# A New Paradigm for Developing Organizations\*

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#### Comments on the Second Edition

Over the past fifteen years, we and many others around the world have had the good fortune to have applied the ideas introduced in this article with great success. As a result, we and they are even more convinced that "It is possible to create organizations that have the inspiration and ability to produce outstanding performance while enabling members to realize their highest aspirations."

During the same period, we have come to appreciate much more deeply the complement of Current Reality as a key driver in the creative process. Developing a clear picture of current reality increases personal mastery by establishing creative tension between vision and reality. Reality is still not a problem to be solved, but is the ground from which action emerges. Developing a shared picture of current reality also deepens alignment by enabling a group to experience what they want in relation to where they are. Finally, systems thinking, alluded to in the article only briefly, has proven to be a powerful tool for enabling groups to see current reality clearly and, as a result, to motivate and focus collaborative development.

So, for us, the ideas and methods have not only stood the test of time, they have continued to evolve. If you are reading this article for the first time, we hope you will find it reinforcing. If you are revisiting it, hopefully it will stimulate some deeper reflection on your own experience.

— Charles F. Kiefer Peter Stroh

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In this selection, Kiefer and Stroh discuss their work with innovative managers committed to the highest in both organizational performance and human satisfaction. Understanding their organizations requires a new framework that emphasizes fundamental yet frequently neglected variables of personal and organizational effectiveness. These variables include purpose, vision, alignment, personal power, structure, and intuition. The authors suggest a new paradigm for developing organizations, in which these variables assume primary importance, and some of the more traditional forms become secondary. This paradigm in turn suggests the development of new processes, and the authors describe new programs in leadership and team development they have conducted. The outstanding results provide a foundation on which to build additional new ways of thinking and acting.

ver the past five years, our work with innovative managers has led us to believe that it is possible to achieve the highest in both organizational performance and human satisfaction. The companies that have attained these levels have fundamentally altered our understanding of how a group of people can work together to produce astonishing results. We find employees energetically operating as part of a larger whole. Instead of exchanging their personal identity for an organizational identity, they have expanded their personal identity. Their personal identities are inextricably linked to a higher purpose to which they have committed their organizational selves. The organizations themselves seem to transcend preoccupation with their own survival, and instead exist to attain a unique vision of a better world.

Understanding these organizations requires a new framework that emphasizes fundamental yet frequently neglected variables of personal and organizational effectiveness. These variables include purpose, vision, alignment, personal power, structure, and intuition. They suggest a new paradigm for developing organizations, where these variables assume primary importance, and more traditional factors become secondary. This paradigm in turn suggests the development of new processes. New programs in leadership and team development are already being applied to both these and other organizations. The outstanding results provide a foundation on which to build additional new ways of thinking and acting.

## CHARACTERISTICS OF AN ORGANIZATION CAPABLE OF INSPIRED PERFORMANCE

Organizations capable of inspired performance appear to have several key elements:

- 1. A deep sense of purpose often expressed as a vision of what the organization stands for or strives to create;
- 2. Alignment of individuals around this purpose;
- 3. An emphasis on both personal performance and an environment that empowers the individual;
- 4. Effective structures that take the systemic aspects of organizations into account; and
- 5. A capacity to integrate reason and intuition.1

The viewpoint that individuals and organizations can create the future and determine their destiny unifies these five elements. We call this viewpoint "metanoic," from the Greek word metanoia, meaning "a fundamental shift of mind." Most people look at the condition of their personal and organizational lives from a particular viewpoint. In its extreme form, this point of view is that "Things don't work, and there's nothing I can really do about it. I'm dissatisfied and stuck in a system too big, too unresponsive, or too complex to influence or control." By contrast, people in metanoic organizations recognize that, in some deep way, they are the organization. They know that they are responsible for both the quality of their personal lives and the organization; they believe that they can collectively create what they want, and shape their destiny.

## A NEW PARADIGM FOR DEVELOPING ORGANIZATIONS

The characteristics of metanoic organizations suggest a new paradigm that places primary emphasis on the elements underlying these organizations, and secondary emphasis on more traditional variables. As shown in the following table, the two emphases are not mutually exclusive, but variables in column one have greater leverage than those in column two.

