
TOWARD A REDEMPITIVE ORGANIZATION

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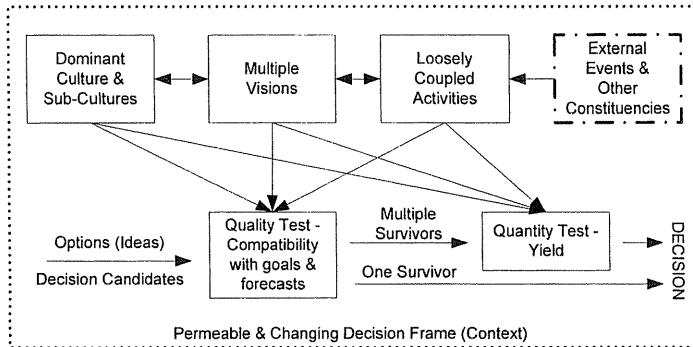
This paper extends research on organizational decision making begun in 1987 which culminated in my dissertation. The primary question of optimizing organizations continues to push me to discover the edges as well as the center of the “redemptive organization,” an elusive, ideal gathering of people who are both highly productive and highly relational while serving society. In a Christian context, the mission includes drawing the best out of the individuals as well as the larger group to fulfill their God-designed purpose. In a conventional organization, one that does not overtly express a Christian value system, the mission includes fostering continuous growth of the individuals and the group as a whole in a context of contributing to the good of the society.

These values of a strong mission focus coupled with the commitment to grow people and serve the larger community are the heartbeat of a decision model that acknowledges the organizational culture as well as corporate goals and contingencies. Emphasis is placed on decision making because how we choose ultimately will determine the shape and direction of the organization. In my dissertation, the model I proposed was adapted from the work of Lee Roy Beach of the University of Arizona. His Image Theory research accommodates the context within which all decisions are made as well as the various external elements that are not particularly controllable. At the same time, Beach provides for the values, principles and philosophies that help shape the organizational culture. He also provides the goals and objectives that flow from the vision for the enterprise.

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A Redemptive Organization Model¹

(assume nonlinear interaction in real decision events)



Since, as we will see later, what we do influences how we understand who we are, Beach includes activities as part of the decision making system. These primary decision elements of culture, vision and activities (as they interact with the externals and the decision frame) are the basis for decision making in an organization. They become the source of options for decision candidates, the set of possible decision solutions. In any given event, the options are narrowed first by filtering them through the quality test if how well each fits the culture, vision and activities of the system. If more than one option “survives” the quality test, then the final solution becomes the option providing the best benefit or yield.

I begin the discussion of the redemptive organization from this foundation since it allows for the values proposed: a strong mission focus, a high commitment to developing people and clear evidence of serving society. Certainly no model will capture all of the ontological and cosmological aspects of such an ideal, but I hope to journey toward it.

REDEMPTIVE DEFINED

A theological concept that captures the meaning of excellence proposed in this context is the concept of redemption. To broadly capture the idea, notice Colin Brown’s description:

¹ Adapted from Lee Roy Beach, *Image Theory: Decision Making in Personal and Organizational Contexts* (New York: John Wiley and Sons, 1990) and Lee Roy Beach, *Making the Right Decision: Organizational Culture, Vision and Planning* (Upper Saddle, New Jersey: Prentice Hall, 1993).

Whenever men [sic] by their own fault or through some superior power have come under the control of someone else, and have lost their freedom to implement their will and decisions, and when their own resources are inadequate to deal with that other power, they can regain their freedom only by the intervention of a third party.²

To be redeemed, someone from outside of the system must “buy back” freedom and resources. In the Christian sense, the Creator chose to join the creation in human form to redeem humanity and all of creation (e.g. Romans 8:19-23). Original purpose and relationships are restored, past failures forgiven. New guidelines and lifestyles emerge. The context transforms.

In an organizational context, these acts of liberating, ransoming and setting free release the mission of the organization through people who themselves are being developed in healthy ways. All of society experiences the repercussions. The very nature of redemption implies that the values and purpose lead the enterprise toward the social good. The intended outcomes are being accomplished according to stated values with maximum benefit to all constituencies. Thus, a redemptive organization as defined in this paper seeks to maximize value to the internal and external stakeholders while fulfilling the organization’s mission with excellence. It creates leaders, systems, structures and activities that execute the values and purposes of the enterprise in a contagious culture of growth.³

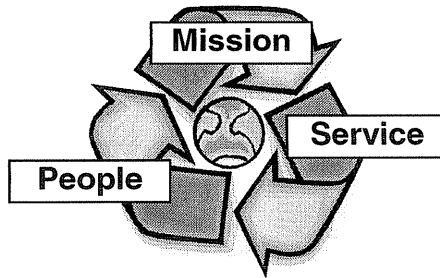
If it is a Christian organization, either by its stated purpose or by the faith-based value system of the key leader(s), then enter the elements of “presenting everyone mature in Christ” (e.g. Ephesians 4:13, Colossians 1:28), of serving society justly (e.g. Micah 6:8, Matthew 25:31-40) and of presenting a product the excellence of which is motivated by a commitment to honor God in our work (e.g. Ephesians 6:5-9, Colossians 3:23).

