

Running Head: SUSTAINABLE CHANGE

Session Paper: Leading Sustainable Change through Self-Discovery: a Values  
Accountability System defined.

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## Abstract

Before positive change can truly occur on a systemic level, the identification of one's humanity (value and belief systems) is a crucial factor. Countless workshops, research studies and management courses discuss various behaviors of successful and unsuccessful leaders. However, when leaders recognize a desired behavior, that leader is prohibited from achieving a sustainable change in that behavior by the collective rules of life (such as showing emotions is weakness, so reading about emotional intelligence or EQ does not create the desired change). In order to create sustainable change, an individual must look at the core of a human being from the perspective of their own identity and belief/value systems. Based on recent research with business leaders on organizational change as well as grounded theories such as Neurolinguistic Programming (NLP), Systems Thinking and Transformational Leadership, this session guides leaders through a process that will create sustainable change on a systemic level. The session title is – Leading Sustainable Change through Self-Discovery: a Values Accountability System (VAsys) defined.

As a core foundation of the UN Global Compact, the values concerning human rights, labor, environment and anti-corruption form the basis for much needed change in global business practices. Asking leaders to change their behavior is a challenging task.

Keeping a new behavior is an entirely different beast, especially with the pressures of today's fast moving environment. Despite the best intentions of business leaders to make positive change in their own behaviors, these individuals often unconsciously fall into

their natural habits when under these pressures. VAsys goes significantly beyond desirable behaviors; it takes participants through a value/belief discovery process that has proven to be effective in learning about oneself. Participants will start with a self-inquiry to solidify their own values and beliefs. Thus far, initial studies with working professionals found a lack of ability to clearly explicate one's core values. Over 97% of the subjects have never written down their personal values or a personal vision statement. Furthermore, defining the context and meaning of a specific value was extremely challenging. After the initial self-inquiry process, participants review the possible alignment of their actual behaviors versus their stated values. By seeking the alignment of values and behaviors, participants are provided the opportunity to change based on their own values system. This process creates true ownership of change. Once participants increase the understanding of their own self, they can then begin to learn to seek the values that underlie other people's behaviors. Rather than delegating or informing people of specific changes, leaders can learn to seek understanding of people and create change from the core of their people. This practice minimizes judgment and seeks understanding, which, if implemented at the global level would solve many cultural and political issues.

The impact of the initial studies using VAsys has led many working professionals to a profound way of being and awareness. If creating a systemic shift in behavior for a global village is the intention, the process of creating an internal alignment is a powerful tool for understanding others around the world.

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Leading Sustainable Change through Self-Discovery: A Values Accountability System defined.

### Introduction

Globalization is a massive trend that interconnects people from around the world (Møller, 2004). With the enormous power of economic connectivity, a crucial need for identification and application of core values will minimize conflict while creating extraordinary understanding between individuals, teams, corporations and cultures. As the world becomes smaller through globalization and technology, the rules that guide and lead human behaviors need to move from a content-based system of conformity toward a context-based system of understanding. The Values Accountability System (VAsys) creates the context for sustainable success in all organization.

### Background

The current state of organizations is loaded with content-based logical systems. Operating with a *fear-driven mentality*, an abundance of *quick fixes* and a lack of cultural understanding permeates many organizations (Baker, Greenberg, & Hemingway, 2006; Doucet, 2005; “Employers raising the bottom line through diversity,” 2004; Trombly, 2006). Perhaps, it is much easier to take an aspirin for a headache, than to look for the root cause of that headache. Or maybe, it is quicker to fire an employee or a CEO who acted unethically, than to analyze the system that enabled such behaviors. Yet, such application of the *content-based system lacks balance* with the real drivers that enable a global economy with sustainable profits.

### *Fear-based Behaviors*

Fear is one of the primary bases for many of today's content-based systems. From a psychological perspective, one of the most sensitive parts of the human brain is the fear mechanism (Doyle, 1999). Regardless of an individual's intent, three limiting fear responses including freeze, fight and flight eliminate the higher-order thinking of the human brain (Baker, Greenberg, & Hemingway, 2006). Some of the basic fears include the fear of incompetence, the fear of abandonment, the fear of losing control and the fear of anything that is constraint in nature (Doyle, 1999). If an individual perceives these types of major fears, all the reasoning, education, and the ability to consider the consequences tend to diminish with the level of perceived fear. Based on these fears, a system of rules and regulations attempt to govern human behavior in many industrialized nations. Some are in the form of government regulations enforced by a judicial branch, but often ignored in many countries (i.e. inconsistency between land regulations and government practices in China) (Zhu & Prosterman, 2006); others are in the form of policies regulated by organizational managers and executives. From a comparative perspective, certain countries are more prone to certain types of fears. One study found that American consumers are significantly more concerned about being competent and in control than Chinese consumers (Sun, Chen, Fang & Liang, 2000). Interestingly, technology and the media bombards business leaders with 50 plus serious events that cause fear on a weekly basis. Under this bombardment, too many business cultures are creating *self-limiting policies* to protect themselves without a balanced effort toward innovation or inspiration (Baker, Greenberg, & Hemingway, 2006).