Personal and Organizational Effectiveness Variables Receiving Primary and Secondary Emphasis in the New Paradigm.

Primary emphasis	Secondary emphasis
Purpose	Goals
Vision and with a policie a can become	Solutions to problems
Alignment	of any Agreement about a nother magro
Personal responsibility and power	Influence of external forces
Results	Process
System structure	Individual behavior
Integration of intuition and reason	Rational analysis

### Purpose/Goals

A deep, often noble sense of purpose is perhaps the most salient characteristic of metanoic organizations. Clearly, an organization's purpose or mission is the basis for any sound strategic planning. But perhaps more important, a noble organization purpose provides both the opportunity for shared meaning among employees, and work that is personally meaningful.

The purpose of Kollmorgen Corporation's senior management is "to fulfill its responsibilities to Kollmorgen shareholders and employees by creating and supporting an organization of strong and vital business divisions where a spirit of freedom, equality, mutual trust, respect, and even love prevails; and whose members strive together toward an exciting vision of economic, technical, and social greatness." This strong and inspiring mission is reinforced by a philosophy that holds that "freedom and respect for the individual are the greatest motivators of man, especially when innovation and creativity are the intended results."

Managing according to this philosophy, the corporation has generally increased sales more than 20 percent per year for the past ten years (sales are now about \$300 million), with turnover and absenteeism averaging less than two percent in most divisions. Additional examples are provided by Pascale and Athos in *The Art of Japanese Management*, where they observe that "great companies make meaning" for their people. A similar study of excellent American companies by Tom Peters and R. Waterman<sup>4</sup> stressed the importance of an overriding purpose or superordinate goal to enable people to identify with their organization's culture.

The capacity of a highly valued organizational purpose to create meaning is matched by our growing individual need to have work that is personally meaningful. In a comprehensive study of changing American values, Daniel Yankelovich<sup>5</sup> described this as a grass-roots shift from an "instrumental" to a "sacred" world view. More and more people are seeking work that has intrinsic value beyond the creation of financial security. A clear sense of personal and organizational purpose can provide this deeper reason for existence and action.

For all its importance to strategic planning, organizational culture, and personal motivation, we frequently ignore purpose in favor of a more operational measure of direction: goals. Goals established without purpose, however, tend to allow hidden conflict about organizational direction and rationale to go unresolved. Equally important, goals can be achieved without the concurrent, deep fulfillment that comes from realizing a highly valued purpose. (See Figure 1.) Placing primary importance on purpose naturally clarifies basic direction. Goals are significant both for the traditional reasons, and because they establish benchmarks toward realization of the purpose.

#### Vision/Solutions to Problems

Because the full depth and meaning of a purpose cannot be wholly conveyed by the words of charters and mission statements, metanoic organizations use the vision of a desired future to represent and communicate their purpose. The vision embodies people's highest values and aspirations: for self-actualization, excellence, service, and community. It inspires people to reach for what *could be*, and to rise above their fears and preoccupations with current reality.<sup>6</sup>

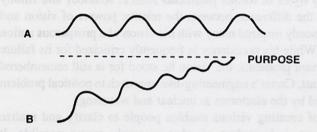


Figure 1. Purpose and goals.

Achieving goals without purpose (A) frequently produces elation (crests) followed by depression (troughs) until the next goal is identified and reached. The achievement of goals within the context of realizing a higher purpose (B) is less subject to emotional fluctuation. As each goal is reached, so too is fulfillment from realization of the purpose.

Kollmorgen holds the vision of a "diamond in the sky." The overall excellence symbolized by the diamond is further enhanced by the brilliance of its facets, each of which represents a company employee. Dayton-Hudson Corporation, a highly successful retailer, envisions itself as the "purchasing agent for its customers" and instills this sense of service throughout the organization. Cray Research, the manufacturer of the "world's most powerful computer," believes that its singular focus on this unique challenge motivates people beyond day-to-day problems, and is the key factor in its success.

By contrast, much organizational development (OD) practice, as exemplified by the action-research model, tends to focus attention on what is wrong with the present by treating current conditions as problems to be solved. This problem-solving approach has several limitations. Most important, getting rid of what you don't want is qualitatively different from creating what you do want. Second, solutions tend to be formulated in terms of what people think is possible, which results in performance that is limited by what people already know how to do.