² Colin Brown, ed., *New International Dictionary of New Testament Theology*, Volume 3, (Grand Rapids: Zondervan, 1986), 177.

³ See Max DePree, *Leadership Jazz* (New York: Dell Publishing, 1992); Noel Tichy, *The Leadership Engine: How Winning Companies Build Leaders at Every Level* (New York: HarperBusiness, 1997); and Peter F. Drucker, *Management Challenges for the 21st Century* (New York: HarperBusiness, 1999).

MISSION, PEOPLE, SERVICE

Basic studies in organizational leadership draw the tension between a focus on production and a focus on human resources.⁴ Historically, an over-emphasis on productivity would lead to an abuse of employees while an over-emphasis on human resources would result in deficient products. The age of the “both/and” calls of the tension of high productivity while fully attending to the development of the people turning out the product. The excellent organization constantly seeks the alignment of all resources and energy toward accomplishing the organization’s mission.



One of the contemporary advocates of investing in the good of society is Amitai Etzioni. In his *The Golden Rule: Community and Morality in a Democratic Society* he continues his communitarian agenda that “applies the notion of the golden rule at the societal level, to characterize the good society as one that nourishes both social virtues and individual rights.” He proposes a careful balance of each, otherwise described as individuality plus community or autonomy plus social order.⁵ The ideal

inverting symbiosis... is a blending [of order and autonomy] that - up to a point - enhance one another (so that in a society that has more of one, the other grows stronger as a direct result), a symbiotic relationship; but if either element intensifies beyond a given level, it begins to

⁴ For example, see Robert R. Blake and Jane S. Mouton, *The Managerial Grid III*, 3rd ed. (Houston: Gulf Publishers, 1984); and Paul Hersey, Kenneth H. Blanchard, and Dewey E. Johnson, *Management of Organizational Behavior: Utilizing Human Resources* (Upper Saddle, New Jersey: Prentice Hall, 1996).

⁵ Amitai Etzioni, *The Golden Rule: Community and Morality in a Democratic Society* (New York: Basic Books, 1996), 4-5.

diminish the other: the same two formations become antagonistic.⁶

For example, society only takes on coercive policies and actions when there is a “clear and present danger,” and then starting “without resorting to autonomy-restricting measures.” If the risk persists, the next level of action should be “minimally intrusive” and, lastly, in a fashion that minimizes any “autonomy-diminishing, possibly unintended, side effects”.⁷ When applied to organizations in society, he proposes providing more time for people to adjust to the impacts of globalization, creating new jobs through public funding to community institutions, work sharing coupled with enhanced job security, a solid system for caring for the oppressed and disadvantaged, and a pursuit of voluntary simplicity paired with a quest “for other resources of satisfaction that are not resource intensive.”⁸

The establishment of societal values evolves dialogically. In an atmosphere of “pluralism within unity,” regional, national and international conversations (or megalogues) take place which seek to find the moral voice of society and follow that voice. These megalogues result in identifying shared core values.

In search of a principled way to determine which values are properly accounted for, I join with those who hold that if a community (by demographic process or other forms of consensus building) reaches closure, the values endorsed or implied have been imbued with a measure of legitimacy, but not sufficient accountability. I further argue that if these values also comport with the societal values (often ensconced in the constitution or other such laws), this fact enhances the standing of the chosen values, but even these two criteria applied together are insufficient. The same, for reasons provided, holds for the fact that a given set of values are the results of properly constructed moral dialogues and/or the product of a global consensus building. In searching for the

⁶ Ibid., 36.

⁷ Ibid., 52.

⁸ Ibid., 82-84.

final touchstone, I draw on the observation that certain concepts present themselves to us as morally compelling in and of themselves.⁹

Good societies require people who can balance their religious or secular ethical commitments with respect for autonomy, especially the rights of others; who are willing to engage in moral dialogues rather than promote state-enforced morality; and who limit the scope of their shared formulations of the good to core values.¹⁰

In other words, religiosity is not a prerequisite for communitarianism. "This is the ultimate reason that the communitarian paradigm entails a profound commitment to moral order that is basically voluntary, and to a social order that is well balanced with socially secured autonomy - the new golden rule."¹¹

In critique of Etzioni, while this may be true for the pluralistic society, the tenets of Christianity (as well as other faiths) add expectations that go way beyond those of the community. What does it mean to have an organization whose product quality reflects the principle of working "as unto the Lord?" What additional evidence of integrity and service show up when customers are people created in the image of God? Faith-based organizations become "societal-value plus" - the minimum standards are exceeded by the guidelines of religious teachings.