### *Legal Considerations*

One of the most complex and often dominating impacts of fear is a content-based legal system. Within such a system, a law is required for each situation that manifests. Within a single country, millions of laws attempt to regulate the behaviors of individuals on specific situation (content). Within the United States alone, there are an estimated 1.2 million lawyers to manage the complexity of the system (Hostetler, 1992). This complexity could be worth the investment if it is working. Yet, evidence in the rising rates of unethical behavior of organizational leaders suggest otherwise. Consider for a moment if you had “management” directives to not look at someone’s e-mail. What would automatically happen in your mind? Worse yet, if you knew that certain performance outcomes would remove your job? How far would you go to protect your ability to survive? These are just some of many basic policies that caused formerly respected organizations to fall such as Enron, Adelphia, Arthur Anderson, Tyco and Lucent Technology (Sausser, 2004). Even within the environment of a single country, these regulations and policies fail to create desired ethical behaviors of businesses. Some even speculate that a new business scandal appears on a daily basis (Kelly, as cited in Sausser, 2004). What will happen when these complex laws and policies begin to integrate with those of other organizations in different countries with entirely different cultures?

Mucklow (2000) believes that the global society must create an even more complex legal system. How many more laws are needed to govern the countless manifestations of situations when countries and cultures begin to work together? Although this philosophy creates a thriving legal profession, *reductionism approach to managing human behavior*

*toward sustainable organizational success is limiting.* As Kerr (2004) pointed out, the considerations of what is “ethical behavior” differs from country to country, and sometimes even between cultures within the same country. Even the challenge of profit as the end goal for an organization is questioned in a global economy (Güvenli & Sanyal, 2002). One organization may subscribe to the capitalist approach of seeking the lowest cost production for higher profits; another culture may subscribe to civil rights of an industrialized nation while applying those rights to the global village (Lee, 1997). People subscribe to countless life philosophies that people of different cultures and nationalities. The complexity involved in creating a middle ground between these beliefs creates an endless pursuit.

#### *Cultural Considerations Required*

Although there is a general agreement that cultural consideration is necessary when conducting business at the global level, the means to achieve that consideration vary greatly (Bird & Osland, 2005/2006; Fox, 2006; Javidan, Stahl, Brodbeck, & Wilderom, 2005). Looking at it from a content-based perspective (reductionism), the complexity would yield a wide range of interpretations where one individual’s logic at that moment is always better than another individual’s logic. Take for example a well-researched and accepted concept of human intelligence. According to Georgas, Weiss, van de Vijer, Saklofske (2003), specific ecological and social requirements define intelligence. With similar cultures in Taiwan and China, the need for conformity in China creates contrasting definition of intelligence between the two countries with similar cultures (Chen, 2001; Ryan, Dai, & Paolo, 1995). An “intelligent” individual in China would remain silent to show respect. Furthermore, most Chinese are not accustomed to talk

about their strengths because they are educated to be modest (Georgas, Weiss, van de Vijer, Saklofske, 2003), while a greater western influence in Taiwan would provide more flexibility in verbalizing one's thoughts. Similarly, in Baganda of Uganda, an intelligent individual would externalize thought, not to keep quiet (Wober, 1974). Similar to western perspectives, the Kipsigis of Kenya also greatly values verbal quickness as a sign of intelligence (Super, 1983). How would a corporation create a content-based policy considering the opposing definitions of what is intelligence and who is respectful? Some firms may present a flexible solution that allows employees to behave "in Rome as the Romans do", but that is often criticized by fellow citizens back in the home country (Kerr, 2004). Even if such a policy exists, when *fear enters the equation* of human behavior, all of *the complexity of a content-based system fades away*.