A vision has the capacity to motivate people far more effectively than a precisely defined solution, because it is not bound by preconceived limitations. As an example, Fred Jervis, founder of the Center for Constructive Change, relates the case of two luxury hotels, serving the same market, that wanted to improve their repeat business, which was five percent. He asked the managers of one hotel to choose a goal that seemed realistic for the problem at hand. They indicated that a seven-percent return rate would be a realistic increase, and subsequently achieved that rate. He asked the managers of the other hotel to set an ideal return rate goal; they envisioned a 55-percent return rate, and subsequently achieved 42 percent!

The leadership styles of former presidents John F. Kennedy and Jimmy Carter also illustrate the difference between the relative powers of vision and problem solving. Kennedy inspired many with his vision of a prosperous nation in a peaceful world. While his presidency is frequently criticized for its failure to solve many important problems, the vision he stood for is still remembered with respect. In contrast, Carter's engineering-like approach to political problem solving was perceived by the electorate as unclear and wavering.

The process of creating visions enables people to clarify and realize what they really want, independent of what presently seems possible. It encourages them to develop their visions of ideal reality, and then builds a bridge between the current and desired states. Building the bridge may require problem solving, but the resultant solutions are likely to be less limiting, more effective, and more satisfying.

## Alignment/Agreement

Metanoic organizations develop clarity of purpose and vision to catalyze alignment — the special condition wherein people operate freely and fully as part of a larger whole. Alignment is created when people see their organization's purpose as an extension of their personal purposes. People who are aligned identify with the organization and consciously assume responsibility for its success. They naturally support each other out of a recognition that "We are a part of the same whole."

To illustrate, consider a group of people within an unaligned organization (Figure 2-A). While people are generally moving in the same direction, which we could view as the purpose of the organization, they are somewhat unaligned, or pulling in different directions. By contrast, people in an aligned organization (Figure 2-B) pull in the same direction.

Alignment is not the same as people agreeing on where they are going. For example, a strategic planning session may produce agreement on organizational goals and individual objectives, generating a lot of immediate enthusiasm and commitment. Several months later, however — even though individuals are keeping their agreements — collective goals are not accomplished, people are dissatisfied, and there is a pervasive feeling that the organization is not working. In most organizations, people have fundamental agreement on organizational goals, and yet we still find these organizations lacking alignment. Alignment deals with the more inspirational aspect of organizational purpose and vision,

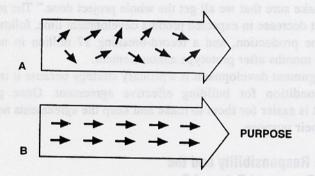


Figure 2. Alignment.

While people (small arrows) in an unaligned organization (A) are generally headed in the direction of the organization, they are pulling in individual directions. In the aligned organization (B), they all pull in the same direction, giving the organization momentum toward its purpose

while agreement deals with the mechanics of goals and objectives. People who agree are saying no more than "We share the same good ideas."

People in aligned organizations are more likely to keep their agreements with each other because of their deeply felt personal commitment to a common purpose. They also are more capable of both disagreeing about ideas, and resolving these disagreements because their commitment enables them to transcend their differences. In contrast, people in unaligned organizations tend to break agreements more easily because of an identification with self-interest.

The shift from agreement to alignment can produce tremendous results in an organization. For example, a project team in a company that builds automatic test equipment had worked unsuccessfully for two years to introduce an important new product. The new product development represented a significant challenge in that, for the first time in company history, it required engineers to design both hardware and software components. The challenge had frustrated the efforts of three vice presidents and three engineering managers; the most recent engineering manager had left to form a competing company, and taken the "best half" of the project team with him. While the remaining team members were still agreeing to accomplish specific tasks, their attitude was "I'll get my part done, but I don't think others will do theirs."