SERVANT LEADERSHIP

Writing from an overtly Judeo-Christian perspective, Robert Greenleaf made popular the concept of servant leadership as the foundation for legitimate power and greatness in society. He retired from American Telephone and Telegraph after almost forty years of training managers, his last position being Director of Management Research. Most of his published writings came post-retirement.

His thinking and writing on servant leadership grew out of his work with colleges and universities during the 1960's

⁹ Ibid., 241.

¹⁰ Ibid., 254-255.

¹¹ Ibid., 257.

and 1970's who were trying to deal with and heal from the vast student unrest.¹² His contribution has been a call for leaders and trustees of key institutions to serve society as they were intended to do. If institutions in business, education, the non-profit world of foundations and churches were to truly serve society responsibly, they would change society for the better.

I think of responsibility as beginning with a concern for self, to receive that inward growth that gives serenity of spirit without which someone cannot truly say, "I am free." One moves, then, to a response to one's environment, whatever it is, so as to make a pertinent force of one's concern for one's neighbor - as a member of a family, a work group, a community, a world society. The outward and the inward are seen as parts of the same fabric. Responsible persons have both.¹³

In this challenge to the next generation of leaders, Greenleaf calls for counter-weighting the pulls of a bureaucratic society by embracing the virtues of beauty, momentaneity (seize the day), openness, humor and tolerance (i.e. "the ability to bear suffering with serenity").¹⁴

I suggest these five words - beauty, momentaneity, openness, humor and tolerance - as marking some dimensions of a life style that is rooted in an inward grace: sensitive and aware, concerned for the ever present neighbor, both the well-fed one next door and the hungry one on the other side of the earth, seeing and feeling what is right in the situation.¹⁵

Genuine servant leadership at the very least has the quality of serving others, both for individuals and for organization. The core values might derive from community megalogues and/or from religious precepts. For the redemptive organization, the priorities of mission, people and service will be non-negotiables.

¹² Robert K. Greenleaf, *Servant Leadership. A Journey into the Nature of Legitimate Power and Greatness* (New York: Paulist Press, 1977), 3; Cf., *The Power of Servant Leadership* (San Francisco: Berrett-Koehler Publishers, 1998).

¹³ *Ibid.*, 293.

¹⁴ *Ibid.*, 298-302.

¹⁵ *Ibid.*, 302.

ALIGNMENT

Along with these overarching values of mission, people and service, there will be other values influencing the enterprise. Yet, all other organizational elements (other values making up the culture, vision and activities) must live up to the overarching values to achieve excellence. Excellence

lies in creating alignment - alignment to preserve an organization's core values, to reinforce its purpose and to stimulate continued progress towards its aspirations. When you have superb alignment, a visitor could drop into your organization from another planet and infer the vision without having to read it on paper.¹⁶

How does one correct alignment? First by "identifying and correcting misalignment," a process where stakeholders can safely target and eliminate misaligned processes and policies - anything inconsistent with the core values. Then, create new alignments ("mechanisms with teeth"). An example he gives is of the Granite Rock Company that is so committed to continuous improvement that it encourages customers to deduct from their bill payment for anything with which they were dissatisfied.¹⁷ In the commitment to constant alignment, Collins suggests only 10%-20% of the effort be to identify core values. Once that is done, 0%-5% of energy should be spent in drafting and redrafting statements. The bulk of the time, 80%-90%, should be spent in creating alignment.

Pfeffer and Sutton underline the need to do more than simply talk about alignment when they talk about closing the "knowing-doing gap."¹⁸ Companies which do this well have leaders who both "know and do the work" (i.e. keep attuned to the real capacities and challenges), who have a bent toward "plain language and simple concepts," who "frame questions by asking 'how,' not just 'why,'" have strong habits that ensure implementation of ideas and believe "experience is the best teacher." Pfeffer continues the conversation in an interview with Alan Webber of FastCompany. Some of his "16 rules to

¹⁶ Jim Collins, "Aligning Actions and Values," *Leader to Leader Journal*, No. 1, Summer 1996, n. pag.

¹⁷ Ibid.

¹⁸ Jeffrey Pfeffer and Robert I. Sutton, "The Smart-Talk Trap," *Harvard Business Review*, May-June 1999, 139ff.

help make things happen in your organization” include the following admonitions.

- * Doing means learning. Learning means mistakes.
- * Have no fear. [Cp. Seize the day.]
- * Talk [by itself] ain't cheap. It's expensive - and destructive.
- * Decisions, by themselves, are empty.
- * Make knowing and doing the same thing.¹⁹

In seeking alignment around the core values, the organization must move beyond what it knows or mere dialogue to action. Implementation of the core values becomes the fruit of the values, just as faith or belief need to result in a life style and activities that reflect the faith.