The capitalistic model of business can also have a negative impact on sustainable success. The working definition of capitalism is to maximize the value of products/services to produce profits. Applying its principles "tends to convert human socio-economic relations into impersonal 'relations among things'" (Westra, 2006, p. 9). When dealing with multinational firms, the lack of cultural consideration can be devastating. For example, Honda developed an extensive relationship with Rover, a British automaker for over a decade. This partnership grew significantly when the government sold Rover to British Aerospace. As Rover continued to have financial challenges, British Aerospace sold Rover to BMW, applying the basic principles of capitalism. From the perspective of British Aerospace, the decision made financial sense and was a common practice to dump unprofitable entities of a corporation. Yet, the lack of cultural consideration immensely offended Honda executives (Sebenius, 2002). Many

of the Asian cultures, including the Japanese, value relationships above everything else. While the capitalistic perspective sees relationships as an outcome of contracts and agreements, Asian cultures place great weight on relationships (Doucet, 2005; Sebenius, 2002). Another violation in this example is the time element. In western society, the ability to make quick decisions for efficiency is an admired trait in many organizations. In eastern society, managers often hold off making major decisions until input from others are gathered (Sebenius, 2002). This is only one example where decisions made failed to consider cultural norms. Such blind adherence to capitalism can easily set the stage for all forms of dissonance between organizations and their people.

Currently around the world, pressures from a global economy are forcing many nations to review their policies in the workweek. Since some of the world economic leaders have increased their hours of work per week (United States and Canada in particular), countries like France and Greece are struggling to maintain their cultural identity (“Hollow protests,” 2005; Ip, 2004; “The world at work,” 2000). With a minimum of five weeks of vacation, France enjoys a considerable amount of time off. It also enjoys a 35-hour workweek. This allows room for their leisurely lifestyle which has been a cultural tradition. Recently, new legislation allows organizations to go beyond those cultural norms in the effort to compete globally. A major assumption in the logic is that more time at work means more production. That assumption may hold true in an industrial economy, but has little weight in a knowledge-based economy. Yet, many organizational leaders feel that more time at work will increase output levels in such a cut-throat global economy (Burd, Davies & Silkin, 2005). What is the impact of those cultures which greatly value family and freedom, as work demands more time in an effort

for organizations to survive? What forms of social, political and economic dissonance will occur by applying certain western principles to cultures that are significantly different?

### *Creating a Balance for Sustainable Changes*

For governments and corporations desiring sustainable success for global economy, a *contextual system* for organizational change would enable cultural considerations by creating a *higher level of awareness*, engaging in the *higher-order thought of the human brain*. Such a system could serve to balance the content-based systems that currently dominate many organizations. This particular system looks for internal growth and understanding, before trying to take actions on strategies and tactics like those suggested by Kotter's eight steps model of change or Lewin's unfreeze-change-refreeze model (French, Bell & Zawacki, 2004). Based on theories and methods including *systems thinking* (Checkland, 1999), *transformational leadership* (Burns, 1978; Bass, 1990), *Socratic methods* (Boghossian, 2006), *multiple intelligences* (Gardner, 1993), *Neurolinguistic Programming* (Balvister & Vickers, 2004), and *educational psychology* (Steuwe-Portnoff & Steuwe-Portnoff, 1995; Windschitl as cited in Abbeduto, 2006), VAsys seeks to create an internal understanding of one's beliefs and values, before trying to understand someone else's beliefs and values. These inner practices help leaders achieve a new level of leadership within the organization while *creating congruence on an individual level* (Johnson, 2001; Williams, 1993). Practiced at an organizational level, VAsys enables the *psychological shift from fear to understanding*.

### Creating sustainable change: Theoretical background

The primary theories include a variety of fields from leadership to psychology. From the leadership body of knowledge, systems thinking, transformational leadership, Socratic methods & multiple intelligence for the core of the system, systems thinking (Checkland, 1999) encompasses the design of VAsys from a systemic perspective. With varying applications of VAsys, it is used with individual systems as well as organizational system. Transformational leadership (Burns, 1978; Bass, 1990) is applied to create self-aware leaders who are empowered by the system. Specific concepts of ownership and self-education are adopted for VAsys to have the sustainable impact it desires. Socratic methods (Boghossian, 2006) are the art of asking questions. With a fundamental belief that human beings are creative entities, VAsys seeks to use questions to guide individuals toward being systemic transformational leaders. Multiple intelligences (Gardner, 1993) is a theory that borders both leadership and psychology. Much of today's leadership literature focuses on the importance of emotional intelligence (ie. Cooper & Sawaf, 1998). In order to create a balanced system, concepts from multiple intelligence are weaved into the discovery process as well as the accountability structure.

From a psychology perspective, multiple intelligences, Neurolinguistic Programming, and educational psychology create the foundation for VAsys. Multiple intelligence theories are incorporated to enhance one's self-awareness and to increase self-esteem. Neurolinguistic Programming (NLP) (Balvister & Vickers, 2004) was one of the original theories that started the work on VAsys. By breaking down human behaviors into a core set of beliefs and values, it clearly illustrates the band aid approach to most of today's

methods of dealing with organizational challenges. By applying the basic principles of NLP, VAsys was able to simplify the process for higher order thinking that create systemic changes in behavior. Educational psychology (Ormrod, 2006; Steuwe-Portnoff & Steuwe-Portnoff, 1995; Windschitl as cited in Abbeduto, 2006) encompasses the nature of learning and development. The consideration of various theories in educational psychology enables a process of learning for all systems involved such as the individual from all parts of the world. It provides a contextual path toward creating a self-healing and self-learning system. For example, constructivism is an active part of VAsys that promotes long term retention (Ormrod, 2006; Steuwe-Portnoff & Steuwe-Portnoff, 1995; Windschitl as cited in Abbeduto, 2006). Although the specific terms may not be included in this paper, the context to making VAsys into a powerful tool derived much of its power from the latest research in educational psychology.