Steps we took here to develop alignment included facilitating people to take personal responsibility for the current situation, to define or redefine the project purpose, milestones, and ground rules, and to make three choices. These choices were to be true to their personal purposes, to support the project as redefined, and to complete the job with the existing team. When the people became aligned, their commitment expanded to "I'll get my part done, and I'll make sure that we all get the whole project done." The result was a 50-percent decrease in expected product development time, followed by stable volume production, and a record-breaking \$7 million in new market orders six months after prototype announcement.

Alignment development is a primary strategy because it is an important precondition for building effective agreement. Once people are aligned, it is easier for them to make and keep the agreements necessary to achieve their purpose.

## Personal Responsibility and the Power/Influence of External Forces

Metanoic organizations and others recognize that personal power, the ability to create what you want, is a critical factor in personal satisfaction and organizational effectiveness. Consequently, in such organizations there is a conscious,

heavy reliance on people to make meaningful contributions to operational results. Employees are placed in situations where the success of the organization depends on their performance. The commitment to people is also held somewhat differently than in most organizations. The focus is on employees' actual and perceived ability to influence company performance, rather than on individual comfort.

People in metanoic organizations believe that they can create their lives the way they want them. This belief is in their best interests because it encourages them to exert influence over both the problems and the solutions in their lives, and to establish new opportunities. Feeling responsible for their own destiny enables them to assume control of external forces, rather than to feel powerless before them. Mistakes, instead of being treated as failures, are seen as opportunities for learning. Any "outside" forces, including the boss, the organization, and the environment, are potential partners rather than obstacles to the creative process.

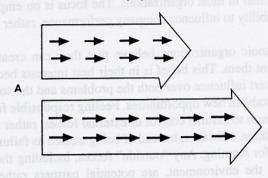
The perceived power and ability is translated into actual ability through traditional training and organizational policy and design. As an example of the latter, several metanoic organizations limit the size of divisions so all employees can accept personal responsibility for their actions and see their own contribution to the entire division's performance.

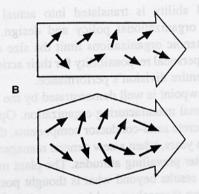
The effectiveness of this viewpoint is well demonstrated by the case of a large division in a highly traditional manufacturing organization. Operating within a non-growth market for discrete semi-conductor components, the division had lost money eight out of ten years, when a new general manager of one of the division's plants began to alter prevailing attitudes. The plant manager believed that "People can produce results beyond what is thought possible if given an opportunity to fully express themselves and be responsible for their collective productivity." He instituted a variety of methods for encouraging self-expression focused on plant productivity, including actively-managed suggestion systems, brief but frequent meetings at all levels, and extensive opportunities for managerial and personal growth training. Through such additional activities as customer line tours, graphic displays of progress on key goals, and acknowledgments for truly outstanding performance, he made people believe that their actions mattered — that they personally could make the difference in overall results. Within a year, the division was operating at a profit. It has been making money ever since, and profits over 10 percent have become standard. Turnover and absenteeism have also declined dramatically.

By contrast, people in many organizations feel that they do not make a difference. They see themselves as victims of external forces beyond their control. This is true at the individual level (subordinates feeling controlled by

Figure 3. Personal power.

Any steps to develop the capacities and abilities of individuals in an aligned organization (A) contributes directly to organization results. In an unaligned organization (B), any steps to develop people's individual power often exacerbates underlying conflict.





their boss), at the department level (managers feeling manipulated by other departments), and at the organizational level (executives frequently blaming competition, government regulations, or the economy for corporate failings). This "powerless" point of view pervades the organization and easily becomes a self-fulfilling prophecy. For example, a manufacturing department may feel burdened by a growing number of engineering change orders. Rather than providing the engineers with a better understanding of how manufacturing works, this department fills the orders while privately complaining that engineers do not know what they are doing. The lack of useful feedback to engineering results in still more change orders, and a greater sense of powerlessness on the part of manufacturing.

Aligned organizations particularly value personal power, because when people are fundamentally committed to the same direction, the increase in their individual power increases the total power of the organization (Figure 3-A). By contrast, increasing personal power in an unaligned organization tends to increase organization conflict and thereby create additional dissatisfaction and failure (Figure 3-B).

