

On Profit, Passion and Purpose: a personal account from the world of social entrepreneurship.



So, what's the status of [Seeds of Change](#) (SOC) – the ecological learning platform I have been working on with [Green Initiatives](#) since fall 2017? What happened during the summer months? Some of you might have asked why it has been silent around SOC. Some of you might have heard rumors. Let me give you a honest update.

We have completed the beta-phase as planned on June 30 and we have reached almost all our targets. About 1000 users have earned 10000 hours of learning credits in more than 25 learning communities (see below beta phase report). These results should be reason to celebrate and smoothly move into the next phase of product development.



Beta Phase Results, June 30



Behind the scenes, things did not go so smooth though.

2 1/2 years ago, I left the corporate world, because I had made a decision: subjecting the 2nd half of my life to purpose, not profit. The two are not black or white. There are many shades of grey, but the state of the planet, the state of our education systems and the state of our economies seemed to make this decision reasonable. The future of our two children then 8 and 4 made it necessary.

I set out with Nitin to try a smart system transformation and after all the talking we did, I trusted him. I never thought that I would encounter cut throat capitalism amongst social entrepreneurs and environmentalists. But this is what has happened, and it took me all summer to digest this disappointment. I am to a certain extent embarrassed about my own naivety, but I have learned at my advanced age an awful lot from Mr. Dani. One thing in particular: that I rather continue to be perceived by many as a misanthrope who lacks sweetness in interaction with others and should study non-violent communication (as somebody recently recommended) than pick up superficial friendliness which does not match core values and central actions in regard to people closest to me. If society is that regressive then I better move into a faraway corner of this world and follow the insights of Diogenes of Sinope: morality implies a return to the simplicity of nature, because wisdom and happiness belong to the man who is independent of society.



Entrepreneur of the Year Nitin Dani Shares His Best Practice Of How To Grow A Business At The Expense Of Others

Pick a good cause and make naïve and good hearted people work for you free of charge	If they proof to be a valuable contribution to the the growth strategy of the business, ask them	Delay partnership offers as much as possible and exploit the resource; talk a lot about values and quote famous social entrepreneurs	When delaying doesn't work anymore offer shares in exchange of capital investment and value your own investment 4times higher than working time	If the victim doesn't want to continue, but asks a compensation for his time, then again value your own contribution 4 times higher than his, disregard his market salary and treat him like an intern. Important: ignore any previous agreements
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Save the world with me!

Join GI! Become a partner

You are already a partner even if we don't have a contract!

You did great, but GI is already so valuable!

Don't be so negative. You get a fair deal! 10% of what you have built with your own hands!

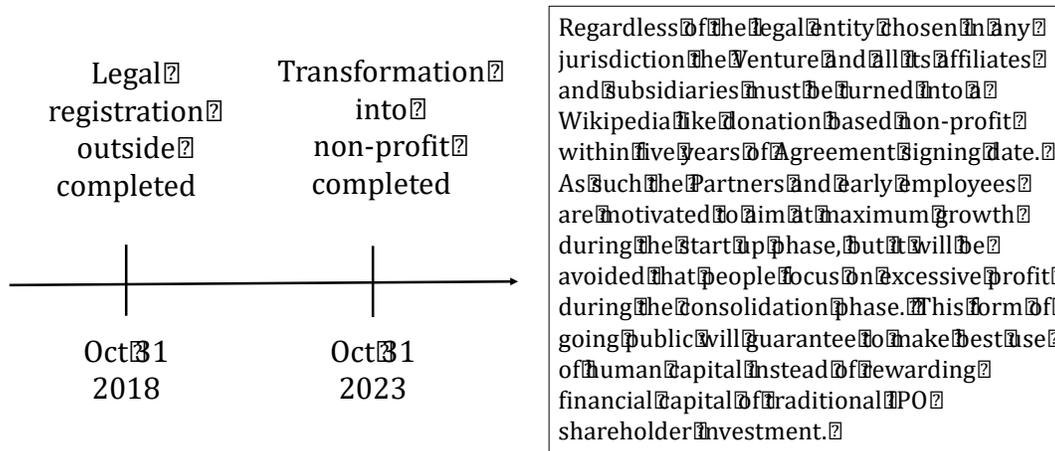
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Some might know, others don't. I did support Green Initiatives from May to July 2017 in a three months pro bono change management process as coach and consultant and developed Seeds of Change as the 2020 strategy for the organization. Nitin asked me close to the end of that project, if I would like to team up with him and implement the strategy. I agreed and started in September as GI Strategy and Product Development Director. We seemed to be a good match. Him the showman, me the R&D guy. Like Jobs and Woz with Café Onair co-working space instead of a garage and green tech instead of personal computing.

