

Raj Sisodia *and* Michael J. Gelb

THE
HEALING
ORGANIZATION



Awakening the
Conscience of Business
to Help Save the World

PART 2: THE JOY THAT IS POSSIBLE: STORIES OF ORGANIZATIONS THAT HEAL

THE POWER OF INNOCENCE: How Jaipur Rugs brought dignity, prosperity and hope to 40,000 lower caste women in India

Tourist guidebooks to Jaipur, India's magnificent "Pink City," renowned for its historic palaces and princely heritage, warn: *Do not visit during the extremely hot summer months of March through July, when daytime temperatures often exceed 100 degrees and the dust and pollution combine to make Jaipur unbearable.*

Although for tourists the summer weather may be unbearable, it's just normal for people who were raised in these conditions. It is also normal for lower caste workers, especially women, to work in conditions that are much more oppressive than the summer heat.

India's ancient caste system is a rigid form of social stratification with thousands of distinctions and sub-castes based on inherited and unchangeable assignment to different types of work. There are four main tiers: At the top are the priestly, scholarly Brahmins, and below them the warrior and administrative class. The next level down are traders, merchants and business professionals, and at the bottom the Shudras, or menial workers, a category that includes the so-called "Untouchables," who for centuries have done the dirtiest and most toxic jobs like sanitation, leather tanning and funeral work. Born into a life of punishing and poorly paid labor, members of the lowest caste are considered unclean and are prohibited from touching the skin or even the clothing of any of the "higher" castes. The prejudice was so extreme that in some regions of India members of the lowest castes were forced to wear bells to warn of their proximity as it was believed that even their shadows were contaminating. Upper castes had special cleansing ritual baths to restore their purity after even incidental exposure, and untouchables were subject to severe beatings if they inadvertently touched, or even cast a shadow, on a member of a higher caste.

Although discrimination of this kind is now officially illegal, the tradition remains widespread and it is especially burdensome for women.

A girl born into an untouchable family occupies the lowest of the low tiers of social status in India. These girls are fed last, educated minimally if at all, and conscripted into housework at an early age, including child-care for their younger siblings. "Married off" in their early teens, they are sent to another family and a lifetime of servitude. They are expected to bear and care for several children, cook and clean for the household, serve their mothers-in-law and husbands – and carry on their hereditary occupation, earning money that will be

handed to the mother-in-law. Alcoholism is rampant among lower caste men and verbal and physical abuse of women is commonplace.

Abuse is also rampant in the workplace-Women weavers, for example, are frequently exploited by middlemen from the merchant class; they take orders for carpets and then find weavers in villages to do the specified work on a strict deadline for a fraction of what the middlemen receive. It's been a regular practice for these operators to short-change the women, using insignificant mistakes or tiny blemishes to justify withholding half or more of the agreed upon amount. In many cases the women are not paid at all and have very little recourse.

Jaipur Rugs is an organization devoted to healing this tragic legacy.

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### **Visiting Jaipur Rugs in July**

It was indeed hot in early July as we drove from Jaipur towards the village of Tigadia through the arid, semi-desert landscape that is typical of the region. The early monsoon rains of mid-June had given rise to a pleasing amount of greenery. In the car was Mr. Nand Kishore Chaudhary (affectionately known as *NKC*) the visionary founder of Jaipur Rugs. A modest man with an open face and sweet smile, *NKC* spoke in mesmerizing fashion about launching his widely admired and highly successful company. As he spoke it became clear that beneath his humble demeanor was a steely determination and abiding passion to address the plight of the weavers.

As we pulled off the paved road onto the bumpy, dirt access lane into the tiny village, one of hundreds in six Indian states where some of the company's 40,000 weavers live and work, we passed stray dogs and clusters of men sitting idly at tea stalls, staring at us as we drove by them trailing clouds of dust. Finally, we pulled up to a modest house that was covered with a slanted tin roof and entered its courtyard. There stood several rustic-looking looms arranged parallel to one another, about four feet apart, stretching from the house to the courtyard wall.

At each of the looms, two women wearing brightly colored sarees, squatted side-by-side on a low wooden platform, facing an arrangement of vertical threads stretching from a wooden bar about seven feet up to another bar at ground level. Behind them lay assorted bundles of colored yarn to be woven into the prescribed design. About six inches or so of a long printed pattern that carries the blueprint for the carpet being created was visible in front of the women, just below the line they were weaving. Using a tiny sickle in one hand,

they tied the individual knots that create a miniscule piece of the carpet. The women's hands flew back and forth with astonishing dexterity.