IDENTIFYING CORE BELIEFS

Collins goes on to say: “you cannot ‘set’ core values, you can only discover them. Nor can you ‘install’ new core values into people. Core values are not something people ‘buy in’ to. People must be predisposed to holding them.”²⁰ He suggests creating a group of five to seven people whom others in the organization believe best embody the spirit and ethos of the corporate entity. This group then bores into their own sense of non-negotiable values, those timeless, transferable principles that guide their lives and which they thereby vest in the company. The danger is confusing timeless values with operating practices and norms. Often organizations will protect the latter thinking a practice or norm is actually the value. For example, an organization may state its value is never firing anyone except for blatant misconduct. While that may be the practice, the value behind it is probably more like we highly value employee longevity and will operate in a way to foster it. Again, for the redemptive organization, the priorities of mission, people and service will be clear and operative. Any number of other core values certainly would be added, depending on the nature and purpose of the organization.

¹⁹ Alan M. Webber, “Why Can't We Get Anything Done?” *FastCompany*, June 2000, 168ff.

²⁰ Collins, n.pag.

THE SULLIVAN PRINCIPLES

One snapshot of a corporation that wrestled with being a force for good is the debate within General Motors (GM) during the 1960s and 1970s regarding investments in South Africa while it was under Apartheid. The Rev. Leon Sullivan, a Black Baptist preacher from Philadelphia and director on the GM Board in the '70's, called the corporation to face the evils of Apartheid. His call for divestiture, both on the GM Board and before Congress resulted in what have been labeled the Sullivan Principles. He challenged all entities to pull out of South Africa until Blacks were treated equally with Whites, including equal pay and the right to vote. For those companies in South Africa that would not treat all employees with the same dignity and freedoms, Sullivan called for divestment from those companies' stocks.²¹ Crawford and Klotz, commenting on the impact of Sullivan's influence, note that the companies that did voluntarily sign the Sullivan Principles after they were introduced in 1976 were a key influence toward the demise of Apartheid.²²

How does an organization attend to the systemic nuances within any enterprise and thereby incorporate the overarching values of the redemptive organization? In the next section I will review the insights from social psychology.

SHAPING THE ORGANIZATIONAL CULTURE: SENSEMAKING

A classic thinker in the area of organizational psychology is Karl Weick, Rensis Likert College Professor of Organizational Behavior and Psychology at the University of Michigan. In his recent compilation of articles titled *Making Sense of the Organization*, Weick unpacks the process of attaching meaning in organizations. He identifies seven properties of the process: social context, personal identity, retrospect, salient cues, ongoing projects, plausibility and enactment.²³

Social context refers to the influence of others engaged in the enterprise. Organizing is a social act and "is influenced by

²¹ Leon Sullivan, *Alternatives to Despair* (Valley Forge, PA: Judson Press, 1972), 153-160.

²² Neta C. Crawford and Audie Klotz, eds. *How Sanctions Work: Lessons from South Africa* (New York: St. Martin's Press, 1999), 132-134.

²³ Karl E. Weick, *Making Sense of the Organization* (Malden, MA: Blackwell Publishers, 2001), 461-463.

the actual, implied or imagined presence of others.”²⁴ A referent group supports, validates and shares in the meaning of the organization.

Personal identity names the sense each of us has in a social setting. How we perceive ourselves and the interactions we are having within that context influences the nonlinear sensemaking process. If one evidences low self identity, the temptation is to interact differently than one who evidences a higher self identity.

Retrospect - “[w]hen people refuse to appreciate the past and instead use it casually, and when they put their faith in anticipation rather than resilience, then their acts of retrospect are shallow, misleading and halfhearted, and their grasp of what is happening begins to loosen”²⁵ - influences the meaning invested in the organization. Weick calls for a balance of learning from the past while not imposing it on the present or future.

Salient cues act to

elaborate tiny indicators into full-blown stories... The prototype here is a self-fulfilling prophecy or an application of the documentary method... When cues become equivocal, contradictory or unstable, either because individual preferences are changing or because situations are dynamic, people begin to lose their grip of what is happening.²⁶

Ongoing projects reflects the tempus fugit nature of life. The participants in an organization need to “connect the dots” of ongoing events. Particularly in a learning organization, how do the events fit together and how should actions and interpretations be updated in light of them?²⁷

Plausibility simply refers to the criteria for acceptable meaning or sense. For sensemaking to be acceptable it must be convincing. The social group must deem it reasonable.

Thus, plausible sense is constrained by agreements with others, consistency with one’s own stake in events, the

²⁴ Ibid., 461.

²⁵ Ibid., 462.

²⁶ Ibid.