I expected a partnership offer after summer. It didn't come. I pushed for one in fall, but failed to reach an agreement. I realized that Nitin is a tough negotiator. But at least I managed to get a signed agreement which assigns 70% ownership of SOC to me and 30% to Nitin. It took Nitin two weeks of massive contract editing and I felt like I things started to get really difficult. I was then already weary that he would not heed my wish to turn SOC into an open source platform and wanted to secure that direction with the majority of shares.



Long Term Strategy



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2

My attempts to bring in additional partners failed from that moment on. I suggested for months to bring in Pauline Soudy and Feiy for content partner development. Nitin blocked off. My occasional comments that a partnership requires both sangha (community of purpose) and a contract was turned by Nitin into my liability: how could I not trust him? Of course I was a GI partner!

I kept showing Nitin a slide about two mountaineers climbing without rope and told him that I did go very far without any security. He kept replying that he could hardly manage daily operations. I fell for that excuse for quite a while until I realized that he always had plenty of time to meet dozens of people for GI and work part time with substantial business trips for GIGA, his day time employer. It was only a question of priorities; and I was none or in Mr. Dani's own words: *you have already made it and own a house, what about me?*

At the end of 2017 I engaged an experienced mediator and friend of mine, because I felt that I had lost direction in this project and a feeling of being exploited grew from deep within. Nitin's superficial friendliness, which we all know from his many public appearances, did start to give way to a subtle form of aggression which became apparent through the cracks of how he does business. The mediator recommended to Nitin to make a concrete partnership offer and asked me to wait a bit more.

Nitin knew since August 2017 that I was not working anymore pro bono for him. I told him that I had a cushion from my corporate job, but needed to provide for two kids. He knew that I expected a modest return on my time investment and he kept telling me that I was a

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partner in GI and would get my share at the end of the year. GI made CNY 700k revenue in 2017. I did not see a penny to this day.

We agreed that I would renew my working visa with GI in April, since I worked full time on SOC and had stopped almost all other consulting projects. It took him until April to make an offer and I could not believe that he asked me to make on top of my substantial time investment a financial investment of CNY 100k for 23% of GI shares.

I was disappointed and felt like having arrived in the capitalist realities of social entrepreneurship; but I had just started with the implementation of [The Abundance of Less campaign](#) and was blinded by my focus on purpose. This campaign attracted about 1000 participants and contributed half of all SOC users to this date. I worked off my ass for this project and for giving SOC a good head start. Nitin strangely emphasized in our summary meeting that GI had made CNY 20k loss on a CNY 140k project.



Calibrating Motivation

POWER

Alfred Adler - Individual Psychology

PLEASURE

Sigmund Freud - Psychoanalysis

PURPOSE

Viktor Frankl - Logotherapy



PROFIT

Alfred Adler - Individual Psychology

PASSION

Sigmund Freud - Psychoanalysis

PURPOSE

Viktor Frankl - Logotherapy

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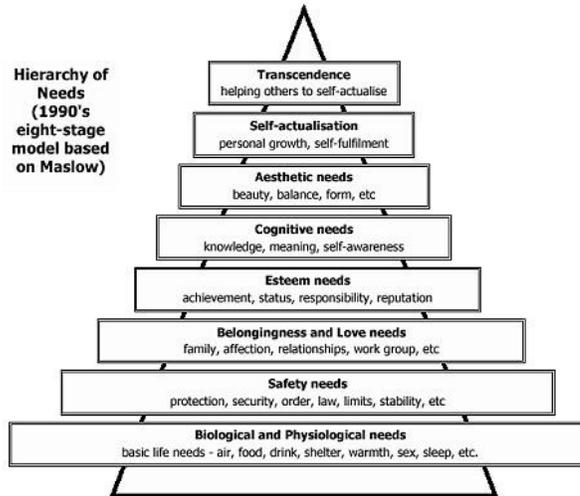
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It was during this campaign that I realized that Nitin's and my mission had diverted or - like I assumed earlier - had never been aligned. Nitin focuses on corporate customers, because they have money. I focus on parents and families, because they are most likely to listen to the green message. We have two different customer segments because we have two different visions. Nitin wants in the first place to succeed himself as entrepreneur and proof to the world that he has made it. I look for cracks in the system which make this world inhabitable for our children. Nitin projects his profit motive into an excessive desire for recognition. I am driven by responsibility for my own blood and flesh.