### *Systems thinking*

Systems thinking is a model that connected the world as a global village. As the field of education continues to grow in depth, the ability for people to continually learn when they have reached a higher level appears to be limited. Ironically, the more successful they become, the less they are capable of learning effectively (Argyris, 2002; Harvard Business Review on Knowledge Management, 1998). Most educational institutions still use linear thinking as a methodology for teaching. If something goes wrong, someone or something is to blame. Yet, global reality consists of countless interconnected entities without end (Capra, 1996), not straight lines. The interconnectedness of entities is the basis for systems thinking (Checkland, 1999). In order to understand the behavior, a complex phenomenon, the nature of the relationships between the parts is essential.

Today's systems thinkers see the "existence of different levels of complexity with different kinds of laws operating at each level... at each level of complexity, the observed phenomenon exhibit properties that do not exist at the lower level" (Capra, 1996, p.28). For example, salt is a flavor enhancer used by human beings. It is not toxic as a substance and used widely in almost every household. At a lower level, salt is made up of sodium (Na) and chlorine (Cl). These two elements are both toxic to the human body. Outside of the academic environment, most organizations are still under the influence of reductionist thinking, which accepts the possibility that analyzing the pieces is sufficient to understanding the whole (Checkland, 1999). Due to these influences, *individualism* plays a major part in the values of many people (Morgan, 1998). These values *foster competition rather than cooperation* and are dominant in larger corporations. Yet, in systems theory, the success of an individual requires the success of the people around you (Checkland, 1999). The challenge for organizational leaders is the leap from theory and into the muddy waters of the real world. The most difficult aspect appears to be the analysis of self as a system that affects many other systems.

The concept of a system is used widely to identify various systems that engage in a global economy. The starting system of focus is the individual. Regardless of one's location in the world, the design of VAsys incorporates a contextual systemic process for self-discovery. As the consciousness of each individual is increased, the interconnectivity of individuals is utilized to create an organizational consciousness. At that point, VAsys holds the space for an organizational context to further develop the core values of an organization.

### *Transformational leadership*

Burns (1978), who believed that leadership styles stem from an individual's beliefs and values, originally coined transformational leadership. In order to be an effective leader, one must appeal to the follower's self-interests through understanding (Bass, 1985; Humphreys & Einstein, 2003). While placing immense emphasis on education and development, transformational leaders seek to create leaders in every follower. The focus on self-awareness, individual empowerment and collective confidence is crucial to creating sustainable organizational change and success (Bass, 1990; Bass et al., 2003; Tucker & Russell, 2004). The four behaviors quantified by Bass (1985) including charisma (idealized influence), inspiration, intellectual stimulation and individual consideration are all considered within the context VAsys. The synthesis of knowledge from other theories seeks to create a powerful system. For example, multiple intelligence further develops intellectual stimulation to include other forms of stimulation.

### *Socratic methods*

Socratic methods date back over 2,500 years. Based on Plato's theory that knowledge is innate, Socratic methods use the art of asking questions to seek the innate knowledge of an individual (Boghossian, 2006; Moser & Vander Nat, 1995). While many theorists believe that communication is the key to getting stakeholder buy-in when facing change (ie. Barchan, 2006), Plato would contend that an internal communication through the application of Socratic methods by a leader would create true ownership of knowledge. For example, rather than creating strategies to communicate the vision, Socrates would ask multiple levels of questions to help the individual create that vision.

With a basic belief that every individual is creative and has value to offer, this process empowers individuals while enhancing one's learning ability. Although it is much harder work for the one asking the questions, the process creates optimal learning as individuals discover knowledge for themselves (Areeda, 1996).