They laughed and talked almost as fast as they weave. One woman worked with a small child draped across her lap. It's evident immediately that this work requires great coordination, stamina, skill and precision, but these women make it look easy. How can they squat like that for hours at a time doing this painstaking task while exuding so much joy?

During our drive NKC prepared us for what we were witnessing by explaining: "These women are natural leaders, with tremendous problem solving skills. They possess strength and ingenuity that we can only marvel at."

One such woman is Shanti.

### **Shanti's Story**

Ten years ago Shanti's work as a weaver was a daily struggle and misery. She worked long hours under terrible conditions and dealt regularly with unscrupulous middlemen. Nevertheless, through her exceptional determination and skill she had become the supervisor of other weavers and their representative in dealing with the contractors.

One day one of the seemingly more trustworthy middlemen asked her for a short term loan to pay his taxes. In good faith, Shanti agreed, using money she had earmarked for her workers, (approximately Rs. 3,500, about \$70 at the time). He absconded with the money and it became clear that she wouldn't get it back. At the same time, other middlemen all reneged on promised payments based on flimsy excuses and the rug work in her village came to a standstill.

Shanti sold her jewelry – all she had left of value – to raise money to pay her workers. With no income and no support from her in-laws, who were infuriated by her sale of the jewelry, and a husband who drank to excess and shirked responsibility, her situation was dire. At one point she was compelled to send her 8-year old daughter to beg the local shopkeeper for some flour so that she could provide minimal sustenance for her family.

Desperate for work, Shanti traveled to a nearby village to do menial labor for a cement company. While there, she overheard a few women talking about a man named Harphool who was offering a weaving job that would pay Rs. 100 (\$2) a day, much more than she could earn at the cement factory. Shanti got his phone number and rang him immediately. Although she didn't know it at the time, Harphool was a distant relative, and he invited her to come to his office. He offered her a loom, and eventually as he observed her ability both to weave and to bring out the best in other weavers he asked Shanti to add more looms. She

was hesitant about the extra responsibility as she had six children – five girls and a boy. But there was something different about Harphool and despite her previous betrayals and disappointments at the hands of brokers, she trusted him.

Today, Shanti directly oversees six looms and her village has a total of 42, with 90 workers. She leads all the weavers and continues to weave herself. Increasingly, she also interacts with customers, welcoming them to her village to experience the magic of Jaipur Rugs.

When we arrived she greeted us with a hearty “How are you?” in heavily accented English, much to the amusement of the other women. Shanti offered us tea, and motioned for us to walk a few feet towards the clean, simple house, where a few chairs had been set up in a living room next to a loud, clanging air cooler. A few of the other women joined us as we sat and talked for the next hour. Also with us were Harphool, who now manages the region for Jaipur Rugs, and NKC’s daughter Kavita who is head of design for the company.

Previously all of these women would have covered their faces completely in front of others, and would’ve presented themselves with apologetic body language. But here they were upright, heads uncovered, greeting us with wide smiles and sparkling eyes.

When asked to share about her experience Shanti explains, “When I joined, I was shy, under-confident and lacked knowledge, so much so that I did not even dare look at Bhaisaab (which means older brother, referring to NKC) when he paid us a visit. But today, I can talk to any person confidently.”

Shanti is most delighted about the effect her transformation has had on her family. Her husband is in recovery from his drinking problem. Her oldest daughter is now happily married and in college. The next one is three years younger and also in college. The next two are in the 11th and 10th grade and thriving academically. The youngest girl is in the 6th grade and her son is in the 2nd grade. Shanti is determined that all six of her children will complete college, something that would have been unthinkable for an untouchable.

Thanks to the Jaipur Rugs Foundation that provides an adult education program in the villages it serves, Shanti’s own education has come a long way since she was forced to leave school in first grade. She enthuses, “I have learnt so much. This has changed the way my family and I are able to live.”

Shanti is devoted to supporting and uplifting the women who work with her and encourages them to take advantage of the educational opportunities provided by the Foundation. She is beloved by her workers and their families. The villagers call her “Devi,” the Hindi word for “Goddess.” Shanti’s naturally loving and generous nature has blossomed as her self-confidence has grown. Her growing ability to inspire others is, she believes, an

effect of the culture of Jaipur Rugs, and the way it was represented first by Harphool and then by NKC himself. They inspired her to believe in herself and to stand up for herself when necessary. She exclaims, "I naturally think of what other people need before I think of myself. If I'm hungry, I'll first offer food to someone who is in need. I can't bear to see anyone unhappy. But I have also learned to believe in myself. Now, whenever I have a contradictory opinion, even if the other person may not appreciate it, I tell them, I speak up."

