The Omega Factor:
A Values-Based Approach for Developing Organizations and Leadership

Brian Hall

Genuine values emerge from experience; they are discovered, not imposed.
Philip Selznick. *The Moral Commonwealth*, p. 19

Values are attitudes that people consider more meaningful than other attitudes.... Valuing, like meaning making, happens within people and as such is not accessible to direct observation. It normally ends, however, in behavior that is external and observable. When behavior becomes public it becomes a part of the culture.
Benjamin Tonna, *A Surge in Quality*, 1999

Genuine success does not come from proclaiming value, but from consistently putting them into daily action…. When aligned around share values and united in a common mission, ordinary people accomplish extraordinary results.
Ken Blanchard and Michael O'Connor. Managing by Values. P73 & 76.

Part I: Introduction and Beginnings

This paper is about values, their measurement, and the presence of a values trajectory in our lives that pulls us forward from the future. This future is what Teilhard de Chardin called the Omega point, a process that I am calling the Omega Factor. Twenty plus years ago Peters and Waterman in a best seller named in Search of Excellence had the following to say about values and corporate responsibility: "Every excellent company we studied is clear on what is stands for, and takes the process of values shaping seriously. In fact, we wonder whether it is possible to be an excellent company without clarity of values and without having the right sort of values. (1982. p 281). Traditionally, our schools, higher education and corporate leadership have always been about moving society into the future by passing on to students and employees the values and knowledge necessary to lead. But in the modern period of history, values are often thought of as something defined by the culture rather than shaped by the leadership in the culture.

The concept of a universal *telos* or a trajectory of development in the life of a human being has all but disappeared and been replaced by opportunity and choice around personal success. Aristotle talked of human potential in terms of the acorn and the oak tree. The tree is the potential born into the acorn. One perspective is that this oak tree is pulling the acorn to full fruition for all of its life. The same is true of the human being—not just of the physical person, but also of the individual's spirit and psychology. There is, I am suggesting, a potential set of values calling us all forth since childhood. These values are within definable boundaries and they posit alternative futures for each of us. As a beginning point, each of us forms values that pull us through four phases of development—from a childlike perspective, based on survival and security, to a global and systemic view of life.

Being pulled from the future is a common experience. It has to do with creating a vision of the life you want to experience. Recently I spoke to a woman I had coached more than ten years ago. It was an experience that is common to many, I am sure. She told me that she had obtained a graduate degree in counseling psychology and now had her own counseling practice—she noted that this had been a life dream for her. She then remarked, "It was all because of a remark you made to me!" "What do you mean?" I said. She explained that after a particular session, I

apparently remarked to her during the coffee break, "You do good work; have you thought of becoming a professional coach?" She said that that affirmation introduced her to a future she had never thought possible, and that it had awakened in her a dream, a vision, that she had spent the last ten years fulfilling.

In my own life and practice, I have had many formative experiences that have opened a door to what values are about and how they relate to the vision process alluded to above. There are two experiences in particular that I want to reflect on.

Experience One: Day and Night

An early experience in London at the beginning of World War II formed a lasting impression on me and became associated with values, as I grew older and more mature. I lived in a northern suburb of London named Boreham-Wood, where my father was a fireman during the blitz. During this time period London was bombed daily. As a result, much of my time between the ages of four and seven was spent in bomb shelters. Because of the war and its aftermath, school was almost nonexistent for me until I was 15. What education I had—reading, writing, and arithmetic—came from my mother, mixed in with an hour or two of chess daily. My mother enjoyed a game of chess; it no doubt kept her mind off the war.

My most graphic memory is of many evenings after dark, standing upstairs, alone in the house with my mother, looking through a large picture window with all the lights in the house out because of the air-raid rules. We watched the fires of London burning. I remember that the sky was a total orange and yellow glow from left to right, punctuated with occasional planes and barrage balloons. My mother was quietly afraid, and, like me, somewhat in awe. Part of this memory is of the time spent in our bomb shelter. My mother invited a German woman –Mrs. Loudon and her son- to sit with us there during air-raid warnings. A number of the neighbors called my mother a "Nazi lover," but she did it anyway, because, as she said to me, "It's the right thing to do."

At first appearance, this memory looks like a doom-and-gloom picture. My father slept during most of the daytime and went to fight fires at night. Both of my parents listened constantly to the radio for daily news on the war and a possible imminent invasion, wondering what was going to happen in the future. Of course, as a child I had a different perspective than the adults. For my friends and me, the experience was a mixture of fun and fantasy. I was just awed and wondering what it all meant for us as a family. The implications of the war had little meaning to me as a child. I was more worried about my mother's worrying.

Recently I was privileged to have a coaching session with Len Leritz (see bibliography), who developed a leadership development process based on the work of James Fowler. We looked at my childhood experiences in the war, and he talked to me about my "life script." As a result of his coaching, I learned two things:

1) The bond with my mother shaped many of my future values. Values, after all, underpin all human relationships, but are unconscious. This was a slow process of discovery.
2) I unconsciously decided that I was going to take my mother's worry away from her—I was going to make sense out of what was going on. As a result, making sense out of life and what was going on around me became my life pursuit.