By using Socratic methods, facilitators of VAsys empowers every organization and individual. Within the accountability structure, Socratic methods create inspiration that enhances human behavior. Instead of the traditional fear-based and rigid rules and regulations of typical global corporations, *each individual is empowered to create the context in which greatly increases accountability and ownership.*

### *Multiple intelligences*

Initially introduced by Gardner (1993), multiple intelligence attempts to quantify different forms of intelligence that is beyond the traditional IQ tests. These intelligences include logical, linguistic, spatial, interpersonal, intrapersonal, musical and kinesthetic intelligences. Logical or analytical intelligence forms the majority foundation of Reductionism. Later, *emotional intelligence* (EI) grouped Gardner's (1993) interpersonal and intrapersonal intelligences. According to Cooper & Sawaf (1998), emotions are a primary source of power and influence within any system of people. Without the consideration of EI, the atmosphere of many organizations is toxic and abusive, creating dissonance at multiple levels. The mountains of policies and regulations based on fear do not promote optimal human behaviors. EI is a crucial aspect of the system that creates values such as empathy and trust (Huy, 1999; Solomon, 1993). As leaders learn to build sustainable trust with a focus on people (the interconnectedness of systems), the global

organization can achieve greater profits in any industry (Fukuyama, 1995; Whitney, 1996).

Another element of intelligence considered is *spiritual intelligence* (Van Bockern, 2006). One of the challenges in many organizations today is the lack of balance in the silencing of one's soul. Inside every individual, the soul speaks clear and directs (Hillman, 1997). The soul is also interconnected to every other soul on an energetic level with immense wisdom (Balvister & Vickers, 2004; Hillman, 1997). Yet, with the immense education in logic that attempts to silence the soul, many people are not aware of their own calling (Van Bockern, 2006). Instead, they settle for mediocrity in order to obtain the perception of survival. Understanding one's purpose and vision for self is crucial for organizational congruence. In initial exploratory research of graduate students in business schools, over 97% of the students did not have a personal vision or purpose statement. Nor did they have a written values statement. Ironically, most universities teach the importance of having an organizational vision built on its values. Very few took the concept of an organization to the most intimate organization of an individual – the family.

The application of multiple intelligences creates 'whole-brained' individuals and organizations. While each intelligence is a unique system, the interconnectedness of the multiple intelligences calls for *a balance in the development of each intelligence* (Checkland, 1999). In addition to the balanced development, the desires of one's calling/soul must be in alignment with the values and then the behaviors on a personal level. Imagine each form of intelligence to be a horse pulling the cart. Each horse needs to see the same road and run in the same direction. Otherwise, the lack of unity would rip

the cart into pieces. This rationale could be one explanation for the lack of organizational health in today's global economy. In the presence of congruence between purpose, values and beliefs, behaviors and organizational environment, global organizations set the context for personal and systemic honoring of self and others in all aspects of life (Chatman & Barsade, 1995; Williams, 1993).

### *Neuro-Linguistic programming*

Neuro-Linguistic programming (NLP) is a form of applied psychology (Balvister & Vickers, 2004). Founded by Bandler and Grinder at the University of California in the early 1970's, it is often described as a user's manual for how the brain functions. NLP also seeks to determine brain coding for learning experiences from a cognitive perspective. Within the neurological levels of the human mind, NLP established 6 levels of understanding personal change. The concept of an internal iceberg is ideal for seeing its potential. The top two levels are above the waterline – the environment and behavior. This is often the smallest part of the iceberg. Above the waterline is where most content-based systems function, attempting to control behaviors from creating environmental boundaries. Just below the waterline is the capability or knowledge of a specific competence. The fourth level is the beliefs and values that drive actions above the waterline. These values and beliefs are the rules of life while also incorporating one's self-belief. Below values and beliefs is the identity level, which includes self-esteem. Studies have shown that self-esteem plays a crucial role in individual achievement (Abbeduto, 2006). The sixth and final level of personal change is one's spirituality and how it connects every individual to the world as a whole (Balvister & Vickers, 2004).

VAsys takes into consideration the last 3 and most crucial levels of creating sustainable change. Starting with the forth level (beliefs and values), VAsys seeks to obtain personal clarity. Each of the processes within VAsys is designed to increase self-esteem while elaborating on one's ability to contribute to the world.

### *Educational psychology*

The greatest theories in the world are useless if the context to learn and apply is not present. In the typical workplace development/training arena, the lack of consideration in learning theories creates the honeymoon effect where the learners' newly gained knowledge is short-lived (Goleman, Boyatzis & McKee, 2002). Furthermore, the use of "smile sheets" to evaluate many training workshops fall short to creating true learning in organizations (Keene, 1988; Rossi, 2005).

A working definition of learning that creates organizational success is a relative permanent change in either behavior or thought (Ormrod, 2006). In order to create the sustainable change in individuals, each process of VAsys incorporates various methods and theories such as constructivism and meaningful learning. Many of the tactics (utilizing constructivism) are designed to engage every individual at the core of their identity and experience (Steuwe-Portnoff & Steuwe-Portnoff, 1995). Group activities create a sense of equality and empowerment. By enabling every learner to actively discover, interpret, and create the basis of their identity based on their cultural and social contexts, fluid transformations initially occur at the individual system, while expanding toward the organizational system (Windschitl as cited in Abbeduto, 2006).