Projecting Profit Into Other Layers of Human Needs

Excessive focus on profit or power is driven by greed or wanting more or fear of losing some



Profit is usually associated with lower human needs and money, but quite often it is projected into higher needs like esteem. It can appear though on all levels

8/26/18

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11

In late June I posted this quotation by environmental lawyer Gus Seth on my blog: *I used to think the top environmental problems were biodiversity loss, ecosystem collapse and climate change. I thought that with 30 years of good science we could address those problems. But I was wrong. The top environmental problems are selfishness, greed and apathy ... and to deal with those we need a spiritual and cultural transformation - and we scientists don't know how to do that.*

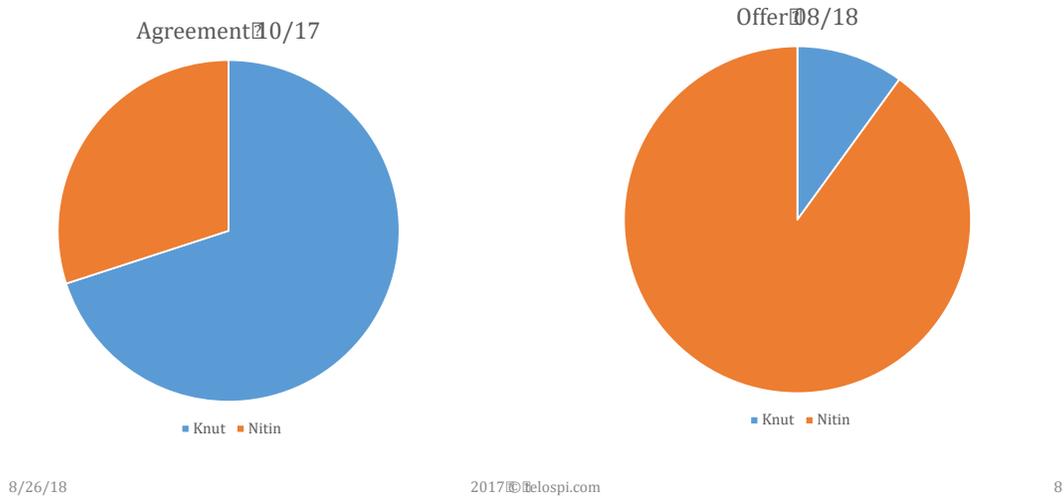
A few days later - after concluding the TAOL campaign and delivering the SOC beta-phase report - I quit from GI and ask Nitin to think over summer for a solution on how to proceed with SOC in terms of structure and responsibilities. In early August I receive his offer. He evaluates SOC with CNY 627k and offers me a 10% share worth roughly CNY 60k and asks me to hand over the strategic & product development to somebody else.

Now, I don't want to go into the technicalities of his evaluations, both of GI and SOC, because both do not conform with the state of art, but I want to share that Mr. non-profit & AmCham Social Entrepreneur of the year did assess his own capital investment at a 4-fold value, which turned any work time investment essentially into slavery. That's essentially Manchester capitalism at its best.

So much for all the nice guy chit chat on social fairness.



Infographics: How to cheat a partner?