Conclusions: My mother infused a vision into me that was heavily values-laden, but for the most part unarticulated, and as a result, unconscious. The values formed by these experiences—Search for Meaning/Hope, Care/Nurture, Empathy, Justice, and Human Dignity—became strange attractors for me from the future. This is what a vision does for you, even though it is only partially conscious. It drives the way you dream, learn, and act. It shapes your future priorities. However, how do I know that these are actually the values that were pulling me?

The reason I know is because I visited my mother at the end of her life, in Boreham-Wood in 1992. She was in her early nineties. When she heard about my values work she asked to if, she could fill out a questionnaire. Her high priorities were the one listed above. When I asked her to explain them, she reminded me of those early years and the experience with Mrs. Loudon and her son Robin, who was my best friend. Table 1-1 below illustrates the experience.

Table 1-1

THE VALUES	THE EXPERIENCE

Search/Meaning /Hope	Making sense out of the War and bombing
Care/Nurture	Playing chess and having the German woman –Mrs. Loudon and her son Robin over to share our bomb shelter during the air raids.
Empathy	Experiencing my Mothers understanding of me and Robin and his mother
Justice	My mother standing up for Mrs. Loudon and Robin against the neighbors
Human Dignity	My mothers perspective on how human beings should be treated right up to the 1992 interview.

These values became an internal unconscious guide to me drawing me into the future to do the kind of work and research that fills my life. In the 20 years since my colleagues and I began developing the technology for creating individual values profiles, we have carried out several thousand coaching sessions with executives. The profiles have special "values cluster" reports that show an individual's foundational, day-to-day focus as well as future, or vision, values not yet actualized as top priorities. We have found and confirmed in more than 3000 cases is that it is these Future or Vision values that carry the most energy, and over time they become the daily focus of a person's life. Our vision. with its values, often unconscious draws us into the future. Values measurement, then, makes them explicit and empowers us in all our decision-making processes.

Experience 2: Culture, Measurement, and Leadership
In the 1960s, Maslow concluded that there are approximately 50 values that motivate and drive our behavior. Rokeach, working at about the same period, decided there were 36. Nobody had really methodically looked at how many there were. The concept was that half a dozen of these values, as priorities, would explain any human behavior. In 1979, after eight years of research with a group of international associates on values, we concluded that every human being has access to approximately 125 values. We also saw that the 125 values fell out developmentally into four phases, each with its own world-view, as illustrated in the Development Map, Table 1-2. It was because of this work that I was invited to teach and do research at the University of Santa Clara in 1979.

Development Map

Phase I		Phase II		Phase III		Phase IV	
SURVIVING		**BELONGING**		**SELF-INITIATING**		**INTERDEPENDENT**	
The world is a mystery over which I have no control		The world is a problem with which I must cope		The world is a project in which I want to participate		The world is a mystery for which we care on a global scale	
1: SAFETY	2: SECURITY	3: FAMILY	4: INSTITUTION	5: VOCATION	6: NEW ORDER	7: WISDOM	8: WORLD ORDER
Goals: Self Interest/Control Self Preservation Wonder/World	**Goals:** Physical Delight Security	**Goals:** Family/Belonging Fantasy/Play Self Worth	**Goals:** Belief/Philosophy Competence/Confidence Play/Recreation Work/Labor	**Goals:** Equality/Liberation Integration/Wholeness Self Development Service/Vocation	**Goals:** Art/Beauty Being Self Construction/New Order Contemplation Faith/Risk/Vision Human Dignity Knowledge/Insight Presence	**Goals:** Intimacy/Solitude Truth/Wisdom	**Goals:** Ecology/Global Global Harmony World
Means: Food/Warmth/Shelter Function/Physical Safety/Survival	**Means:** Affection/Physical Economics/Profit Property/Control Sensory/Pleasure Territory/Security Wonder/Curiosity	**Means:** Being Liked Care/Nurture Self Ind/Order/Discipline Courtesy/Hospitality Dexterity/Co-ordination Endurance/Patience Equilibrium Friendship/Belonging Obedience/Duty Prestige/Image Rights/Respect Social/Affirmation Support/Peer Tradition	**Means:** Achievement/Success Administration/Control Communication/Info. Competition Design/Pattern/Order Duty/Obligation Economics/Success Education/Certification Efficiency/Planning Hierarchy/Order Honor Law/Rule Loyalty/Fidelity Management Membership/Institution Ownership Patriotism/Esteem Productivity Reason Responsibility Rule/Accountability Technology/Science Unity/Uniformity Workmanship/Art/Craft	**Means:** Adaptability/Flexibility Authority/Honesty Congruence Decision/Initiation Empathy Equity/Rights Expressiveness/Joy Generosity/Compassion Health/Healing Independence Law/Guide Limitation/Acceptance Mutual Obedience Quality/Evaluation Relaxation Search/Meaning/Hope Self Assertion Sharing/Listening/Trust	**Means:** Accountability/Ethics Collaboration Community/Supportive Complementary Corporation/Stewardship Creativity Detachment/Solitude Discernment Education/Knowledge Growth/Expansion Intimacy Justice/Social Order Leisure Limitation/Celebration Mission/Objectives Mutual Accountability Pioneerism/Innovation Research Ritual/Communication Simplicity/Play Unity/Diversity	**Means:** Community/Personalist Interdependence Presence Prophet/Vision Synergy Transcendence/Solitude	**Means:** Convivial Technology Global Justice Human Rights Macroeconomics
Authoritarian	Paternalist	Manager	Facilitator	Collaborator	Servant	Visionary	