## A Contextual System for Sustainable Success

VAsys begins with the individual. Through the 5-step process, individuals learn to define their tacit values and create congruence between values and behaviors (Williams, 1993). This creates an incredible level of awareness that promotes higher critical thought. Once the increased awareness of values initiates, a collaborative process builds organizational values. While the focus of VAsys is a higher awareness at both the individual and organizational level, global organizations benefit from it as a context for creating massive organizational change and understanding. This practice enables sustainable success through the value of people.

Each step of VAsys is an interactive process. The various manifestations of this process are endless. While it is impossible to lay out the exact details, the following description provides the context for the intended purpose of each step.

### *Step 1: Define tacit values*

Individual values represent the desired mode of conduct or outcome (Rokeach, 1973). Values represent what is important to an individual (Balvister & Vickers, 2004). Each individual has a set of values called the values system. While most individual values system contains a prioritization of specific values, many people possess contradictory values (Balvister & Vickers, 2004; Rokeach, 1973). In the event of a situation that engages opposing values, an *internal warfare* breaks out. This war creates unnecessary stress and self-doubt that has a tremendous negative impact in the long run. Can you imagine the organizational impact? As people within the organization are engaged in an internal warfare, a reduction in the efficiency in basic decision making will cripple organizational intellect. Relationships between people fail to build trust. From a systems

thinking perspective, values systems are a fundamental basic of well-functioning organizational system. Therefore, a systematic method for understanding one's self from an internal perspective is necessary. A smart leader desiring sustainable success would start with understanding individual values system, since they highly influence individual behaviors (Meglino, Ravlin & Adkins, 1998; Robbins, 2005; Rokeach, 1973).

The context of understanding values must be neutral. A supervisor/manager conducting this step may unknowingly influence individual answers. In addition, an individual living within a specific organizational culture operates with a bias toward the existing culture. This lack of objectivity can skew the discovery process away from individual authenticity. Ideally, an outside professional would provide an unbiased perspective, while having no concept of the existing culture. A facilitator proficient in leadership theories, educational and organizational psychology and management principles provides the needed content for such a process.

Within a workshop setting, the facilitator would start with a request for the top fifteen personal values. A brief discussion would challenge each participant the definition and meaning of each value. For example, the exploratory research found that money appears to be high on many leaders' lists. While it might make logical sense, the challenge in money as a perceived value is its ultimate purpose. Participants define what the money will buy. Depending on the responses, the facilitator should ask as many questions as necessary to reach the terminal values (Robbins, 2005; Rokeach, 1973). In a discussion with an individual from Saudi Arabia, multiple questions on the value of money led to family. In her situation, she needed to have the money so that she could marry her husband. Thus, money was a means to an end.

Once participants clearly define their top fifteen values, a process of reduction and prioritizing creates further clarity as they reduce it down to their top 10 values. Depending on the willingness to be challenged, participants further reduce their top values anywhere from three to five values, leaving a smaller value set. The process repeats until a top five is established. With the top five values, participants prioritize them with a basic numbering system. An extra option allows participations to consider two separate contexts – the personal/family and the business.

This process of discovery heavily uses Socratic methods. Especially working with global organizations, basic values such as family and accomplishment are significantly different from one culture to the next. Both gender roles and cultures have a large impact on individual values.

### *Step 2: Create individual congruence*

Organizational structures, strategies, and environment are often the focus of congruence theory (Milliman, Von Glinow & Nathan, 1991; Priem, 1994; Priem & Rosenstein, 2000). As a proven theory for superior performance, little research exists for individual application of values with the organizational context (Hofstede, Neuijen, Ohayv, & Sanders, 1990; Priem, 1994; Priem & Rosenstein, 2000). Individual congruence describes the decision process that a person takes to merge their values and respective action within a specific situation (Chatman & Barsade, 1995). The purpose of this step is to create an integrated self that is fully aware of his/her values system with every decision.

During this step, the initial self-analysis intends to reveal individual inconsistencies between one's values system and behaviors. Although this is a difficult and perhaps even

painful process, the lack of congruence stimulates learning and the desire to change (Hochschild, 1983). As a facilitator, be prepared to address the various emotional outcomes of this process (Cooper & Sawaf, 1998). Maintaining neutrality toward emotions, facilitators only act as a mirror and guide participants toward congruence.

