

Something Extra EP 002: Atul Tandon

Lisa Nichols: Today, I'm thrilled to welcome Atul Tandon to the show. Atul is the CEO of Opportunity International, a member of Forbes Non-Profit council, the founder of the Tandon Institute and was an executive at Citibank.

Atul, welcome! I'm so excited that this worked out and that you could be with us today. I'm so excited for the listeners to hear your story. Tell us a little bit about your upbringing if you would.

Atul Tandon: Thanks for having me. This is so exciting for me to be here with you. Frankly, in your company and that of people who through their life's work have demonstrated that something extra. I'm humbled that you would count me in that group. I'm here in America today running an international non-profit, Opportunity International. We'll talk about that, but life didn't start out like that. I was born in India. I was born in Delhi in a two-room tenement on the floor. In the little community that at that time my parents lived. I'll give you the Hindi name {town by the river}, it means, the town by the river, right on the banks on the river, Yamuna, one of the big rivers in India. That was life. I grew up in India and we didn't have much but what we had a lot of was love. In that process of being loved by my parents, by my family, by those around us. We chose to invest a lot in my brother and I. We grew up, and got a great education and got on with life. Looking back at that life, sometimes when I sit down with my mom and she's now 81, she reflects back—sometimes with tears in her eyes—and sees the days that I didn't know that we would survive. Today, my brother turned to work for the World Bank, just retired a few years back. And I'm here, serving the poor around the world. I have to say that the person who did that something extra in my life, was and is my mom.

Nichols: That's so amazing. Were they educated, your mom and dad?

Tandon: Yes, they were. Both of them felt very strongly that the kids need to be better educated. They were so committed and dedicated to that, that my mom chose to leave her kids in the big city in Delhi when my father's job took him to a very distant small town in a remote part of the country, more than 1500mi away. I used to meet my parents just a couple of times a year. She did that and she told me she did that sacrifice for one reason. That I could get educated and get a better life than what she had.

Nichols: What does she think today, when your mom is probably just so proud of you and your brother?

Tandon: She has tears of joy. After all these years, and I know there were many tears. I was the older of the 2 boys and saw some of that. Today, she has tears of joy. I'm so grateful that she's now with us. Lives with my brother who he and his wife look after her very well. Today she can look back at life and be grateful. I can only look at that and I know it's not only her. It's the mothers and fathers around the world. In my work today, that's what I get to see. I get to see parents who all desire the same thing. They all desire for their children to have a better life than what they had. For most of them, the people that I meet and the people that Opportunity serves, life is not good, life is hard. But to see that spirit of love, of giving, of investing, of caring, of putting in the kids that passion to do well to excel in life. I see that in every parent I meet.

Nichols: That's definitely a common denominator, isn't it? It really doesn't matter where those people, what station in life they're at. The common denominator is that they want the best life for their children. They will sacrifice, they will do whatever they need to do. That kind of brings us a little bit to Opportunity and the exciting work that you're doing now. Talk to us a little bit about Opportunity because some of our listeners may not know about Opportunity. If you would, go back, way back, in the origins of opportunity and talk to us. Give us that story, Atul. It's so inspirational about how Opportunity started and then how it's different today.

Tandon: Thanks, Lisa. I don't get tired of telling this story. It just is so riveting for me, personally. I hope it'll be for your listeners. We are Opportunity International. We are now a 47-year-old global micro finance network. What we do is very simply two things. We help the poor, come alongside them, and help them earn a better income so that they can escape poverty. We do that by giving them financial resources, training, and support. We then seek to educate their children. We fund schools in their local neighborhoods, low income schools so that kids can get a better education and that would have to be in poverty, to get the opportunity to get better. It didn't start like that. In some ways it did and some way it didn't. We were founded in 1971 by a guy from the Midwest, Al Whittaker. He was the president of Bristol Meyer Squibb living in Chicago. Al and his wife are visiting in Latin America – Colombia, to be specific. They just realized that, well, the way to how these people and I believe because Al was a businessman. He was an entrepreneur. What he knew in life was, how to be an entrepreneur. He saw these people who were literally at that time; remember, this was 1971 to get to Colombia wasn't an easy task. You go there, there aren't roads, aren't cars, there's no electricity, running water is scarce. This is the state of the world at that time. There they were. The way for these guys to do better is to do what we do. To start a business. To stand on their own feet. They need the same

