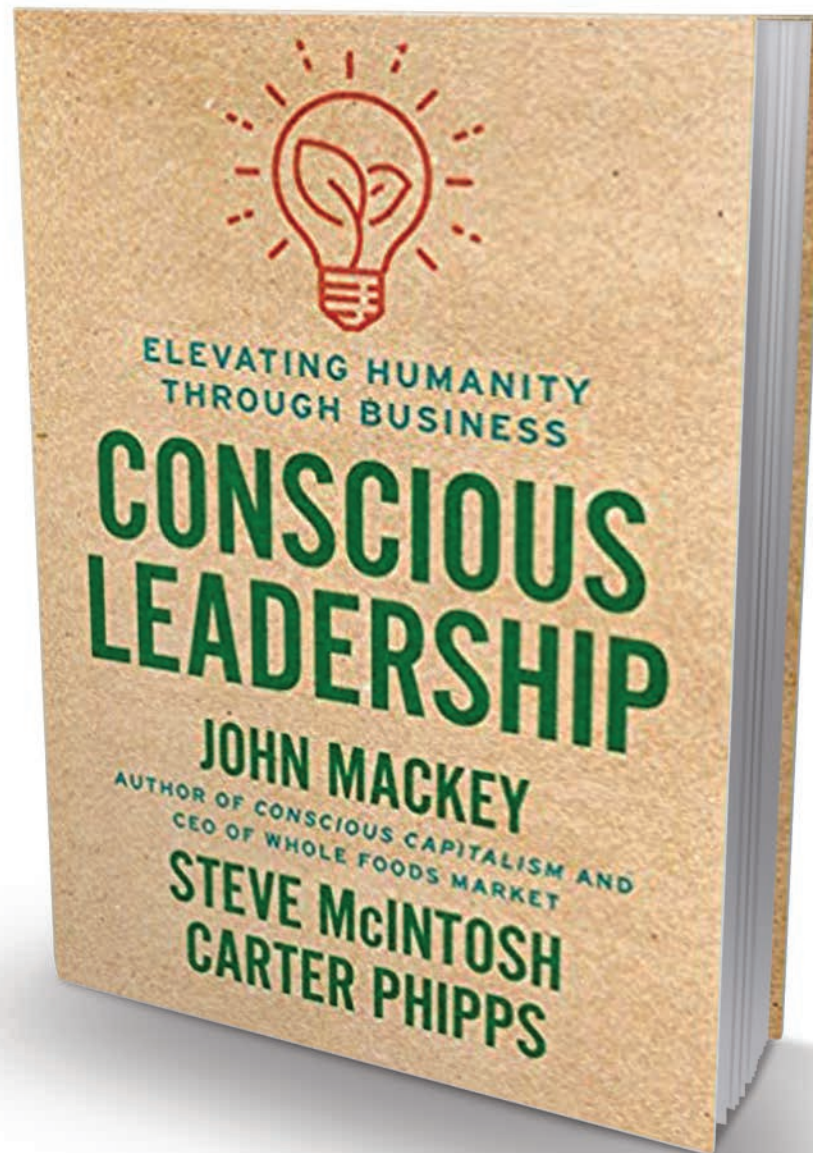
**How critical is it for companies to be purpose driven and for purpose to sit alongside profit to inform decisions and create cultures that build better lives for all?**

Conscious leaders have a strong purpose and are able to effectively embody and communicate their purpose to other people. Many people have a hard time relating the idea of a higher or transcendent purpose to a business enterprise or to capitalism, which is very unfortunate. Two hundred years ago, 94 percent of everyone alive on planet earth lived on less than \$2.00 per day (adjusted for inflation). Today that is less than 10 percent. It has been capitalism and business that take the discoveries from science and create progress in the world that has steadily ended poverty for billions of people and is steadily improving all of our lives.

We don't need to choose profit or purpose. They both can and should exist together. The key to discovering an organization's higher purpose lies within the value creation that they offer to the world. All organizations, especially for-profit businesses, must continuously create value for others in order to survive and to flourish. It's in this activity of value creation that the essence of an organization's purpose can usually be found. For Whole Foods, the intrinsic good behind our value proposition is health and vitality, both for people and for the planet. Purpose is central to a leader's motivation. Profit is an important quality, but it is the result of creating value for others. My body needs to produce red blood cells or I will die. However, just because I must produce red blood cells, it doesn't logically follow that my purpose in life is to produce red blood cells. Similarly, every business must produce profits or it will eventually die, but that doesn't mean making profits is the purpose of the business. All businesses have the potential to make their higher purposes, beyond only making profits, more conscious and widely understood in their organizations and in their larger stakeholder communities. Doing so will go a long way to defusing the mistrust and dislike of business that is widespread in our society.

**Will you discuss your new book, *Conscious Leadership*, and why you felt it was the right timing for the book?**

The book is really the sequel to the book I wrote with Raj Sisodia in 2013, *Conscious Capitalism*. That book defined a new paradigm in business. It catalyzed a movement around an elevated way to do business and how to conduct it in a way that fulfills the business' higher purpose, while creating value for all of its major interdependent stakeholders. Since we published that book in 2013, we have received several hundreds of requests to go deeper on the subject of conscious leadership, so we wrote this book to address that need. *Conscious Capitalism* was the start of a movement. *Conscious Leadership* is about how leaders can become more conscious, develop themselves effectively, and increase their positive impact in the world. Raj and I wrote the first book to demonstrate that business and capitalism are inherently good, identify the four specific tenets – higher purpose, stakeholder integration, conscious leadership, and conscious culture and management – that build strong businesses, move capitalism closer to its highest potential, and foster a more positive environment for all of us. When leaders become more conscious, the organizations they lead also become more conscious, creating an ever-widening circle of purpose-driven cultures and



communities. We wrote in the book that the world needed “tens of thousands of conscious leaders.” Today, I would say we need hundreds of thousands, perhaps even millions of these leaders, as we work to rebuild business and society, post-pandemic.

**Who is the book targeted to and what are the key messages that you wanted to convey with the book?**

The book is really for all leaders, and the next generation of leaders. Young people will be the great entrepreneurs and innovators that change our world in ways we can't even imagine. In the book, we identify nine key traits of conscious leadership, but the one I feel most passionately about is love. A conscious leader is someone who leads with love on a daily basis and who works to bring love out of the corporate closet and spread it throughout the organization. The discussion around business and leadership is full of metaphors about war and sports that are hyper-competitive and encourage a “winner take all attitude.” That narrative doesn't allow much room for love. Too many people have come to see love as a weakness, but I would argue that love is a tremendous leadership strength and one of the most human things we can do. We need to be able to go about our jobs and be fully human.

Looking at the real human needs of those we work with and those we serve will take us, as a society, so much further.

**How do you define the traits required for conscious leadership?**

Conscious leaders put purpose first, lead with love, and act with integrity. They embrace win-win-win solutions that create positive outcomes for everyone involved, including themselves. They innovate and create value, think long-term, and commit to growing and learning as a leader, and evolving their team. And maybe one of the most important traits – they recognize the importance in regularly revitalizing themselves – physically and mentally. Becoming a conscious leader is tough. It requires a high degree of self-awareness and a real desire to change and grow. It is not enough to simply follow rules or adopt the latest leadership fashion. There are no plug-and-play solutions. Instead, it is a journey of personal development and personal transformation that comes from an understanding of human nature and human culture. Change is hard at any age and in any role, but choosing to embrace and go out to our growing edge, where you're not quite comfortable anymore, that's our biggest opportunity to become aware, intentional and more awake. ●