#### Results/Process

Because they recognize the power of people to achieve what they focus on, metanoic organizations place primary emphasis on results rather than on the processes for achieving results. Any process that is effective and consistent with the higher values embodied in the organization's purpose is considered appropriate. Moreover, these organizations acknowledge that it is impossible to determine the "right" process in advance, because the environment is inherently complex and unpredictable. Hence, they stress experimentation: Do something and adjust it, while always focusing on the desired result (Figure 4).

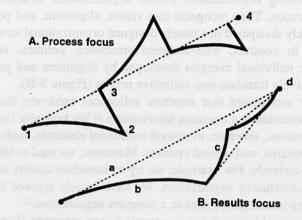


Figure 4. Focusing on results.

When people who place primary emphasis on process (A) identify a desired result (4), begin to work toward it, and find themselves off course (2), they frequently try to get back on the original course (3). In other words, they attempt to use the original process, instead of focusing on getting to the desired result from where they are. Results-focused people (B) realize that reaching the desired goal (d) without deviating from the original process (a) is an exceptional occurrence. When they are pulled off course (b), they change course (c) toward the original desired result, rather than returning to the original process.

In contrast, OD developed as a profession in which process was the major expertise. It grew, in part, out of a reaction to scientific management's emphasis on results — an emphasis that seemed to belittle and dehumanize people. OD practitioners have tended to develop and overemphasize particular processes (such as T-groups, team building, and quality circles) rather than focusing on the higher results such processes were intended to serve. Moreover, many practitioners did not recognize that process obsession tends to produce more and more process. For example, T-groups developed positive feelings, and an awareness of how people function in groups, that often were not translated into action. As a result, many managers have come to view OD as a "soft" profession not aligned with their interest in results.

The strong humanistic values sought by a focus on process are more effectively realized by focusing on the purpose and vision that embodies these values. People then naturally seek results consistent with these values, provided they have the opportunity to experiment in creating processes to achieve those results.

### System Structure/Individual Behavior

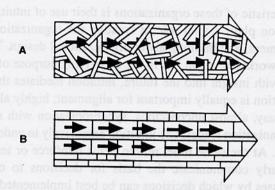
Inspired, high-performing organizations evolve organizational structures appropriate to their vision. They recognize that vision, alignment, and personal power are quickly dissipated in a poorly designed organizational structure (Figure 5-A). In contrast, well-designed structures, policies, and procedures allow the individual energies developed by alignment and personal power to effectively translate into collective results (Figure 5-B).

It is generally recognized that structure influences behavior; thus, restructuring an organization is a common intervention. We typically limit our structural interventions, however, to several traditional elements, such as authority, role relationships, and reward systems. Moreover, we tend to treat these elements independently. For example, we try to introduce quality circles into a highly authoritative organization. We have largely ignored the majority of underlying interdependencies in a complex organization. If

A more common problem is that many people forego structural change in favor of less effective interventions designed to change behavior directly. For example, human resource development departments generally devote more resources to training designed to alter individuals' behavior than to developing the organization. Behavioral change is emphasized because it is easier to understand and manage. When role ambiguities or conflicting policies hinder a person's ability to succeed, but are not recognized or cannot be influenced, managers often blame poor performance on personal incompetence.

Figure 5. Organizational structure.

Often, structures and policies are not clearly thought out (A), and people become frustrated. Consistent sets of structures and policies (B) allow individual effort to effectively translate into collec-



Leaders of metanoic organizations tend to work with organizations as complex, whole systems. They recognize that:

- Organizations atrophy when they lower their goals to match substandard performance, or become too dependent on outside intervention.
- 2. Effective action often involves worsening short-term behavior prior to long-term improvement.
- There are many places to intervene to try to effect change; however, only a very few places will produce system-wide movement in the desired direction. Moreover, such leverage points are often obscure and far removed from the obvious symptoms.13

Underlying the principle of leverage points is an appreciation that the best way to manage complexity is to create simplicity. Frequently, this results in a highly decentralized structure guided by a central source. In Kollmorgen, an organization of about 4,500 people, the corporate staff numbers 25, including secretaries, while the remainder work in divisions closely connected to the marketplace. This arrangement integrates clear overall direction and philosophy with a highly responsive, responsible, and productive group of local units.