²⁷ Ibid.

recent past, visible cues, projects that are demonstrably under way, scenarios that are familiar, and actions that have tangible effects. When one or more of these sources of grounding disappears, stories may strain credibility, leave too many cues unaddressed, or be impossible to compose, in which case people begin to lose their grasp.²⁸

Enactment simply acknowledges that an organization exists to act. How one acts and invests meaning in those acts shapes the sense of the organization. Working a database, making decisions, creating a product, these and any number of actions themselves become part of the sensemaking process. “[S]ensemaking seems to follow roughly a sequence in which people concerned with identity in the social context of other actors engage ongoing events from which they extract cues and make plausible sense retrospectively while enacting more or less order into those ongoing events.”²⁹

To make sense of something is to begin to provide a plausible platform for sharing mental models, coordinating activities and interacting to produce relationships. To organize around something is to converge on an event whose articulation and preservations feels beneficial and of joint relevance. Sense makes organizing possible. And organizing makes sense possible.³⁰

For the redemptive organization, sense if based on the overarching values of mission, people and service. These and other values provide the paradigm for goals, activities, decisions, systems, structures and any other facet of the organization. Often the phrase which captures the sentiment is “wanting to make a difference.” Each act and each event gains meaning within the parameters of the overarching values. Beyond Etzioni’s megalogues strategy of discovering socially affirmed values, the redemptive organization begins with at least three of the values in place, the foundation of sensemaking for this type of organization.

²⁸ Ibid.

²⁹ Ibid., 463.

³⁰ Ibid., 95.

SENSEMAKING REVISITED

To describe it another way, imagine an organization into which comes an interruption, surprise or discrepancy. Weick would call this an ecological change.³¹ How the individuals perceive and explain the change Weick calls enactment. It is "better understood by examining what is in people's heads and imposed by them on a stream of events than by trying to describe what's 'out there.'"³²

"A driver nicknamed Ole Red was a past master at enacting environments for [international commerce commission truck scale operator] inspectors. 'He'd pull into entry points when he was carrying nothing. Just to drive those guys crazy. He'd pull up to the scales, get out of his truck, and start pounding all over his trailer with a little hammer. The operator would come out and ask him what the hell he was doing. Red would start at him real good and tell him he was overloaded, but was carrying a load of canaries and he wanted to get them all in the air before he got weighed.'³³

As individuals attempt to explain the ecological change, they select answer(s) to the ever-present question, "what's the story here?" "To answer that question, individuals and groups sort through prior cues, label them and connect them, which often results in plausible stories that are good enough to keep going and enlarge the circle of interested parties."³⁴ So, selection is the retrospective interpretation of enacted cues.

Once the "story" is identified, it is placed in the context of past events using plausible arguments and connections. Retention - how we do things around here - is the result. Meanings of enactment are preserved as organizational memory.³⁵

The final step in sensemaking draws on guidance from the past while remaining alert to the non-routine in the present. The organization needs to learn from the past without imposing those lessons on the present and future. This step of

³¹ Ibid., 98.

³² Ibid., 182.

³³ R. Krueger, *Gypsy on Eighteen Wheels* (New York: Praeger, 1975), as quoted in Weick, 204.

³⁴ Weick, 237.

³⁵ Ibid., 306.

remembering champions the ambiguity of knowing what has been learned while acting as if there is much more to learn. It seeks to avoid automatically putting any new experience into an old category of meaning. Does Ole Red have a semi-truck full of butterflies or is it really empty?³⁶

SENSEMAKING IN ORGANIZATIONAL TERMS

To return to the seven properties of sensemaking, seven questions can be matched up with the properties:

- * Social context - does the form encourage conversation?
- * Identity - does the form give people a distinct, stable sense of who they are and what they represent?
- * Retrospect - does the form preserve elapsed data and legitimate the use of those data?
- * Salient cues - does the form enhance the visibility of cues?
- * Ongoing projects - does the form enable people to be resilient in the face of interruptions?
- * Plausibility - does the form encourage people to accumulate and exchange plausible accounts?
- * Enactment - does the form encourage action or hesitation?³⁷

ORGANIZATIONAL FRAMES

Bolman and Deal provide one additional element to organizational understanding - the concept of organizational framing. To use Weick's argument, too often leaders are unable to break free from past events and experiences to understand the present and future. They have an established frame of reference through which they understand the enterprise. Bolman and Deal enter the conversation with the suggestion that an organization can be viewed from four primary frames of reference and intentionally changing perspective, or reframing, can help enrich our understanding. The four frames also provide language and paradigms for better communication among varying perspectives.

One of the four frames is the structural frame that can be described as bureaucratic with committees, boards, clearly defined roles, relationships and goals. The symbolic frame is

³⁶ Ibid., 357-359.