The four phases and eight stages of development are the basis for measuring gaps in priorities and defining an individual's world view. For example, in a conversation between two people, if one is functioning at stage 4 in the Development Map but the other is functioning at stage 6, there will be a gap of two stages. Because their values priorities are different, their communication will be difficult: the person at stage 4 is concerned abut Competence, whereas the person at stage 6 will have transcended that and is concerned about Being Self and issues around Human Dignity. What we did that was unique is develop a measurement system in parallel with the theory. The experience that follows is related to the early development of this measurement system.

In 1979 a large international Roman Catholic order asked me to do an analysis of their management document, referred to as their *Rules and Constitutions*. They were in the business of education and ran several universities worldwide, including in the United States. This analysis resulted in the first measurement instrument—document analysis.

> **Document analysis**. Document analysis is done with software that includes a 5000-word thesaurus in several languages. The software scans a document to link synonyms to any of the 125 values that are present in a document. It can then identify the values in priority order in the document as a whole or within any given section of a document.

The order's document was about 100 pages long and had seen three previous editions, published in 1821, 1921, and 1961. In 1980 we prepared an analysis before the release of a 1981 revision. We naturally saw values differences through the three previous historical documents. However, in the newly revised 1981 document, we found a series of conflicts and discrepancies within the document itself.

One such discrepancy was in the definitions and descriptions of the role of leadership. To understand this, we need to refer to the Development Map again. An international council of eight people, elected at large, led the organization. The council's job was to ensure the longevity and security of the institution. Our analysis showed that the council's values priorities were entirely from stages 1 and 2 in the Development Map. Their values priorities, beginning with Self Interest/Control, are shown in Table 2. At the next level of management, below the order's council, there were not quite 200 local leaders, elected locally, who were supposed to be pastorally focused, trusting facilitators of those under their supervision. Their role was described by stage 5 values, also shown in Table 2. The Development Map illustrates that the first group is authoritarian or autocratic in its leadership style, whereas the second group is facilitative and collaborative. It was clear that the two groups, if they followed their role descriptions, would be in conflict. Two questions were raised as a consequence:

- Do the values priorities reflect a conflict in the lived situation as well as in the document?
- And if they do, what is the quality of the relationship between the two groups?

Table 2. Contrasting Styles of the Council and Local Leadership

Leadership Council: Stages 1 and 2	Local Global Leadership: Stage 5
Self-Interest/Control	Integration/Wholeness
Wonder/Awe/Fate	Self Development
Self-Preservation	Sharing/Listening/Trust
Security	Empathy
Economics/Profit	Search for Meaning/Hope
Territory/Security	Generosity/Compassion

It turned out that the values priorities in the document *were* reflected in the lived behavior of the leadership. The quality of many relationships was conflicted, and resulted in several people resigning and leaving the congregation. In addition, we found that there were about 30 discrepancies in the document related to leadership, policy, and decision-making that was related to daily behavior and activities. All this led to a major revision of the document.

Over the next two years a development and validity process yielded two more types of organizational values measurement tools: individual and group reports. Each individual receives a personal report after completing a 125-item questionnaire. The person sees what his or her values are, in priority order, and what the implication is for his or her leadership journey. Group reports show the value priorities of the total group and or of any subset such as a department or executive team.

Two years later, 80 percent of the same group was present for a second meeting to compare the earlier document analysis and the now-available profile of the group as a whole. Each person now had his or her individual profiles, the group report, and the previous document analysis. When the values priorities in the group profile were compared with the document analysis, something astounding was discovered: the top ten values priorities in the documents, the group, and individual profiles were the same—for people who had lived and worked in the institution for five years or more.

Case in Point. In the mid 1990's, 15 years later I was asked to develop a picture of what the values the Siemens Corporation needed to be to make it sustainable and have continuity for the next 150 years. It was their 150th anniversary. What was fascinating is that the same principles learned in the experience of the Catholic Order held here. The same methodology, expanded in scope with Internet technology, discovered 15 years before was still applicable, namely:

- ♦ Analysis of historical documents related to the founder of the organization: Werner Von Siemens from the late 1800's. Document analysis of early letters and speeches revealed an emphasis on Innovative Technology, Corporate Stewardship and Customer Satisfaction. He was, for example, the inventor of modern electrical engineering and the first corporate leader to provide health care for all his workers.
- ♦ Group profile from four regions of the world, sent to 8000 people in three different languages to see the relationship of the values of employees and leadership to the foundation documents.
- ♦ Finally consultation and coaching of key stakeholders and leaders to get their opinion based on their values and the data collected.