When leaders appreciate the organization as a complex system, they are more likely to seek flaws in organization design than to search for scapegoats, and to incorporate many structural elements into an overall design that promotes strong individual performance.

## Integration of Intuition and Reason — Rational Analysis

The final characteristic of these organizations is their use of intuition as well as reason. Intuition plays a vital role in creating the organization's vision, developing alignment, and thinking about organizational design. The source of a captivating, workable vision lies in the underlying purpose of the enterprise combined with insight into the future. Intuition mediates this purpose and insight. Intuition is equally important for alignment; highly aligned people function in easy, almost unconscious, synchronization with each other. Furthermore, organization leaders use intuition extensively to understand and design structures. At the same time, reason helps reinforce or test intuitive conclusions, clearly communicate the basis for decisions to others, and design the processes by which decisions can be best implemented.

The observation that intuition contributes significantly to organizational performance is supported by studies suggesting that successful executives use intuition more effectively than other managers. The executive's need to make difficult decisions in a complex and changing environment demands the use of intuition, which can gain access to information not usually available to the rational mind, and process it in an inductive, non-linear way. When too much information can be as paralyzing as too little, intuition helps identify truly essential information. Intuition also works quickly, which is important since executives devote a short time to most decisions. In

By contrast, rational analysis alone cannot cope with the magnitude of existing complexity and change. Respected management scientists are sometimes the first to acknowledge the limitations of their approach. Even highly-regarded management constructs such as the "7-S" model introduced by Pascale and Athos<sup>15</sup> fail to explain precisely how key variables should be integrated. Leaders develop a unique interplay between intuition and reason. They use intuition to guide their analysis, and they continually subject their intuitive insights to rational examination.

#### TWO APPLICATIONS OF THE NEW PARADIGM

Over the past four years we have incorporated this new paradigm into programs for leadership and team development. Participants have included senior executives, influential managers, and product development groups. Many of the participants were people who already had proven ability to achieve results, and wanted to realize a more comprehensive organization

purpose. The results have been excellent, in terms of both quantitative and qualitative impacts lasting two years and more. We offer them to encourage others to design the new paradigm into different technologies, such as management by objectives or conflict resolution, and perhaps to create entirely new approaches to personal and organization effectiveness.

One program is an advanced seminar for senior executives on the art as well as the mechanics of leadership. It is designed to develop the abilities that leaders of metanoic organizations have to:

- 1. Create and communicate a personal and organizational vision to which they are wholeheartedly committed.
- 2. Catalyze alignment around a common vision.
- 3. Revitalize and recommit to the vision in the face of obstacles.
- 4. Understand an organization as a complex system whose structure may enable or thwart realization of the vision.
- 5. Empower themselves and be the sort of people whose presence empowers others.
- 6. Develop intuition as a complement to reason.

Participants achieve several results in this course. Some build on their current success to develop strong commitment to a new direction. Others rediscover and reaffirm an old vision that they had lost in details and every-day pressures. Many get their jobs done with greater ease, with increased ability to inspire and empower themselves and others, to better understand and work with complex forces in their organization, and to be more intuitive. Finally, people who have never fully appreciated the reasons for their own success learn to transfer what they know to new situations and other people.

The second program is an in-house training and consulting program for management and other functional groups who want to excel in achieving a common task or purpose. This program deepens the alignment of group members around a common purpose, develops their personal effectiveness, and enables them to create structures that translate their individual energies into collective results.

The program includes many familiar techniques integrated in a certain format: developing agreement on a common purpose; identifying strategic objectives necessary to achieve the purpose; clarifying roles and role relationships; decision making; and managing meetings. It also includes new processes designed to deepen alignment, instill personal responsibility, and empower group members individually and collectively.

Where operating results are measurable, participating groups report increased sales of more than 50 percent per year, and 50 percent reductions in time invested in new product development. They achieve improved working relationships and higher personal satisfaction that last for two years and more. Finally, evaluations conducted prior to and six months after formal completion of the program indicate an average increase of 33 percent in such key performance indicators as role clarity, problem-solving and decision making effectiveness, and cooperation.

The new paradigm works, and clearly merits further experiments and applications.