Another underlying belief required for this *self-efficacy* – the belief that an individual is perfectly capable of performing specific behaviors and arriving at specific goals (Ormrod, 2006). In many cultures, one's caste or socioeconomic status bind self-efficacy. Consideration of those cultural limitations is crucial while taking the appropriate steps enhance self-efficacy. As the lack of congruence appears in the self-analysis, the facilitators' focus on the improvement journey or the learning process enhances self-efficacy (Ormrod, 2006). This often contrasts many conventional practices as it focuses on learning rather than the traditional performance indicators in comparison to others (Seijts & Latham, 2005).

Participants during this step engage in a self-analysis process over a two-three day period. Each participant takes 15-30 minute snapshots of their activities throughout the day. These snapshots include the type of activity and the decisions made during that engagement. Using the list created over multiple days, the analysis starts with simple time clustering. Participants calculate the number of hours for each activity. For example, one executive at a major global fashion company found that she spent on average 36 hours working on business issues, while only 9.5 hours on personal/family time over three days. This revealed an obvious incongruence as this executive had listed family as one of her top values. The time difference between work and family illustrates an alternate value in opposition with the value of family.

Moving further into the analysis, decision awareness comes after the simple time clustering. In reviewing one's decision processes, one might find an unexpected high level of unconscious decision making that may or may not be in agreement with the explicit values (Hanson, 2006). Basic decisions within the work environment may reveal a constant drive to survive in a competitive world while one's values systems calls for achievement. Applying Maslow's hierarchy of motivation, these two values are on the opposite extreme.

A natural tendency during this step is to "fix" the incongruence. Yet, within the premise of systems thinking, the goal here is *to simply understand the system* (Checkland, 1999), *not attempt to fix it*. As the awareness of daily decisions and actions measured against one's values systems increases, the behavior change becomes an automatic process of achieving equilibrium (Ormrod, 2006).

### *Step 3: Seek values of others*

Globalization has many faces. One of the common challenges perceived by people within developed countries is that globalization is a threat, rather than an opportunity. They see people from other countries as thieves for their jobs, while those in power reap the benefits (Møller, 2004). Such a mentality fails to recognize other people's sacrifices. For example, while some Americans are losing their jobs to people in India, many Indian families are facing a huge cultural conflict between traditional female roles at home and the new role of working in a call center on America's time. All over the world, many minority groups see globalization as a tremendous threat to their cultural identity. Some have already made a choice to maintain their congruence toward their culture, rather than sacrifice values for progress in the global economy (Møller, 2004).

Understanding values of others at the core of their humanity initiates organizational congruence at the global level. This process seeks a deeper understanding between people with minimal time investment. Rather than the typical “what do you like to do in your free time” conversations, these conversations move directly toward the core values. Before moving into step three, participants walk through a *self-analysis of one’s beliefs*. Each participant answers the following questions:

- What is my belief about myself in the role that I play?
- What are my beliefs about people working for me and around me?
- What are my beliefs concerning the relationship that people around me should have?

These questions challenge each participant to share their beliefs. Depending on the responses, one may challenge assumptions of certain beliefs such as only organizations’ leaders make tough decisions. The participants need to arrive at a specific fundamental belief – all organizational members have and can add value to the organization and treated with respect as another human being.

Adding the characteristics of *curiosity and fun* into a workshop, participants are asked to select two different people (subjects of interest) who are present in the workshop (virtual presence is also acceptable). Ideally, one should be a peer, while another should be an immediate supervisor or perhaps the CEO of the company. On a blank sheet of paper, each participant writes down what he/she believes is the chosen subjects of interest’s top five values. Taking turns, each individual reveals their educated guess of top five values to his/her subject of interest. A dialog occurs over the next five to ten minutes between the two individuals to discuss the actual and the perceived values.

This process of understanding provides room for an individual at any level of the organization to learn about the values of the leadership. Such a dialog facilitates reconciliation between those in power and the masses, as well as between individuals from different cultural backgrounds (Møller, 2004).

*Step 4: Create organizational values system*

Steps one through three creates the environment for understanding. Once this environment is established, the collective values of all individuals form the organizational values system. A simple *multi-voting process*, along with the help of technology, solidifies the top values of the organization. The process also calls for fairness as every individual has equal weight in the multi-voting process. Since every individual has the opportunity for equal input, acceptance of the system is higher than those that are created by the marketing or executive teams alone. There is no set number of values, as long as the values are constantly applied.

This organizational values system is a *living entity*. As defined by systems thinking, any system in equilibrium is a death system, with no inputs or outputs. Since organizations and people are living systems, inputs and outputs are what create the interconnectedness of systems (Capra, 1996; Checkland, 1999). As individuals enter and depart the organization, adaptation of the system enables sustainable growth, rather than an out-of-date document. One active practice for enabling life within the organizational values system is *the regular discussion of values held on a monthly basis*. This event takes place on a team, departmental, or even a divisional level. During the event, selected individuals would present a single value from the system and discuss its meaning and application. This simple process has countless benefits on a personal level. More

important, it actively seeks to align the perceived meaning of values between the organization and the individual. Research supports this practice and has discovered greater success in organizations that maintain such a practice. Organizations, who do not, tend to be more stressful and bureaucratic, with limited financial success (Barrett, 2003).