When asked about her dreams for where she wants to be five years from now Shanti says, "I have come pretty far working here and I think I can go farther." She explained that many people move away from the village looking for work, so she proposed to NKC the idea of a new center to provide expanded training, education and employment to keep the village community strong.

She enthused, "There is a place I have seen for the new center. It is in shambles now but if we invest some money, it'll be perfect. It is a huge place, almost 3600 sq. ft. You never know how productive the new center will be; maybe it will be better than the existing one! I think it is a steal for Rs. 80,000. We will need more to renovate it and make it operational, but that's normal. I think we should take this place." NKC agreed.

How was an uneducated, impoverished, abused woman transformed into a happy, successful and fulfilled entrepreneur? Shanti's distant cousin Harphool played a key role. His name means "one who laughs and cheers people up," and it is apt.

### **Harphool's Story**

Harphool comes from a poor, debt-ridden family with five siblings, and an alcoholic father. Like Shanti, his sisters were denied elementary education and hired out to contractors to work on looms where they were often harassed and abused. His parents tolerated the mistreatment because they needed money desperately. When Harphool was in the 4th grade, he decided to try working on a loom himself to help feed his family and to protect his sisters.

Despite sustaining a severe injury at work he continued on the looms to ensure that his sisters weren't ill-treated. The situation was grim, but he persevered and eventually found his way to a weaving group run by a good man who taught him new techniques, and introduced him to considerations of design, quality, etc. NKC visited this facility and, impressed with Harphool's work, asked him to become part of Jaipur Rugs.

NKC brought Harphool to the headquarters in Jaipur and personally showed him around and asked him to be a supervisor. Harphool couldn't believe it and protested that that

nobody would pay heed to “a poor and backward soul” like himself. But, NKC saw his potential and told him that an honest, sincere and innocent man needn’t ever be afraid and that determination woven together with goodness will yield success. Soon, Harphool was not only a supervisor but also one of the leading recruiters of weavers for the company. Within six months, he had brought 79 new looms into the Jaipur Rugs family, handling all the arrangements. Harphool explains that NKC’s presence and encouragement helped him achieve things he previously considered unimaginable.

With tears of gratitude welling in his eyes Harphool recounts, “My body may be a gift of the almighty, but Bhaisaab gave me my soul. The value and reputation I have today, is all because of him. Today, our extended family is strong. Our kids are all studying in good schools and doing well... Our lives are completely transformed.”

Harphool exults, “Bhaisaab lives in all our hearts, he has taught weavers the power of love and all they want is share this love. Then what they do for their company has no bounds. For example, we recently completed a huge carpet in 45 days, one that would normally take four months. That’s incredible... What is this if not the expression of our love for him?”

Shanti expresses her love for Harphool “He motivates me...whenever I see him, I feel like bettering myself.”

And for NKC, “He spends time with us, eats with us, and never has he treated us like untouchables. And seeing that, all of us have started treating each other as equals. See, even she (pointing to Kavita, daughter of NKC) is sitting on the floor with us. That’s how they treat us.”

She concludes, “He cares for us more than our parents ever could. He is my god.”

### **So Who is Nand Kishore Choudhary?**

He’s one of the most unusual CEOs in the world. Known as the “Gandhi of the carpet industry,” he is an indefatigable champion of those on the lowest rung of Indian society. Compelled by his passion to generate a “first chance” for those who have been denied opportunity, he is an embodiment of moral courage and the creator of a truly healing organization.

Born in 1953 in the Shekhawati region of Rajasthan, NKC was one of five children. His father ran a shoe store and his mother was a housewife. His greatest influences from childhood were the inspiration he received from contemplating the beauty of nature, and the wisdom he gained from reading great works such as Gandhi’s *Autobiography: The Story of My Experiments with Truth*, *The Bhagavad Gita* and the poetry of Rabindranath Tagore. His soul was thus infused with a love of wisdom, beauty, art and compassion for others.



After graduating college he struggled to find his place as he didn't feel drawn to work in his father's shoe store and soon became disenchanted with a job in a bank. In 1977, NKC married Sulochana and they had three daughters followed by two sons.