³⁷ Ibid., 464.

looser, often with few structures, iconic, myths, beliefs and spirit. The human resources frame is people-centered over mission-driven, and values investing in employees and creating mutual rewards. The political frame is power-centered and is characterized by bargaining and negotiation.

When the organization or culture “does not make sense,” try changing the lense (e.g. from political to symbolic) to better understand the dynamics and values at play. There often is a mix of frames in an organization with one as predominant (cp. a church with “bells & smells” worship and multiple committee board structure). Below we will see that Schein talks about there being a primary culture with the eventual development of subcultures. These cultures and subcultures each have their own nuances, but still occur within one (or more) of the frames.

One of the helpful discussions in Bolman and Deal includes the leadership practices of strategic planning, decision making, reorganizing, evaluating, approaching conflict, goal setting, communication, meetings and motivation as seen through the four frames.³⁸ How each of these activities (cp. enactment) are accomplished, perceived and given meaning depends at least in part on the frame through which they are understood. In Beach’s Image Theory model, the frame for decision making allows for permeability and change. In other words, how one frames or reframes is negotiable and depends on the decision event and the decision maker(s).

LEADERSHIP AND CULTURE

Peter Koestenbaum, in *Leadership: The Inner Side of Greatness*, describes his leadership diamond model.³⁹ In the midst of an ambiguous world where each leadership challenge brings with it conflicting feelings and contradictory ideas, the leader is called to live in the tension of vision, ethics, reality and courage. For Koestenbaum, attending to these four elements in an unpredictable world ensures effective leadership, what he calls greatness.

³⁸ Lee G. Bolman and Terrence E. Deal, *Reframing Organizations: Artistry, Choice and Leadership* (San Francisco: Jossey-Bass, 1997), 265ff.

³⁹ Peter Koestenbaum, *Leadership: The Inner Side of Greatness* (San Francisco: Jossey-Bass, 1991), 70.

“In leadership, greatness matters. There are four ways to express greatness. The authentic leader is committed to greatness in all of them. A visionary leader always sees the larger perspective, for vision means to think big and new. A realistic leader always responds to the facts, for realism means to have no illusions. An ethical leader always is sensitive to people, for ethics means to be of service. A courageous leader always claims the power to initiate, act, risk, for courage means to act with sustained initiative.”⁴⁰

Leadership plays a critical role in organizational culture. How individuals lead and interact with other leaders reflects the real culture of the enterprise, beyond any stated list of values. There would be friction in a redemptive organization, for example, if it begins adding people who themselves do not embrace the overarching values of mission, people and service. As Collins has reminded us, organizational core values come from a predisposition of the individuals rather than imposition.

Edgar Schein reflects the same bias as he defines group culture.

The culture of a group can now be defined as: A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.⁴¹

The levels of culture are artifacts (“visible organizational structures and processes - hard to decipher”), espoused values (“strategies, goals, philosophies - espoused justifications”) and basic underlying assumptions (“unconscious, taken-for-granted beliefs, perceptions, thoughts, and feelings - ultimate source of values and actions”).⁴² These levels of culture “basically spring from three sources: (1) the beliefs, values, and assumptions of founders of organizations; (2) the learning

⁴⁰ Ibid., 318.

⁴¹ Edgar Schein, *Organizational Culture and Leadership* (San Francisco: Jossey-Bass, 1985), 12.

⁴² Ibid., 17.

experiences of group members as their organization evolves; and (3) new beliefs, values, and assumptions brought in by new members and leaders.”⁴³ In many ways the “stewards” of the culture are the leaders as they directly or indirectly monitor and influence the corporate culture. How do leaders anchor or embed the culture of an organization? Schein suggests the following mechanisms.

Culture-Embedding Mechanisms⁴⁴

[Primarily re: early stages of an organization]

Primary Embedding Mechanisms	Secondary Articulation and Reinforcement Mechanisms
What leaders pay attention to, measure, and control on a regular basis	Organization design and structure
How leaders react to critical incidents and organizational crises	Organizational systems and procedures
Observed criteria by which leaders allocate scarce resources	Organizational rites and rituals
Deliberate role modeling, teaching, and coaching	Design of physical space, facades, and buildings
Observed criteria by which leaders allocate rewards and status	Stories, legends, and myths about people and events
Observed criteria by which leaders recruit, select, promote, retire, and excommunicate organizational members	Formal statements of organizational philosophy, values, and creeds

In Schein’s understanding, “leaders do not have a choice

⁴³ Ibid., 211.

⁴⁴ Ibid., 231.

about whether or not to communicate. They only have a choice about how much to manage what they communicate.”⁴⁵ So, in the redemptive organization, how leaders react to events, how they reward status or resources, how they include or exclude members will help set the culture, particularly at the early stages of the organization. As the organization matures, the secondary mechanisms begin to take prominence. Rites, rituals, systems, procedures, stories, stated philosophies all begin to formalize the culture.