three things that we do. We need financial resources, training (somebody needs to come along side us and help us, to show us how to do this), and then we need support. We need the brother or the sister or the friendship and the fellowship of those around us to continue to drive us forward. That's what we want to give to these people. We're not going to give them a handout, we're not going to give them a penny. We're going to give them a hand up. We're going to get them to stand on their feet. So, what happens, they get together with the local church that they were visiting. That local church then somebody at the church, Ralph his name is, and he reaches out. He says, let me take you to a friend of mine who is selling spices on the street. They go and they meet this spice seller. His name happens to be Carlos Moreno. They meet this spice seller and he's selling two different kinds of spices sitting on the street just like everybody else. What they decided to do was to ask Carlos, what do you think you need to do better in life? You're selling this spice, you've been doing it day in, day out. Probably his father used to do it before him. Carlos is a smart man. He knows exactly what he needs. I think that's actually one of the lessons we have to learn and keep learning over and over again. The people that we are serving, it takes smarts to survive poverty. You and I would have a very hard time living on \$2-\$3 a day. These people do. They know what they need to do better. Well he says, what I need to do better is to buy a spice grinder because then I can buy raw spices and I can grind them and sell processed spices. That'll earn me more money; I don't have money to buy the grinder. Every day I buy spices and I sell spices and a little bit of leftover. Al Whittaker gives this guy a loan, \$68 loan to buy a spice grinder. Long story short, two years later, Carlos has got 11 employees and two stores selling 54 different spices. 10 years later, I got to say, Carlos does I think what must've been the first Colombian IPO. He now has something like 11 stores and selling spices all over. His heart is of the poor. He sells his business, he says no. I've done enough, I'm on my feet now. I need to go back and help the people that I came from. He goes and starts—becomes a business consultant to the community that he was from and helps them to get on their own feet to repeat his success. That's what he did and then he founded a local church. That's what he did, he spent his whole life helping the poor stand on their own feet. Just died a few years back of cancer. I wish I had met him before he passed away. For us, that story that started with Carlos... 47 years later, now we have about 10 million clients around the world, in 23 countries. That story is what gets repeated every day in all parts of the world. Does it always succeed and come out of the top like Carlos, no, but do we always improve, go from 1 to 2 to 3 to 4? Absolutely, yes.

Nichols: There's so many lessons there. From the thing that you said about Al asking him what he needs to take his business to the next level, he knew. And then coming back to his own community to help others do the same thing. There's so many different lessons there. From

there, Al decided to form Opportunity. The lightbulb went on, and he said, "If we can help these people have these resources whether it be skilling them up, or financial resources..." You said the spice grinder was \$68 but the average loan that Opportunity is handing out is not \$10M.

Tandon: Average loan that we would hand out and we start off is about \$175. About 98% of our clients (10M clients) are women. The most remarkable fact in this, they get a \$175 loan. They are principally women who are running small family businesses from their homes or in the street marketplace. Whether they are selling vegetables or selling savories, fried pakoras or samosas and so on. Or they're selling flowers, or they have a ___ home that's small. The remarkable thing is the repayment rate. You think about it. These are poor women living on \$2-4 a day, they get a loan while well they won't pay back. They'll be poor credit risks. Guess what? The repayment rate is not 80%, not 85%, not even 95%, it's 99%!

Nichols: That's so remarkable. That's one of the things that just gripped my heart so much when I started learning about Opportunity International. Talk to the audience a little bit about the trust groups. I feel like that's the game changer. I really do.

Tandon: The reason that the rate is 99% is that what we do is we ask women not to run their businesses alone. Life is hard. It's hard for all of us. Especially if you are an entrepreneur and you're standing on your own 2 feet. You can start to learn the hard lessons pretty fast. What we do in these village communities, and in the small towns that we work in, is to ask the women to form small groups. The trust groups where they actually walk with each other, support each other and in fact end up doing mutual assurance of the loans for each other. So that they're there in the ups of life, they're there in the downs of life. I was at a trust group that just happened to be in Bogota, the capital of Columbia. There was this group of women who had got together, and I think it was called the Sisters of Angel's group. It has a very memorable name. They were getting together for the group meeting. They had the youngest were twin sisters who were about 26 years old, the oldest was a grandma who would have been about 72-73 years old. They were each telling their stories about what had happened the previous day, previous week. One of them had had her husband had an accident and had to go to the hospital. She had not been able to run her own business. Sure enough, it was one of the younger women who stepped forward and said well, if you got to attend to your husband's hospital, why don't I stand at your stall? That's the spirit of trust, the spirit of support that gets them going. The other thing that I saw in that group which touched my heart was that all the women, the grandma intentionally sat next to the two youngest women. The reason, I figured out, I know a little bit of Spanish was that one of them was going to be getting married soon. The grandma was

instructing that young girl on what married life was like during this trust group. Just to watch that sweet interaction which is—we as Opportunity never intended for that life lesson to be passed. It was happening and to me that sense and to me, that is the essence of the trust group, we're supporting each other through life. All of us have lessons learned. Here there was an opportunity for this older lady to now coach the younger lady. The younger lady had the opportunity to step forward and help another woman. I personally think, that's how life is planned and intended to be lived – in community.