*Step 5: Enable the accountability/self-learning system*

In order to create a living, self-healing and self-learning system, an accountability of checks and balances must exist. From an individual perspective, steps one and two establish the context for self-learning within the individual system. From an organizational perspective, the language of the organization needs to lead toward a new level of accountability. Traditionally, the hierarchical nature of organizations holds people accountable to external rules and policies. In this system, the *accountabilities are between people*, as opposed to roles within a hierarchy. Any individual within the organization has the potential to ask another individual this crucial question – how does that behavior reflect the values of the organization?

From an operating perspective, the values accountability system seeks to create congruence between the values of the organization and the vision, mission and strategies of the organization. For example, during and after each meeting, one or more individuals can always ask the question – does the chosen strategy reflect the values of the organization? Sometimes, even before engaging in a situation, one might ask – is the team's engagement reflective of the organization values? If an organization values abundance and creativity, consider how much money is spent in protecting intellectual property compared to creating innovation at every level of the organization.

Evaluating metrics for VAsys include personal and organizational congruence to one's organizational values system. On a weekly or monthly basis, a team would track the number of decisions made in congruence to one's values. Seeking a balance between business pressures and congruence to organizational values system, organizational leaders can transform basic conversations toward inspired conversations. Instead of asking "how are you?" organizations that value growth or learning would ask, "what have you learned today?". By *consciously constructing questions* based on the values systems, an organization can effectively enhance the culture on a systemic level. Other metrics would involve developing a deeper understanding of organizational morale based on value-based conversations injected into daily actions.

VAsys requires an enormous effort in self-regulation. The simplicity in organizational evaluation allows every individual to get involved. It also provides room for countless self-chosen behaviors that is aligned with the values system as well as leads individuals toward personal standards (Ormrod, 2006). Individuals can also create self-imposed contingencies that reinforce or punish various behaviors. Due to the common values established in VAsys, the reflective processes permeate organizational boundaries. This reflective process would create a spiraling system that always returns to step one of the VAsys, perhaps on a yearly basis. The toughest aspect of implementation is the courage in each individual to ask themselves and others the tough questions.

### Global applications & Recommendations

VAsys can dramatically affect all three of the top ethical concerns for globalization. Whether it is the use of child labor, the concerns over human rights and poor working conditions, a solid contextual system creates a fundamental understand between people

from various cultures (Güvenli & Sanyal, 2002). For example, a specific U.S. sports footwear firm created long working hours and toxic environment in factories in under-developed countries (Cushman, 1998). Imagine the possibility of such decisions if organizational leaders had a reflective self-accountability structure. Such decisions would not exist. Furthermore, if meetings to implement such decisions had a VAsys accountability individual, these working conditions would not pass the benchmark of values system congruence.

From a legal perspective, lawyers are facing increasing international law suits (Greco, 2006). In order to have justice for all, the content-based legal system must account for every single culture in the world. This would require more lawyers and researchers. Yet, using VAsys as a means to understand global organizational conflict, the manifestations of values judgment fall under a simple accountability structure. Rather than judge another individual from another culture/country based on one's "home" laws, individuals are challenged to seek the basis of actions, rather than judge one's actions. Especially in the sensitive topic of intellectual property, the proliferation of knowledge may simply be a reflection of world abundance, rather than a malicious act to steal and profit. An ethical challenge in another culture may be to pursue protection blindly. Perhaps, by slowing down from the fear-based responses, higher order thinking can create a contextual solution that is sustainable, rather than on a costly case-by-case basis.

Anti-corruption is another major concern for globalization. Conventions such as Combating Bribery of Foreign Public Officials in International Business Transactions attempt to make an impact on corrupt practices. Transparency International (2005) has a list of country ratings based on corruption. Countries such as Iceland and New Zealand

are at the top of the scale, while China and Iraq (#78 and #137 respectively) are towards the bottom. A single practice of creating values alignment between people would significantly reduce corruption. For example, many clients have adopted a practice of sharing and aligning values systems at an initial meeting. Before any discussions on business occur, leaders share and agree on the values that form the relationship. With such clear guidance, either side is responsible to maintain the values systems congruence.

### Conclusion

The implications for VAsys are endless, as it focuses on the values that drive individual behavior. The contextual system seeks understanding well below the surface of human behaviors. As leaders learn to openly discuss their values and exhibit those values through everyday actions, global organizations become healthier organisms, with minimal corruption, poor working conditions and legal challenges.

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