8/26/18

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8

Slicing Pie		The GRUNT FUND										
Seeds of Change		Total Theoretical Value of Fund =										¥ 627,000.00
		Nitin	Ashley	Knut	Florian	Robyn	GI	Grunt 7	Grunt 8	Grunt 9	Grunt 10	
Time	¥	10,800.00	¥ 5,400.00	¥ 54,000.00	¥ 6,000.00	¥ 4,000.00	¥ 21,600.00	¥ -	¥ -	¥ -	¥ -	-
Cash	¥	-	¥ -	¥ -	¥ -	¥ -	¥ 360,000.00	¥ -	¥ -	¥ -	¥ -	-
Equipment and Supplies	¥	-	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	-
Facilities	¥	-	¥ -	¥ -	¥ -	¥ -	¥ 40,000.00	¥ -	¥ -	¥ -	¥ -	-
Intellectual Property	¥	-	¥ -	¥ 10,000.00	¥ -	¥ -	¥ 115,200.00	¥ -	¥ -	¥ -	¥ -	-
Commissions	¥	-	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	-
Total	¥	10,800.00	¥ 5,400.00	¥ 64,000.00	¥ 6,000.00	¥ 4,000.00	¥ 536,800.00	¥ -	¥ -	¥ -	¥ -	-
Slice of the Pie		Nitin	Ashley	Knut	Florian	Robyn	GI	Grunt 7	Grunt 8	Grunt 9	Grunt 10	
		1.72%	0.86%	10.21%	0.96%	0.64%	85.61%	0.00%	0.00%	0.00%	0.00%	

Ok, so this is a broken partnership which was never concluded. It's my 1st and it is Nitin's 3rd. He told me during our initial SWOT analysis that his main weakness is a track record of broken partnerships: #1 with the founder of Green Drinks; #2 with the co-founder of GI; #3 with the developer of SOC, me.

Why do I write this to you? It's my way of digesting emotional defeat and disappointment. I need to get this experience out of my system and close a chapter to be able to move on. There is though more. I deeply believe in the platform we have developed. I worked on such a project on my own since 2015 and I intend to continue this work.

I do so for several reasons, but I guess one of the most important is that I have met during the last 2 1/2 years a substantial amount of social entrepreneurs and simply enthusiastic (hobby) educators. Only few of them have the skills and competences to run a business;

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most of them struggle to get to do what they are great in, i.e. delivering content, because they have to deal with all the shit the finance & tax world demands from us.

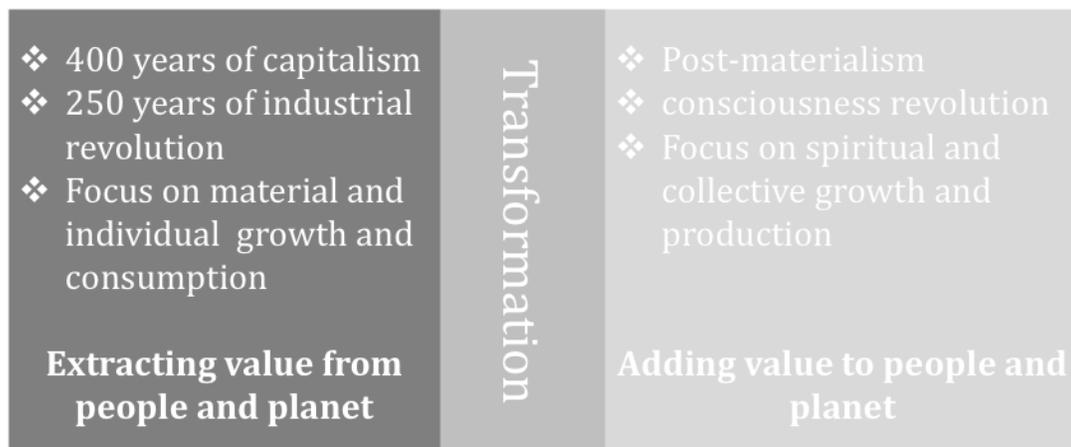
SOC was conceived as a platform which resolves (most) of the business requirements for such people capable of providing great content. It was conceived to do this at a reasonable price, i.e. about 5% of sales revenues, but GI takes up to 70% of the contract value from its content partners and still claims to be non-profit.

To conclude my rant, I summarize that Mr. Dani is wanted for greed, fraud, deceit, greenwashing capitalism & staining social entrepreneurship. In short, he is not sustainable; and he certainly is guilty of substantially delaying the progress of SOC. If he would have agreed already late 2017 to open up SOC for a cooperative organization structure, we could be already somewhere completely different.

The only thing that I can bring in his defense is that he is just another social entrepreneur who is captive of a system which makes us all think about profit in the first place and purpose only in the second. I set out to transform this system with Nitin, but had to realize that he is not only part of the system but one of its proponents.