Basically, with all the data in, a special executive team met for two days in Malta and concluded on a new set of core values, what we will refer later to as values tracks, for Siemen's for the next 150 years. The values included corporate stewardship and innovation and customer referred to above. What was interesting is that the founders' values made up 70% of the new set. We now refer to this process as a ***Cultural Identity*** process that is a standard process to organizational alignment and the establishment of ethical integrity in any institution.

Conclusions: The conclusions that follow have been proven over and over again since the measurement described above happened. These include:

♦ Culture is captured by the significant conversation in the organization and through its management and policy documents, which in turn reflect the values priorities held by the organization.

♦ The priority values present in the management documents and policies and procedures of the organization become internalized in its membership and leadership, affecting the spiritual and emotional health of everyone in the organization. Document analysis continues to be a powerful tool. In 1993, a collaborative effort with several Spanish universities, spearheaded by the University of Deusto in Bilbao, did a full analysis of all the documents governing public and university education in Spain (see Albizuri et al. in the bibliography). As in the above example, their analysis revealed many gaps and conflicts. These documents were also rewritten and republished.

♦ Leadership is partially a byproduct of the organization's culture and values.

♦ Leadership development and culture development must proceed hand in hand.

♦ Gaps in stages of values development between individuals and groups cause conflict and nonalignment within the organization, hampering its vision and mission.

♦ Values measurement makes individual and system priorities explicit, explaining and making sense out of conflicts and gaps in the organization.
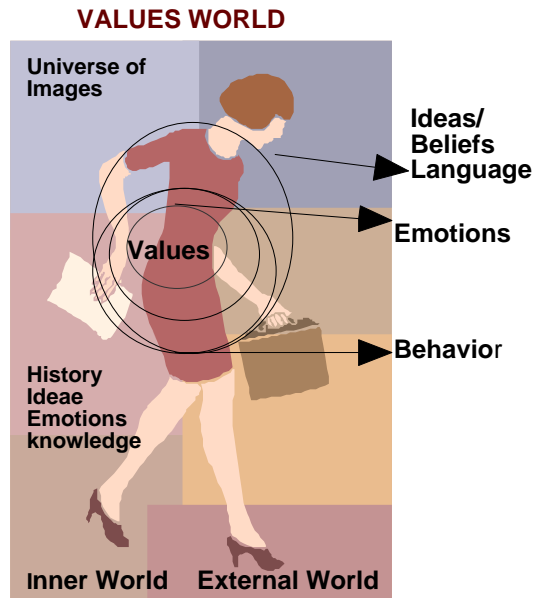
In summary, values are the ideals that give significance to our lives and are reflected through the priorities that we choose and that we act on consistently and repeatedly. They are designated by special code words in the spoken and written language and experienced through our feelings and imagination, and they are experienced in individuals, by institutions, and in the products of human effort such as works of art.

Part II: Trajectories and Development

These experiences changed my world-view on what values are about. What researchers like Paulo Freire understood and what we discovered over and over again in 30 years of research is that

human values are embedded in the language, motivating and driving our behavior. Corporate culture is human and therefore flows from a set of relationships—the relationships that form the environment from which all decisions flow, including ethical and moral choices. Why? Because all relationships, conscious or not, are underpinned by the values priorities we hold in common. It is our collective priorities that form the basis for all decision making—it is that simple.

Figure 1. Values World

VALUES WORLD

Universe of Images

Ideas/
Beliefs
Language

Emotions

Values

Behavior

History
Ideae
Emotions
knowledge

Inner World   External World

When you know what the values are in a given situation, you have access to a lot of hidden information. Reality encompasses both an inner and an outer reality; it is not one or the other (Figure 1). Both realities must be seen as a balanced whole that must be in harmony. Something has to mediate the two realities, and that something is called values. It is our values that carry the life-giving energy of the inner world into the external world of family and society. Values stand between as a brokerage unit that assesses information and enables the brain to synthesize it into everyday decision-making. The values that lie underneath our daily activities are tacit—often unconscious—knowledge. Therefore, all conversation is relationship building and involves consciously, or more often unconsciously, sharing our values.

Over the last twenty years I have had the privilege of counseling a wide range of adults and executives, using the values instrumentation in a coaching process. It was here that the partial consciousness of values became evident. Almost everyone was able to recognize his/her values priorities. However, they were only able to identify 10 to 25 percent of them beforehand—it was a discovery process. While I was at the University of Santa Clara the experience of younger and older students differed distinctly. The younger undergraduates (18 to 21 years old) often wanted

to change their priorities because they reflected the values of their parents, which were not always the values they themselves held. They often changed their electives and major as a consequence. On the other hand, graduate students from a counseling or business program (30 to 55 years old) recognized and agreed with the values and the priority order they were in.

In both groups it was clear that the clients explicit awareness of their values dramatically increased their capacity to learn and gain new knowledge or insights. Personal knowledge of their values linked learning and motivation in a way that enabled them to be empowered learners and decision makers.