A turning point in his life was his meeting with the British adventurer, photojournalist and art historian Ilay Cooper—author of many books including *The Painted Towns of Shekhawati*. The men bonded over their mutual love of the local artisanal traditions and have been friends ever since. Cooper supported NKC's intuition that he needed to find his own path and that it would involve making the world more beautiful. Cooper also inspired NKC to evolve his attitude about the potentiality of women. NKC's first three children were all female and in India, as in many other places, the lack of a male heir is considered a failure. But Cooper advised him: "You should bring up your daughters in an open and friendly environment. Give them all the opportunities and support they need to grow. There should be no difference in their upbringing just because of their gender."

NKC heeded his friend's counsel in a way that not only brought out the best in his daughters but ultimately in his business and the communities he serves.

Inspired by the beautiful patterns, he learned the ancient art of carpet weaving and started teaching it to people in local tribal communities. With a small loan from his father he began in Rajasthan in 1978 with just 2 looms and has grown the company to more than 7000 looms in six Indian states. He has been honored by global business groups including Ernst & Young, which named him *Entrepreneur of the Year* in 2010. Nearly a hundred awards crowd one of the walls in his modest office.

### **The Master Key: Innocence**

How did NKC create such an extraordinary healing organization? People who know him from childhood say that he always possessed a quality best described as *innocence*. Friends from college also remember him as a pure spirit, and say that he was "the same outside as he was inside." This was seen as a positive and endearing quality, until he decided to go into business. Then, many people told him he wouldn't be able to succeed because he wasn't hardened and cunning like other businessmen. There is a common expression in India: "A good person is a bad businessman." The assumption is that you cannot be a good person and successful in business at the same time.

But others observed his way of being and predicted that he would be successful, because word would get around that he was a genuinely caring and incorruptible character. They saw that his innocence would become his greatest strength. NKC reflects, "Today, all the cunning people who used only their minds to get ahead in the carpet industry have fallen behind me. They used their cleverness to figure out how to exploit workers, cheat

customers, not pay weavers what they were owed. Because I was innocent, I never got trapped into doing any of those things. I just did what I felt was right. It was not difficult to see what that was.” For NKC, it was self-evident that the standard industry practices of using toxic dyes, child labor and the exploitation and abuse of the weavers were unconscionable. He changed all that from the beginning and magnetized other good people to follow.

For NKC, innocence is the master key to healing. He explains, “My life’s purpose to create a business that is all about innocence: serving innocents, employing innocents, led by innocents. Innocent people have the power to see and understand things others cannot... That will transform the business beyond recognition, because they can go so deep into the human condition.”

His daughter Kavita, who heads design for the company, adds, “Innocents are in closer touch with the flow of life. They are more natural, not forced. We see this in our designers. There is less ego, less self-consciousness. There is a kind of auspiciousness. Innocents are able to sense global trends before they become apparent to others. They are more finely tuned in to what is emerging.”

There is a kind of innocence that is naïve and weak and helpless, the innocence of a young child. There is also the innocence on the other side of wholeness, a mature, loving *chosen* innocence. For NKC innocents have extraordinary power. Theirs is a power *with*, not power over others. Innocents never knowingly cause others to suffer. They are in Franciscan terms, *instruments of peace*. We need more innocent leaders in the world, in every sphere: politics, business, civil society. Like NKC, such leaders have a purity of heart and intent, supported by a spine of steel.

### **The Higher School of Unlearning**

When he started, NKC was primarily focused on quality and production, but knew nothing about marketing, finance, and HR. Initially, he lost a lot of money. But his innocence and “Beginner’s Mind” made him humble and agile and enabled him to adapt and develop an effective system for integrating these essential business functions.

His commitment to people and culture was challenged when his company started to grow rapidly. He engaged well-educated business professionals to help manage his network of uneducated artisans, but quickly realized that managers who didn’t empathize with his weavers would destroy the essence of his creation.

NKS developed a unique management training approach that he calls the “Higher School of Unlearning.” Aspiring leaders at Jaipur Rugs all learn to weave; they experience every stage

of the generation of a carpet and learn to empathize with workers at every step of the supply chain.

The Higher School of Unlearning is based on one of NKC's favorite adages: *Finding yourself through losing yourself.*

In other words, lose your ego-centrism to discover your essence. He explains, "When ego is in charge, things don't work so well-it leads to cunningness, defensiveness, the need to prove oneself right." Instead, he counsels that in the search for solutions we open the heart and access more intuitive wisdom.