System Transformation



8/12/18

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2

There are many lessons which I have learned in the past year. One is certainly that - as smart Peter Drucker said - any business needs a minimum required profitability to proof its value. If my business is consulting, then my customers must appreciate my time spent with a minimum required remuneration whether in company shares or consulting fees - and this agreement must be clarified in ink and paper before we let ourselves drive by

purpose into long working hours. If such agreement can't be reached I rather spend my time on my own projects and with my family.



Lessons Learned

- Set and stick to clear deadlines until when legal agreements about time compensation need to be signed and executed if your partner does not react, quit.
- Pay close attention to cultural and economic background of your business partners' inferiority complexes in the collective subconscious often penetrate the individual psyche.
- Make sure that a sound profit motive is not denied and excessively projected into other human needs like recognition or belonging.
- An old saying goes like this: When you marry a woman you also marry her family. The same is true for business partnerships. Sooner or later you will face the interests of your partner's partner.
- don't let your search for purpose make you blind to the motivation of your business partners' subjecting yourself to something larger can be overshadowed by somebody else's inflated ego.

Oh, there is one more thing. When I was writing on this piece, Mr. Dani happened to post on LinkedIn on the subject of friendship. How sweet and how pathetic! Social psychologists attest that a human being can maintain at most two to three "real" friendships at a time. I have always felt that Nitin uses the word friend very loosely. Everybody is his friend unless things fall out like in the case of his former GI business partner. I attributed it first to his cultural background. Then I thought about what e.g. psychologist Daniel Goleman writes about the CEO type of high achiever who is able to maintain social networks of several thousand people and I realized that Nitin was one of them. I thought: well, maybe he really can maintain more friendships than the average person.

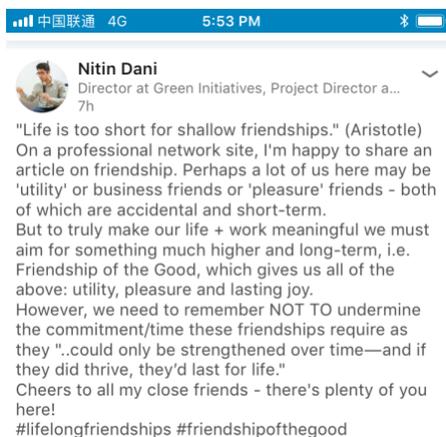
I have to say though that social psychology has got it right and so was my initial gut feeling. The average human being can only maintain two to three genuine friendships, because it requires above all time and time is for CEOs an even more scarce resource than for average people. People like Mr. Dani use the term friendship loosely because they don't understand its essential meaning. They think of friendships like networks to grow their business interest, which essentially translates to one's own core motivation. While true friends should have an interest overlap without profit motive, e.g. both enjoy riding their bikes and thus they do it together, friends in the terminology of Mr. Dani are people who share his fake collective vision which covers up his personal mission. And this could potentially be anyone as long as he supports the GI kingdom.

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The sweetness Mr. Dani shows to his customer and aficionados gets tasteless the closer you move to him in both professional and private terms. This was confirmed in a spontaneous GI intern feedback round early this year: *Communication almost only on wechat, overemphasis on aesthetics; Nitin focuses on customers only, he is completely oblivious towards the team; everything is highly centralized around Nitin; 1st and 2nd full time employees leave within first 3 months only, because they can't deal with Nitin; high volunteer turnover; competent people seem to pull out early; no institutional knowledge with anybody apart from Nitin.*

The ability to maintain genuine and close friendships does not lie in social media proficiency but in keeping a bond and making time when necessary. The ability to form genuine and close friendships is attested by the core relationships we spend most time of our lives: spouses, children, business partners and co-workers. If a person fails repeatedly in these relationships then there is not much hope that this person will do any good for society at large.

Buddhist teacher Choegyam Trungpa made this clear like few others: *If you want to solve the world's problems, you have to put your own household, your own individual life, in order first. That is somewhat of a paradox. People have a genuine desire to go beyond their individual, cramped lives to benefit the world. But if you do not start at home, then you have no hope of helping the world. So the first step in learning how to rule is learning to rule your household, your immediate world. There is no doubt that, if you do so, then the next step will come naturally. If you fail to do so, then your contribution to this world will be further chaos.*



What is a true friend?

They show you how to align yourself with God; they lift you up and don't put you down.

You see true friends through your heart not through your eyes.

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13