The Trajectory

As individuals mature, various developmental patterns emerge; these patterns are incorporated in the design of the measurement system described above. The instrumentation based on the 125 values was validated by 1989. By the year 2000 it was available in an Internet format.

Of the 125 values, 29 are defined as goal values, while 96 are called means values. Goal values are future-oriented and contain human purpose; they are partially illustrated and shown in bold in Table 3, "Phases and Stages of Values Development." Goal values form a natural developmental track or path that progresses through four phases and eight stages. Each phase represents a distinct world -view. Each stage builds on previous stages. For example, an individual's mastery and understanding of Human Dignity in stage 6 is incomplete if the person does not have in place stage 1 and 2 values such as Self Preservation and Security.

### Table 3. Phases and Stages of Values Development

Phase	I	I	II	II	III	III	IV	IV
Stage	1	2	3	4	5	6	7	8
Goal Value	**Self-Preservation**	**Security**	**Self-Worth**	**Competence**	**Integration/ Wholeness**	**Being Self Human Dign**	**Truth/ Wisdom**	**Global Harmony**
Means Val	Food/Warmth/ Shelter	Economics/ Profit Affection	Courtesy Friendship	Achievement/ Success Education/ Certification	Empathy Search for Meaning/ Hope	Ethics Pioneerism/ Innovation	Synergy Inter-dependence	Human Rights

The 96 means values are underpinned by approximately 1000 specific skills. Healthy personal development requires that means values always be related to goal values in an effective combination. This developmental paradigm is the basis for discovering gaps in priorities and world -view that get in the way of effective communication. Each of us has foundational values, derived from our family of origin and our life experience. When our family is healthy, it keeps us stable and secure for much of our lives. We also have values that pull us into the future and drive

our meaning system. These are the values in stages 6 to 8. These later values are the basis of our vision for life.

Figure 2, "Transitions and World Views," illustrates the big picture of what the values trajectory is about.

Figure 2. Transitions and World Views

INTEGRATION FACTOR

PULL FROM FUTURE
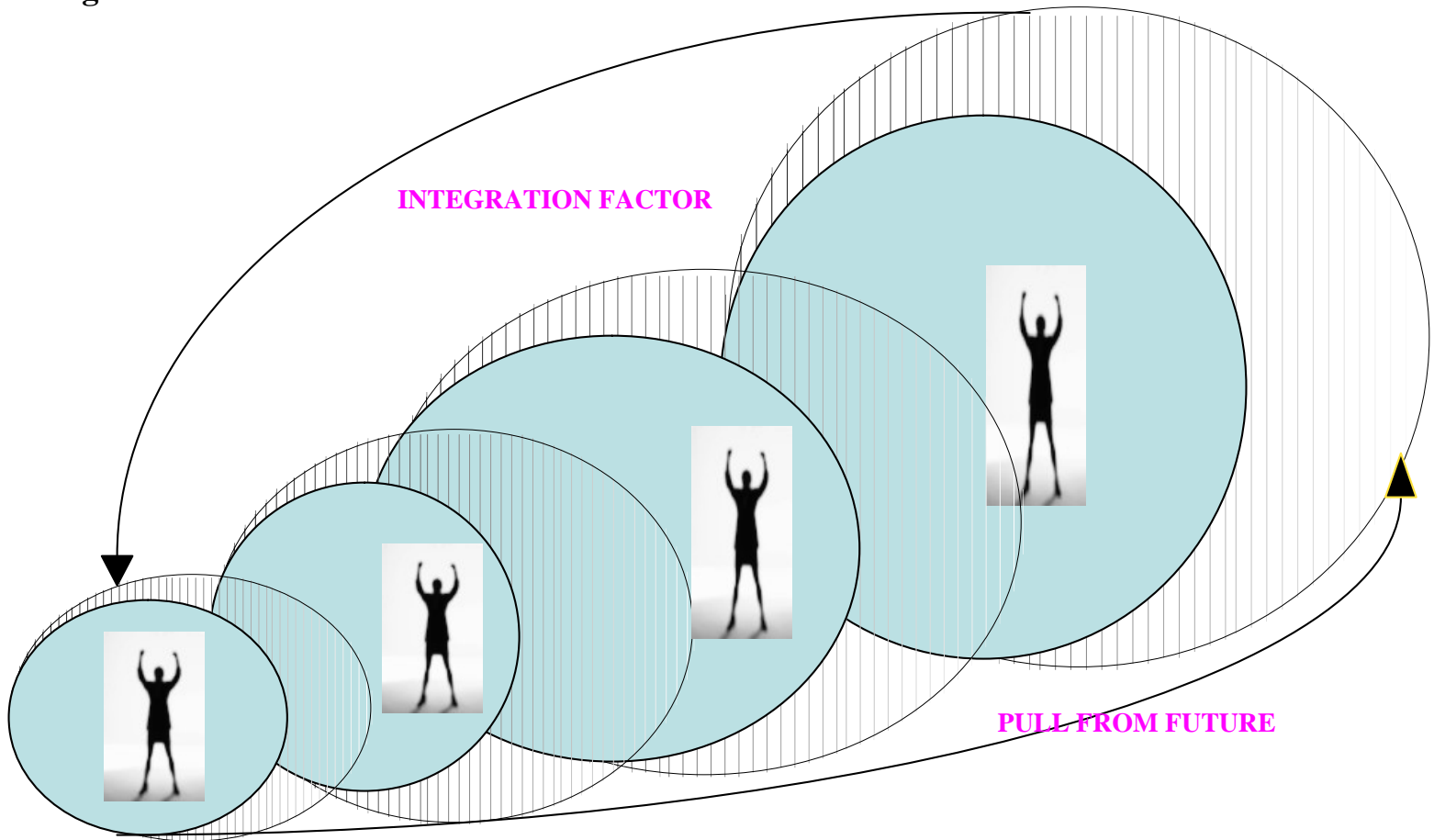
Stage 1	Stage2	T1	Stage 3	Stage 4	T2	Stage 5	Stage 6	T3	Stage 7	Stage 8
PHASE ONE			PHASE TWO			PHASE THREE			PHASE FOUR	