Nichols: We were not meant to do life alone, that's for sure. Let's take a quick break and we'll be back with Atul.

[Commercial Break]

Nichols: I love that story of Carols but there's so many awesome stories. The thing that I love, too, about Opportunity, it is not just helping that person's immediate family, but whole villages have been transformed through opportunity because when these entrepreneurs get their businesses up and off the ground, what do they need? They need more workers, right? They're able to employ more people. I love that. Tell us a little bit, you came out of for profit, private industry, Citibank. Your brother worked for the World Bank. Now, you jumped over to the not-for-profit world. Talk to us little bit about the differences and also the similarities between those two worlds.

Tandon: If you were to ask me a different question, which is the hardest job that I have ever done in my life? This is it. By the way, I was running Citibank's worldwide brand systems. That was my day job 20 years back. The reason is this, it's that in my for-profit world, it's not that the job is easy, it is hard. You have to win the hearts, the spirits of people to follow you and to follow the lead and do what they're being called to do. I liken it to more of an army commander. Once you made a strategic decision, now you can direct people. In my present job, there is nothing like an army commander. If I was to give command to the supposed army that I'm leading today, they will all yawn. One of the principle differences really is to learn how to lead through influence, through the power of inspiration. You learn how to lead to the coming to an understanding that really, people are #1. And that for me, my job is to invest in people. Both my people here, my staff, and equally to get us all charged up to invest in people across the world the poor who we serve. That's one of the biggest differences, how do I lead? Not through directive power of authority of my office, but do I lead through the power of the shared mission and the shared call that we have. How do we work through one, discerning pupil who feels

similarly called? Who are they? When they come on board to know bring together into teams that, to most degrees, are self-directed. That's the good part. Once you get the missionally-focused, highly charged up people going, they're self-directed, they will take action, they will make changes, and they will do the corrections necessary. They're not looking to you for day to day leadership. That's where I think I liken to riding bikes. Not motorbikes but bicycles. When you're riding bicycles, you learn very quickly, it's that okay, you can't really sit on the seat. You've got to ride a little bit above the seat, that's what my life is like. I have to ride a little bit above the seat. That would be some of differences I would say between the two. They are very similar as well. You got to have... what are my clear expected outcomes? What's the focus of my actions? What's my action plan? Now, high quality execution. How do I monitor and evaluate if I'm doing the right thing? None of those things change but the chemistry of how, who comes on board, how do they come on board, how do you bring them together, charge them, that changes a bit. I think both are needed in their respective spheres. Nonprofits are usually very good coming up with innovative solutions. Opportunity's own history, my organization, really is a history of innovation. Starting from everything for the first loan to Carlos, to forming the trust groups—which by the way is the separate story some other time I'll tell you. Susy Cheston sitting with gorillas in El Salvador, a very different story, riveting story. Later on, we enter Africa to decide, hey, that's where the last frontiers are. There are no roads, what do you do there? No banks, no financial services. Since deciding, alright, these people don't have banks, we're going to send banks to them. Put ATMs and banks to trucks and send them off. Which led eventually to mobile banking. Led along the way. We have insurance, they don't have insurance let's set up micro insurance. That's the story I'll pause on micro insurance because that's all through a lesson learned between the non-profit and for-profit sectors, to bring you back. We started micro insurance at a desk in our office and then started up, figured out how to make it run. Took the idea to the Gates Foundation. Hey, we got a big idea, what do you think we should do? This is a plan and budget, to their credit, the Gates Foundation looked at our plans and said, you guys are not thinking big enough! What could you do if we gave you 5x the money that you asked for? So, we did. We went back and came back with a plan that was 5x bigger. Long story short, launched micro insurance in Africa. Got it to a point where we had about 6 million policies, at which point as nonprofit we realized well we're a nonprofit. We are not in the insurance company. This is not big enough for an insurance company. Which is where the for-profit world is very good at scaling. Guess what happens? We sold micro insurance to AXA, a French insurance company, one of the larges on the planet. They took a 6 million portfolio within 3 years and got it up to 66 million, now they're more than 100 million policies. They are adding a million and half a month. We could never ever achieve that. I look at it and say, "Hallelujah!"

Come on, think of the number people whose lives are better when the non-profit world and for-profit world work with each other.