Schein echoes Beach’s concept of an observed dominant culture in an organization that eventually creates or allows subcultures. The primary culture begins to differentiate itself. As a group matures, it will create subgroups through the process of differentiation: functional/occupational (diversifying roles and responsibilities), geographical decentralization (multiple sites), by product/market/technology, divisionalization (creating work groups and departments), by hierarchical level, mergers/acquisitions, joint ventures/strategic alliances/multi-organizational units, and/or structural opposition groups (e.g. unions, internal competition).⁴⁶ For example, note the subcultures created when new technology enters an organization. Schein discusses the contrasting assumptions of this type of change in chapter 14.

Typically subcultures begin to appear as the organization moves through its life stages. At the founding and early growth stage, change usually comes incrementally through general and specific evolution, through insight from what he describes as “organizational therapy” or intervention, and through promotion of hybrids within the culture. At the middle stage, changes usually come through systemic promotion from selected subcultures, through organizational development projects and the creation of parallel learning structures and through what Schein calls technological seduction - the adapting of new technology. In the maturity and decline stage, change comes through the infusion of outsiders, through scandal and myth explosion, through turnarounds, through coercive persuasion and through destruction and rebirth.⁴⁷

To summarize, the critical roles in leadership in strategy

⁴⁵ Ibid., 253.

⁴⁶ Ibid., 256.

⁴⁷ Ibid., 304.

formation and implementation are (1) to perceive accurately and in depth what is happening in the environment, (2) to create enough disconfirming information to motivate the organization to change without creating too much anxiety, (3) to provide psychological safety by either providing a vision of how to change and in what direction or by creating a process of visioning that allows the organization itself to find a path, (4) to acknowledge uncertainty, (5) to embrace errors in the learning process as inevitable and desirable, and (6) to manage all phases of the change process, including especially the management of anxiety as some cultural assumptions are given up and new learning begins.⁴⁸

It seems clear that the leaders of the future will have to be perpetual learners. This will require (1) new levels of perception and insight into the realities of the world and also into themselves; (2) extraordinary levels of motivation to go through the inevitable pain of learning and change, especially in a world with looser boundaries in which one's own loyalties become more and more difficult to define; (3) the emotional strength to manage their own and others' anxiety as learning and change become more and more a way of life; (4) new skills in analyzing changing cultural assumptions; (5) the willingness and ability to involve others and elicit their participation; and (6) the ability to learn the assumptions of a whole new organizational culture.⁴⁹

If Schein's lists appear complex and daunting, they are. Peter Senge joins in the chorus when he describes the systemic nature of profound change.⁵⁰ When going through profound change, there will be shifting dominance when addressing one challenge inevitably brings a new challenge to the front. Like pressing on one side of an inflated balloon leads to ballooning on other sides, the leader should anticipate

⁴⁸ Ibid., 383-384.

⁴⁹ Ibid., 391-392.

⁵⁰ Peter Senge, Art Kleiner, Charlotte Rogers, George Roth, Rick Ross and Bryan Smith, *The Dance of Change: The Challenges to Sustaining Momentum in Learning Organizations* (New York: Doubleday, 1999), 561-565. Cf., Robert E. Quinn, *Deep Change: Discovering the Leader Within* (San Francisco: Jossey-Bass, 1996).

the next challenge. Secondly, profound change involves related capacities. Progress in one area or capacity often leads to progress in another, related area of the system. Thirdly, profound change models fractal relationships. "[L]ocal challenges constitute microcosms of more global challenges, and local successes may establish a foundation for global change"⁵¹ The variables can act like a shell game. The systems within an organization can as well hide as reveal new learning. How can a leader influence realities so complex?

VULNERABILITY AND HONESTY

Increasingly the organizational literature advocates the use of teams within organizations. Multiple leaders grouped in a synergistic, high performance team are the best hope for redemptive organizations as well. The complexities of staying aligned with the core values of the enterprise in a quantum world demand more than any one leader can offer. The stumbling block often comes from instilling sufficient trust and vulnerability in the organization to allow honest feedback and cooperation.

Chris Argyris champions what he calls the Model II organization where stakeholders are free to openly question information without fear of reprisal. Most organizations operate in Model I form - withholding information so as not to offend or undermine one's position. They refuse to question underlying assumptions and theories. Model II individuals and companies press past the niceties and formalities to get at the base truth of issues in a learned atmosphere of trust. "The sacred set of values, therefore, in an organization are these: valid knowledge, informed choice and personal responsibility to monitor the effectiveness of the effort."⁵² If the overarching value are to remain strong, truth-telling from all participants becomes essential, another of the core values.

Thrall, et al. in *Ascent of the Leader*⁵³ reinforce this vulnerability in their call for creating atmospheres and

⁵¹ Senge et al., 563.