The phases and stages of the trajectory are at the bottom. T1-T3 represents the transitions between the phases, addressed later in table 5. The bubbles illustrate that each phase is its own level of consciousness and world-view, and is contained and separate from previous and future world- views. The phase of primary importance is phase IV, which pulls each of us to it from the future. Each phase has its own set of unique attributes. Some of these are illustrated in Table 3: "Attributes and Behaviors Related to the Phases and World Views." There are of course an infinite number of possible attributes such as governance systems, view of the family, and so on. Table 4 is a selection of nine elements of worldview.

Table 4. Attributes and Behaviors Related to the Phases and World Views

Elements of World View	PHASE I	PHASE II	PHASE III	PHASE IV
1. Individual Emotions	**Surviving Emotions dominate**	**Belonging Reason begins to dominate**	**Self-Initiation Integration of reason and emotions**	**Global Partnering Sensory intuitive integrat**
2. The Organization	**Survival**	**Traditional mecha Hierarchical**	**Partnership**	**Global Interdependence**
3. The World Perceived by the Individual	A mystery over which I have no control	A problem with whi must cope	A project in which must participate	A mystery for which we m care
4. Individual Perception in the Organization	Self is the center of an alien and oppressive environment	Self seeks to belong approval of signific others and by succe	Self acts and initiat creatively, indepen with conscience	Self acts as "we" with othe to enhance the quality of li globally
5. Leadership Management Style	Autocratic Top down Use of power	Hierarchy-linear Bureaucratic mecha systems	Collaborative Inter-group empha	Interdependent Global partnering
6. Interpersonal Problem Solving	Negotiations and communication are transactional "This or that"	he norm is prescribed packaged solutions	The solution is tail and negotiated via listening and trust	artnerships formed to discov new creative answers and possibilities
7. Branding	Branding viewed as external for the customers	External and internal branding connected		Internal branding as the alignment employee behavior with values of the compa the external brand
8. Locus of Authority	External locus of authority	*Shift* ⇨		Internal locus of authority
9. Key Examples of Values	**Security** Economics/ Profit Food/Warmth/ Shelter	**Self Worth** Being Liked Support/Peer	**Capability Self-Development** Sharing/Listening/T Independence	**Faith/Risk/Vision** Collaboration Pioneerism/Innovation Interdependence

Table 4 illustrates some general attributes at each of the four phases. Each phase is underpinned by different values. However, as each of us reaches higher levels of consciousness,

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our past is reintegrated and rewritten, sometimes causing us to grow backward in order to grow forward holistically.

Intermediate Conclusions

After reflecting on these experiences and working with several global organizations, it became evident to me and my colleagues that personal growth and consequently the growth of leadership are dependent on two factors:

1. The individual's explicit awareness of their own values and how they are being affected by the values pathway or trajectory into the future. This includes three factors:
   a. Awareness of their stage of development (focus) and what day-to-day values priorities they are living and making decisions by.
   b. Awareness of foundation values or those values issuing from the past that is unconscious but unresolved.
   c. Awareness of values priorities that underpin the vision we have, pulling us forward to discover and live out our potential.
2. The second factor is a values-based culture that supports each individual's development. This is a culture that is deliberately created, making all its members explicitly aware of its values priorities. When an organization comes to a values consensus on the minimal values the community must have in common, it creates a cultural identity around a common vision. The individual's values are leveraged when they connect with the common vision, creating a positive energy exchange that moves everything toward a new future.

The concept of a values-based organization rests on the simple premise that successful companies are built on a foundation of quality relationships and quality corporate dialogue and conversation. Values are at the heart of what human conversation is about in any social situation. It is essential to understand that the quality of the group is reflected by the quality of the conversation.

Growth and development of leadership that is ethically grounded requires the development of both factors simultaneously. This becomes clear when we look at the specific attribute of leadership and its movement toward collaborative or Phase III Leadership –a level to which many global organizations aspire to for executive leadership.