Nichols: Do you have some other non-profits, that are, what you would consider your favorite outside of opportunity. One thing that I do want to say, if our listeners wanted to know more about opportunity, can you give them the URL tools so that they can go there and look it up themselves.

Tandon: Opportunity.org is our URL. We are on Facebook, Twitter, and of course our website is the easiest one to get to. You can read about the story of Carlos, see what we're doing. We hope you will get excited enough to join us. Your question about other non-profits... for me, non-profits do hard work and very good work and much needed work. Because I do believe there are places where individuals like you and I who believe and feel that part of life's work is to help people who are being left behind in our communities and around the world. And to look at endemic issues. They are in every community in the world, how do you solve them? Whether from homeless to climate change, it could be the environment and it was Civil Liberties in America a few years back. That's the place that they come together. I believe that, for me, the reason non-profits are important because that's we do. Non-profits really do exist at the heart of it because we care for the common good. You and I, your listeners care for the common good. Plato asked that question, "Who cares about the common good?" Answer is we care for the common good, and we care for the non-profits. As I look into our world today, in a way we are as we sit here. Hats off to the Red Cross. Many, many years of very hard work. Caring for hurricane Florence. Guess who's on the front line? Katrina happened, who's on the front line? It's Red Cross. The Haiti earthquake happened, who's on the front lines, it's the Red Cross. Do they get it always right? No, but none of always get it right, are they committed to responding? Absolutely they are there. I have only good things to say about them. Habitat for Humanity founded on a similar principle to ours. Well don't just give people a hand out, give a hand up. We help people start businesses and earn incomes; Habitat for Humanity helps people fund their homes. It's not right for people to live huts. It's not right for people to live in temporary shelters. It's actually right to how sense of place, of your own home that you own that nobody can then get you out of. Which is what they have done for now decades. The 3rd one which happens to be my ex-employer, I should declare that right up front, is World Vision. Now I think it's almost 60+ years. They have done just one thing and one thing alone. They have gone and helped the poorest families and specifically the children to live better lives around world and in the hardest places in the world. As we now sit here, and look at where World Vision is going, I can tell you, they are now saying, our job is to go to the fragile economies, fragile states where

actually the State itself is broken breaking down in Somalia, in Syria, in places like that, and help people there to lead better lives. And I think, again, very hard work, very hear-breaking work but I'm grateful that these organizations are there, have been there, are there, and are committed to being there for the future. The only way they will be there in the future, is if you and I, and your listeners stand with them.

Nichols: You just named some of my favorites as well. American Red Cross, we love. I give a shout out to my dear friend Cindy Erikson who's the regional CEO for the American Red Cross here. I see all the time from her, deploying a team here and there and doing wonderful work. Habitat, we've done that as a company before. I always loved teambuilding with a purpose is what I call it. It was fun building this house as a team. There's a lot of benefit there for doing that as team and cross-functionally. You hit on to some of my favorites. You might remember this... I remember there is a famous quote. The founder of World Vision and I don't remember the person—you probably do. But his prayer was, "God break my heart with the things that break your heart." This is called Something Extra, let's talk about the something extra maybe that you've seen in the team member either past or present.

Tandon: I'll actually pick a client of ours. I met a lady, Linda the baker, in small little suburb just outside of Accra (Ghana). I met her last year and then actually ended up meeting her again now twice over the year. So, Linda bakes bread. She started actually not being a baker, she used to buy bread from a baker and then go and sell it in the marketplace in multiple loaves at a time. Got a loan from opportunity, met the opportunity loan officer, got a loan, bought a baking oven and started about 3-4 years back. Fast forward, and this is not a very long time—about 4 years on, she now has a factory. She employs, I believe at last count, 47 people, whom she houses by the way. She houses and feeds all of her employees. And, she is no longer baking 12 loaves a day; she's baking 6000 loaves a day.

Nichols: Will she ship to St. Louis, Missouri? Because I like bread.

Tandon: I will definitely put you in touch with Linda. Last time I met with her, she wanted to start a new factory. So, it's that something extra that I saw in Linda that frankly stood out in me. She had a passion for life. She had this vision of was not satisfied simply selling 12 loaves a day. She wants to do more. She had the drive. But then, she had the courage to ask for a loan, taught herself the skills to run a business, learned organization skills not afraid of asking questions and help. She wanted me to sit down and help her how to figure out how to finance her next building. It's that drive to learn and not to give up. In addition, the spirit of generosity

and caring. The people who work in her little factory. Every one of them are people whom she's met who are living on less than \$2 a day. They're extremely poor. She made a commitment that every one of her employees would be people who are not even able to earn enough to survive for the day. She now houses them. There's a dormitory and feeds them and they work, then they get paid. That's the thing she's most proud of. It wasn't simply the 6000 loaves. Now she's got, in addition to that, there are about 80 women who come to her factory that pick up the bread and go and sell it to the marketplace themselves. That's what she's proud of. That spirit of giving and the generosity. I think the biggest for me is her laugh and her celebration of life. When you meet her that is my most memorable moment. She came running, gave me a big hug, kissed me on both cheeks and welcomed me to her factory. I'll never forget Linda and that something extra.