### SUMMARY AND CONCLUSIONS

It is possible to create organizations that have the inspiration and ability to produce outstanding performance while enabling members to realize their highest aspirations. These results naturally emerge from placing primary emphasis on several potent variables: purpose, vision, alignment, personal power, results, system structure, and the integration of intuition and reason. While challenging traditional emphases on problem solving and process, the new paradigm also opens new doors to realizing what is more important to us as practitioners.

Knowing that we can create what we truly want, each of us has the opportunity to rediscover and reaffirm our own vision of organizational greatness. Rather than burdensome problems to be solved, current organizational circumstances can be viewed simply as indications of how far we have come in the creative process. We can use our vision and the new paradigm to accelerate this process. Obstacles become vehicles for learning, rather than enemies that destroy our efforts.

We can support others in organizations from a new perspective. We can, as one CEO said, "teach people how to build a new City Hall, not just cope with the old one." This may involve engaging people in the process of creating a vision. It may require working with many complementary visions, and helping people discover the common purpose that aligns them. We can support people to believe that they can create what they want, reach for what they truly value, and take personal responsibility both for their vision and for existing circumstances.

Understanding that a vision without foundation is only a daydream, we must ensure that the vision is grounded in clear action steps with measurable outcomes. We need to work systemically and focus on results. We can help communicate our organization's purpose and values to employees, incorporate

management philosophy into the training process, and bridge the key gaps between organization purpose and practice. We can also design new organization and management development approaches using the new paradigm, always ensuring that each new process serves a higher end.

Within every organization lies the potential not only for success, but also for greatness. As practitioners, our commitment to the highest in ourselves and others remains the vital difference in nurturing this greatness into reality. Guided by this vision, every technique becomes a vehicle for infusing spirit, rather than simply a mechanism that succeeds on its own. More than anything else, spirit enables people and organizations to produce results in ways consistent with our most deeply held values.

#### Notes

- 1 See Chapter 5, Charles F. Kiefer and Peter M. Senge, "Metanoic Organizations."
- <sup>2</sup> See P.F. Drucker, Management: Tasks, Responsibilities, Practices (New York: Harper & Row, 1973). See also R. Beckhard and R. Harris, Organizational Transitions: Managing Large Systems Change (Reading, Massachusetts: Addison-Wesley, 1977).
- <sup>3</sup> Richard T. Pascale and Anthony Athos, *The Art of Japanese Management* (New York: Simon and Schuster, 1981).
- <sup>4</sup> Thomas J. Peters and Robert H. Waterman, In Search of Excellence: Lessons from America's Best-Run Companies (New York: Harper & Row, 1982).
  - <sup>5</sup> Daniel Yankelovich, New Rules (New York: Random House, 1981).
- 6 See D. Berlew, "Leadership and Organization Excitement," California Review 17:2 (1974), pp. 21-30.
  - <sup>7</sup> Reported by D. DeLong, "Changing the Way We Think," Boston Globe, 10 February 1981.
  - <sup>8</sup> See Russell Ackoff, Creating the Corporate Future (New York: John Wiley & Sons, 1981).
- <sup>9</sup> See, e.g., Rosabeth Moss Kanter, Men and Women of the Corporation (New York: Basic Books, 1977).
- <sup>10</sup> J. Galbraith, *Designing Complex Organizations* (Reading, Massachusetts: Addison-Wesley, 1973).
- <sup>11</sup> See "Development in an Era of Paradigm Shifts, Changing Boundaries, and Personal Challenge: A Dialogue with Robert Tannenbaum," *Training and Development Journal* 36:4 (1982), pp. 32-42.
- <sup>12</sup> D.H. Meadows, "Whole Earth Models and Systems," CoEvolution Quarterly 34 (1982), pp. 98-108.
- <sup>13</sup> See L. Schroeder, S. Ostrander, D. Dean and J. Mihalasky, *Executive ESP* (New York: Prentice-Hall, 1974). See also R. Rowan, "Those Business Hunches are More Than Blind Faith," *Fortune* 99:8 (1979), pp. 110-114.
- <sup>14</sup> See H. Mintzberg, "The Manager's Job: Folklore and Fact," *Harvard Business Review* 53:4 (1975), pp. 49-61.
  - 15 Pascale and Athos.