The Levels of Leadership Development

The levels of leadership, illustrated in Table 5, include the second vector, cultural identity, expressed in the table as organizational focus. When the stages are paired and viewed as levels of organizational consciousness (cycles), they demonstrate the parallel development and evolution of an institutional enterprise, with the values that underpin each level.

This of course assumes a healthy enterprise in which the values, style of leadership, and organizational focus are aligned. (In reality, different styles dominate different parts of the organization, since each group has a distinct mission and somewhat different means values.)

Table 5. Levels of Leadership and Organizational Development

Stage Cycle	Leadership Theme/Level	Organizational Focus and Understanding of Knowledge	Values Track Priorities
7/8	7. Prophetic Global Partnering	Social responsibility—global connectedness **Knowledge as wisdom**	Interdependence Word Macroeconomics
6/7	6. Servant Self Organizing System Cycle	Strategic alliances and external connectedness, listening collaboratively to partner on new solutions globally. **Transition to knowledge as wisdom**	Truth/Wisdom Collaboration Prophet/Vision Accountability/Ethics Corporation/New Order Stewardship
5/6	**5. Collaborative Cycle (Servant Leadership)**	Possible development of Listening collabo to partner/peers on new solutions ways of thinking**. Knowledge as understanding**	Being Self Faith/Risk/Vision Collaboration Sharing/Listening/ Trust
4/5	4. Adaptation Facilitator Cycle	Listening attentively, modifying present packaged solutions and services. **Transition to knowledge as understanding**	Equality/Liberation Integration/ Wholeness Decision/Initiation Authority/Honesty Adaptability/Flexibility
3/4	3. Competence Manager Cycle	Persuasion to packaged answers and listening with limited response in mind. Making a sale no matter what. **Knowledge as packaged solutions**.	Competence/ Confidence Economics/Success Management Responsibility
2/3	2. Benevolent (Paternal or Maternal) Cycle	Say anything to please with simple yes or no. Simple top-down directions. **Transition to knowledge as information**	Self Worth Obedience/Duty Support/Peer
1/2	1. Survival Autocratic Authoritarian Cycle	Transactional and a simple yes or no, do this, do that answer to any question. **Knowledge as data**	Security Self-Interest/Control Economics/Profit Self-Preservation

Leadership falls into seven general styles, depending on the values in each cycle or level of leadership development. Each level of development has specific values that lie behind that leadership level and that demand or impose a particular leadership style and organizational structure. Table 5 illustrates the relationship between the leadership levels and the form the organization takes.

It is important to note that every level of leadership is appropriate when the environment does in fact reflect the values of that level. The first three organizational styles are all hierarchy-driven: Level 1 is autocratic and harsh in its delivery, reflecting the values of Self Preservation and Security. Relationships are simply transactional, where knowledge is simply understood as data. Level 2 is softer, top-down but caring. Level 3 is mechanical and bureaucratic. Relationships are role-driven and knowledge is solution-based and packaged.

Bridging the Values Gap. Levels 4 and 5 are a special transition place in the growth cycle: it is the bridge to a new paradigm, "Servant Leadership," with values that reflect an inner authority and vision rather than an externally driven one as in the first three cycles. The last four cycles represent increasing levels of collaborative management, with level 7 being global in scope. Knowledge now involves personal insight and understanding. Knowledge solutions are tailored and relationships are based on a more complex capability in emotional intelligence.

The seven levels of leadership are underpinned by a set of values. Looking at Table 5, the right-hand column is a trajectory of values from stage 1 through 8. Another name for this is a values path or track. This is illustrated in Table 6.

Table 6. Leadership Track

1	2	3	4	5	6	7	8	
Self-Preservation	Security	Self-Worth	Competence/ Confidence	Equality/ Liberation Integration/ Wholeness	Being Self Faith/Risk/ Vision	Truth/Wisdom	Word	
	Economics	Control/Order Obedience/ Duty Support/Peer Care/Nurture	Economics Management Responsibility	Decision/ Initiation Authority/ Honesty Self-Assertion	Corporation Stewardship Accountability/ Ethics	Inter-dependence Prophet/Vision	Macro-economics	

If it is to remain competitive in a global environment, the modern organization's top leadership needs to function at a knowledge creation level of performance (stages 5/6). It is the minimum requirement to sustain itself as a learning organization with high, transparent ethical standards.

Values tracks allow the organization to convert a values string, such as leadership or teamwork, into behaviors. Each value has a standard definition and a list of skills related to it. The

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values tracks take into account the developmental level of all the employees. It is not necessary for everyone to be functioning at stage 5/6, but leadership *must* aspire to function at this level. Also note that these tracks, sometimes called business principles, have a dynamic relationship. The endpoint for most organizations is service, which is accomplished through empowered team members in a learning organization.

An organization needs to achieve consensus in order to make its values explicit and establish its cultural identity. This process normally involves four steps:

1. Values analysis of the organization's founding documents
2. Values survey of all employees, or of a representative sample of at least 30 percent, to view developmental alignment and priority values within the organization as a whole and within its departments or divisions
3. Coaching of the executive team and or the board of trustees to determine the organization's preferred value priorities and tracks
4. Analyzing the data, determining the final values track, and sharing the information with the employees to gain their commitment

Table 7 provides an example of the outcome of this process—four consensus tracks from a system similar to theSiemens example abovethat chose to emphasize leadership development. In addition, each divisional group or subsdiary would add its own tracks. The values software we use includes more than 100 such tracks.