Nichols: That's a great story. I love that. Tell me, what do you think is the something extra that every leader needs?

Tandon: I think what I would say to you is, three things every leader needs. This is my 37th year of work. I've worked in for-profit, nonprofit; I've lead work teams in 82 countries around the world. Having one is to look through life what we have, what you and I have, the positions we have, our families we have, our status in our communities through the lens of gratitude. We don't own these. These are gifts to us. The second is, a life that is full of hope. When we have hope in ourselves, in our world around us, and we communicate that hope through the other around us. That's when the rising tide lifts all boats. What I call guardian optimism. You have to have a tremendous spirit of hope. Frankly, there is no reason not to because as we live today in this world, the world is doing today far better than it did 10 years back; 20 years back. I was born in 1959, somewhere between 70-80% of my country in India lived on less than \$1 a day. Now that number is down to less than 20% and I'll come back to that. From 1990 to now, we have reduced the number people living in extreme poverty from over about 2 billion to less than now 700 million people. Tremendous hope. Look past the headlines and have a sense of hope and purpose about, not only the world, but about you and your team. The third and I think, to me, the most important really is to see the potential in people. There is so much more in a person that even that person ever realizes. I do believe that the leaders' most primary role in a community, in an organization, in our families is actually to get people to accomplish more than they ever thought they could.

Nichols: You see something in them that sometimes they don't see themselves.

Tandon: Let them rise to not just what they believe their potential is but much higher up because in every human being, there is not simply reservoir but tremendous power to do good, to do better and how do we help unleash that? Start with the lens of gratitude for yourself, have a tremendous amount of hope about who you are, people around you. Thirdly, believe in your people and let them know that you believe in them and that there is so much more to them that you see, or I see or they themselves see.

Nichols: That is wonderful. Thank you so much for that. Is there anything excited that's coming up for you or for Opportunity International that you want to let our listeners know about?

Tandon: I'll close with this, Lisa. I do believe, the most exciting news in the planet. Not only for me, or for Opportunity or for any one of us, for all of us, is that we are, you and I—first time in human history—are able to see the end of extreme poverty. If you look at the World Bank numbers, extreme poverty, living on less than \$2 a day. All that, by the way, in layman's terms if you strip aside all of the jargon means is that the person can own enough money to buy a full meal a day. That's all that it means. That you have enough money to buy a full meal so you can survive to the next day. It actually doesn't mean that you were shirt on your back or a roof on your head. 1990, not too far back, more than 2 billion living on extreme poverty around the planet. 2016 that number is now down to 700 million. Frankly, if I was to go back to about 1875, I'll go back to that number because it tells you how much progress we've made in the last about 175 years. More than 80% of every living human being on the planet was living on less than what we would now call \$1 a day. Today, that number even though in 1875 estimates might have been about somewhere between 500-700 million people living in the planet. Now we have about more than 7 billion people. Now that number is down to less than 10% about 9%. 700 million people. The best news that you and I have, and I wish every newspaper printed this every morning. We can see that number down to 0 by 2030. That's our challenge, our call, our accomplishment in our generation can see this. It's not simply a curse, but a blemish and it has been there with human beings forever. For me that's the most excited thing and that will become an opportunity too. We can't do this by ourselves. We are one of many. What we want to do all we can to help the very poor start to earn a living. Go from earning \$2 a day to \$3 a day to \$4 a day to \$5. We're not going to make everybody a millionaire but by golly, we're going to get everybody to a point where they can sleep on a full stomach, they know where the next meal is going to come from, their children will go to school, they are sleeping on a bed and roof on their head and shirt on their back. That we can do. That's what I am committed to seeing our organization do. I pray and I wish, and I hope in this interview, that's the excitement that we walk away with. We can do this together.

Nichols: We can. It's together, though. It's the operative word, though. We can all be a part of that.

Tandon: We are all going to cross that finish line together, and I want to be at that party with you, Lisa.

Nichols: And I with you. Atul, this has been a pleasure—spending some time with you and thank you so much for being with us here today.