⁵² Joel Kurtzman, "An Interview with Chris Argyris," *Strategy and Business*, First Quarter, 1998: 87-95, quotation from 92; see also Chris Argyris, "Teaching Smart People How to Learn," *Harvard Business Review*, May-June 1991), 5-15.

⁵³ Bill Thrall, Bruce McNicol and Ken McElrath, *The Ascent of a Leader: How Ordinary Relationships Develop Extraordinary Character and Influence* (San Francisco: Jossey-Bass, 1999).

relationships of grace that allow blatant openness and risk - risking to be totally honest with one's weaknesses as well as one's strengths. While the team works to protect each one's weaknesses and enhance each one's strengths, the culture of openness fosters doing so with full disclosure of who the players are and the pros and cons of the ideas being discussed. The prerequisite disciplines for operating in such a culture are humility, submission, obedience and suffering/maturity.

Ironically, Jim Collins, in his new research on "Level Five Leadership" has discovered that humility was a common trait of leaders who have taken organizations from good to truly great. In a five year study of companies whose stock for fifteen years was at or below the general stock market and then showed fifteen years with at least three times the market. Of the 1435 companies they researched, eleven met the good to great criteria. Their cumulative average stock returns were 6.9 times the market for the fifteen years after the turning point in the company. The research uncovered what is called "Level Five Leadership" which entails building "enduring greatness through a paradoxical combination of personal humility plus professional will."⁵⁴

Leaders in these companies that went from good to great displayed predictable stubbornness and resilience often seen in effective executives. They were ruthlessly focused. At the same time, they were reluctant to take credit for the progress in the organization. Often they would talk about the impact of others in the organization or the "luck" they experienced. Collins did not expect to find this latter trait and only reluctantly acknowledged what the data was showing.

The other factors common in this list of good to great leaders included:

- * Attend to people first, strategy second. Get the right people on board in the right positions.
- * Live the tension of present reality and future hope - brutally pursuing both faith and fact.
- * Build momentum like slowly pushing a flywheel - tedious and laborious until it finally reaches the breakthrough point of its own momentum.

⁵⁴ Jim Collins, "Level Five Leadership: The Triumph of Humility and Fierce Resolve," *Harvard Business Review* (January 2001), 67ff.

- * Simple mastery of three questions: at what can we be best in the world, how do our economics work best and what ignites the passions of our people.
- * Avoid jumping too quickly to new technologies while pioneering the application of selected technologies that meet the three questions.
- * Create a culture of discipline: disciplined people, disciplined thought and disciplined action (combined with an ethic of entrepreneurship).

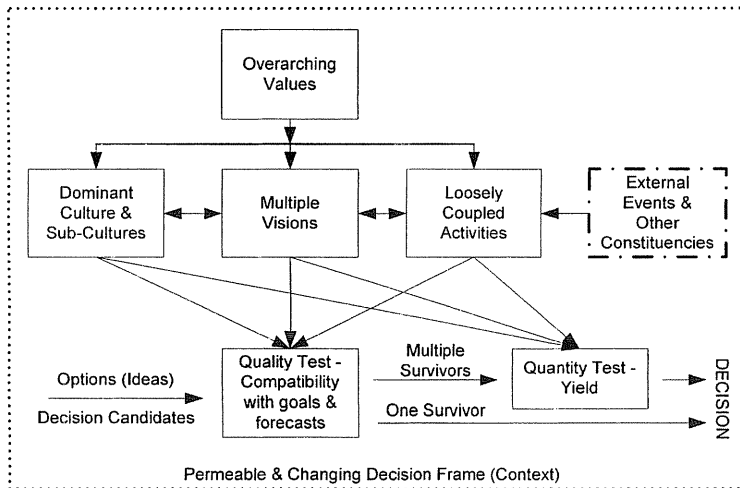
Many of these insights parallel those discussed earlier.

THE REDEMPTIVE ORGANIZATION REVISITED

In light of the organizational culture and leadership issues addressed in this paper, the decision model for the redemptive organization adds the overarching values element that drive the enterprise. The decision frame remains flexible and permeable to allow for learning and responsiveness to changing contexts. Sensemaking continues as individuals interact and link:

A Redemptive Organization Model ⁵⁵

(assume nonlinear interaction in real decision events)



⁵⁵ Adapted from Beach, *Image Theory* (1990) and Beach, *Making the Right Decision* (1993).

plausible explanations from the past and present while remaining open to new learning. Change occurs in systemic processes flowing from the decisions and their implementation. Leaders monitor and influence the culture maintaining the primacy of the overarching values while seeking to constantly embody those values in evolving forms and structures. Stakeholders within and outside of the organization witness the imperfect execution of a focused resolve toward accomplishing the mission with excellence while developing people and serving society.