Table 7. A Corporate Values Tracks

Teamwork

	Security	Family Self-Worth	Competence/ Confidence	Integration Equality Service	Construction/ New Order Human dignity	Truth	Word
		Support/Peer Control/Order/ Discipline	Communication Ownership Membership Institution Efficiency	Decision/Initiation Authority/Honesty Sharing/Listening/ Trust	Collaboration Community/ Supportive Complementarity Unity/Diversity	Synergy Interdependence	

Dignity/Justice

Self Preservation	Security	Self-Worth	Belief/ Philosophy	Integration/ Wholeness Service	Construction/ New Order Human Dignity	Truth/ Wisdom	Word Global Harmony
Safety	Property/ Control	Rights/ Respect Endurance/ Patience	Management Responsibility Efficiency/ Planning	Quality Limitation/ Acceptance Equity/Rights Adaptability	Justice/ Social Order Mutual Accountability Discernment	Prophet/Vision Transcendence/ Solitude	Human Rights Global Justice

Leadership

Self-Preservation	Security	Self-Worth	Competence/ Confidence	Equality/ Liberation	Being Self Faith/Risk/	Truth/Wisdom	Word

				Integration/ Wholeness	Vision		
	Economics	Control/ Order Obedience/ Duty Support/Peer	Economics Management Responsibility	Decision/ Initiation Authority/ Honesty Self-Assertion	Corporation Stewardship Accountability/ Ethics	Inter-dependence Prophet/Vision	Macro-economics

/Learning Community

	Security	Self-Worth	Competence/ Confidence	Self Actualization	Knowledge/ Insight	Truth/Wisdom	Word
	Wonder/ Curiosity	Control/Order Discipline Support/Peer	Education Technology Responsibility	Search for Meaning/Hope Limitation/ Acceptance	Limitation/ Celebration Education/Knowledge Community/Supportive	Community/ Personalist	

Practical Recommendations and Conclusions

What are some visions or dreams of what it might look like if all organizations, really did embrace a values-based developmental framework? How would this benefit the organization, its members, and society? This is a question we have been addressing with a number of global organizations and institutions of higher learning since the early 1990s. Recently El Instituto Tecnologico y de Estudios Superiores de Monterrey in northern Mexico came to us with a related proposition. They graduate premium students in technology and have more than 30 campuses throughout Latin America. They want their students to make a positive contribution to society through a commitment to the development of their local community—socially, economically, and politically. They know that a paradigm shift needs to take place and they are looking to a values construct to bring this about.

So what can be done? The values instrumentation has been in development since the 1970's. However, it has only recently been made available to the public on the Internet. It is available for both individuals and institutions. Here, based on our experience over the last ten years, are some immediate recommendations for organizations that want to become developers of Leaders for the new millennium. Reflecting on the assumptions underlying the paradigm of values development, we see that this university's questions and concerns are not a surprise. Some related assumptions about values that we have learned over the last 30 years, and programs we have developed include:

1. For individuals to grow holistically and develop their leadership potential, they need to be explicitly aware of their values and how they are making important choices in their lives.

2. They need to see where they are developmentally, what the gaps are that they need to repair, and what their potential is. .
3. They need to be able to see their institution's values proposition, since they expect this to serve as a guide to expected behavior morality and possibility. This should not be a rigid prescription, but a guide based on a thoughtful process of consensus and therefore commitment by trusted institutions. Of course, many of our institutions have these statements, but the members of the organization do often not translate them into observable behavior.
4. At a very simple but basic level, everyone needs to be able to look at and receive guidance on his or her own values from values-oriented mentors within the context of an explicitly conscious values-based organization.
5. All organizations should go through a process of cultural identity, to identify and make explicit values tracks based on three aspirations:
    a. Allow the organization to be sustainable and if necessary scaleable.
    b. To increase the quality of life of its constituency and employees.
    c. To contribute positively to the community at large
6. Finally, all organizations need to embark upon a program to align policies, ethics and employee and leadership behavior with the declared values system. It consequences the following:
    a. Baseline data-base that can be used extensively for internal strategic planning, by examining values gaps between divisions, regions et cetera of an organization
    b. Baseline data-base that can be used for comparisons in anticipating the consequence of a merger or acquisition
    c. Implications for career assessment and development
    d. Implications for leadership and succession planning.
    e. It informs our understanding of the values shift necessary for sustainable human-environmental relations.
    f. Implications for our use of technology in knowledge management and virtual communities of practice.

Broadly speaking, persons involved in leadership and organizational development needs access to values-based growth processes and guidance. Values priorities need to be a part of everyone s everyday conversation. Most fundamentally, however, the acknowledgement of a universal human values development trajectory brings back *telos* into our view of the world and us and without recourse to a *deus ex machina*.

Universities, public and private institutions have a central role to play in easing the transformation that this will bring.

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