This approach is called "Mindful Leadership" in contemporary parlance but that term didn't exist when he began practicing it.<sup>71</sup> He says, "If you are focused on the goal and the desire to acquire something, you will be in a state of tension. Your purpose is to achieve the goal rather than do the work. The results may come, but not the grace. What you work on in the present defines what the future will be. If you work in the present without the desire to attain something, what you get then is a state of grace. From grace comes gratitude."

NKC believes that many business leaders need to shed the fear and inferiority complex that drives greed, control, unethical practices, and undue haste. Unlearning fear liberates natural compassion. As NKC states, *Leaders driven by love will bring sustainability and healing to the business, as well as for themselves. When you come from a place of love, you will go deep and not be driven by external competition. Then you don't need to search for the market; it will find you.*

## **Healing Customers**

The market is finding Jaipur Rugs and they are mobilizing to keep up with the demand. This is a reflection of NKC's deep understanding of what his customers really need.

In response to the fundamental question "*Why do people buy things?*" he offers a profound insight: "*There is some empty space inside them and they are trying to fill it. It gives them some excitement, the thrill of something new. But the more you buy, the more that empty space keeps expanding. **The only way to fill that space is through love and healing.***"

He adds, "*When business can be the conduit for people to connect with each other, it will lead to true satisfaction. The market will move towards the essential things that customers truly need.*"

In the last decade, the market has moved in just this way. Jaipur Rugs is receiving international acclaim. Business leaders from all over the world, including Paul Polman and senior executives from Ernst & Young and Bain Consulting, are making the pilgrimage to

Jaipur to attempt to understand the magic. Visitors are all shown how to weave and each creates a loop or two for a carpet that will ultimately be an expression of the curiosity, energy and love of Jaipur Rugs global family. The rug is also a living symbol of a corporate culture that is predicated on a systematic approach to the welfare of all its stakeholders, beginning with the artisans. As the company has a positive impact on the lives of weavers, they are increasingly connected with customers, and customers experience this as something special.

When producers and customers connect in this way, there's a healing effect and a flow of abundance. In NKC's words, "When we tell our story to customers, they are not only willing but happy to pay more than before. They tell us that there is no better company, no more honest people with higher integrity than they have encountered here. Those customers are being healed as well."

Customers (mostly interior designers) come to Jaipur, get to know the weavers, and leave feeling intimately connected with the company and especially the weavers. When they hear the stories of the weavers and how their lives have been so thoroughly transformed by being part of the Jaipur Rugs family, they are deeply moved. They come to understand and appreciate what truly goes into producing a carpet – how much hard work, care and diligence and, in the past and with other carpet companies today, how much suffering. Customers come to realize that they can be part of a healing transformation of these lives and future generations.

As NKC expresses it: *We don't sell carpets, we offer a family's blessings.*

Jaipur Rugs' healing culture is also earning it a strong reputation with retailers. NKS told us, "We learned recently that one of our competitors reached out to one of our major retail partners, offering to copy our unique designs and under-cut our prices. They are driven by fear and an inferiority complex. But our retail partner refused to do business with them, considering what they are doing unethical. I am confident we will be the most competitive company in the industry, in addition to being the most joyful!"

NKC sees the potential for more transformation to come. "I feel that our way of operating will grow within our industry as well as in other industries.

### **Jaipur Rugs is a Business *and* an Ashram**

A firm believer in the power of business to transform society, NKC states, "I have always been an advocate of for-profit solutions to social issues. My philosophy is this: Give people a way to make a living, not just charity. In this way, your efforts are sustainable, and so are the livelihoods of all the people you touch."

He adds, "Governments and NGOs have tried very hard, but ultimately it is up to business to heal society. Governments often give people money without them having to work for it. I think about how business can transform society. Companies understand how to operate, how to serve customers, how to make a profit. But if a business is driven by love, it can truly transform. People want to give and receive love. Businesses that enable that will not only succeed, they will also heal society."

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We began by sharing the Jaipur Rugs story because the depth of suffering previously endured by its workers, living in extreme poverty in rural India, exceeds anything experienced by the blue-collar workers of small town America. Shanti and Harphool would consider out of work American coal miners and factory workers as wealthy and privileged. Their desperation was far greater than most can appreciate and their lives have been fundamentally transformed by a Healing Organization. If this can happen in rural India it can also happen in America and around the world. It is happening! Let's explore some more notable examples.