Living Ecosynomics: Brand Stewardship at THORLO

DRAFT White Paper

by

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This is a story about a company whose idealistic and successful leader has long been engaged in re-inventing it as an American-based, community-rooted, sustainable manufacturer and retailer. Entrepreneurial leaders, at their best, are valued for a capacity to read the changes taking place in the world and respond creatively to open up new value creating opportunities.

Jim Throneburg (JLT), owner and CEO of THORLO, a well-known hosiery company in Statesville, NC, sensed several years ago that as he got older, he was facing a management succession issue not uncommon to entrepreneurial companies. After several failed attempts at stepping back and letting his management team run the business, transforming THORLO's business model into a something that was high performing and sustainable became a very strong mandate. The main issue was that nobody, including JLT, was able to make explicit and put in practice what JLT knew how to do unconsciously – what he calls his unconscious competence.

JLT envisioned an organization working collaboratively, not competitively, to optimize results for all participants. He also felt that such an environment would enable its employees to connect more closely with customers. Such relationships could build brand-value collaboratively and successfully for an indefinite period of time, capitalizing on intimate collective knowledge of how to navigate crises and respond creatively to opportunities. Finally, he felt that this business model could be sustainable, allowing him to step back from the business, affecting a succession plan that would finally be efficient and resilient.

THORLO's journey towards this envisioned structure has been at times bumpy and difficult. JLT needed time to find the kind of senior leaders ready to step into such a journey with him. He needed professional managers who would be dissatisfied with the status quo. A senior-level dialogue was led by JLT for several years, but it remained in a halting, largely unrealized form.

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JLT: "I failed three times, with different senior teams, to manifest my vision... a vision of THORLO as a living, self-evolving, self-organizing system. I was convinced that this would be our future competitive advantage, but I thought it required a community of leaders able to shift from an old, layered, hierarchical structure, inwardly focused, rule-and regulation-based, and able to develop the responsiveness and flexibility increasingly required of a globally competitive entity. This meant leaders aware that modern, interactive communications and other technologies offer opportunities to transition from antiquated people-control systems, non-value-added work and excess layers of people management. To evolve into a company of people in deep dialogue as they work: tapping into a unique reservoir of unrealized potential, governed by common trust and by the systems they co-design under the pressure of ever-shorter time cycles."

During this difficult birthing process, as JLT describes it, some very talented executives came and went – and the vision remained unrealized. A turnaround moment occurred, however, when one day he experienced a humbling insight that his own way of holding the vision was the major obstacle to its manifestation. "When I finally 'showed up' – and by that, I mean being 100% personally responsible for my experience, getting beyond my own ego, being real, vulnerable, and acting as a collaborative equal in dialogue, not 'boss' – then others began to appear who could work in the same spirit."

A new senior leadership team of five emerged shortly after and earnestly set about the task of bringing forth the new business model that they all felt was possible. They had a strong sense of shared intention, but could not yet sufficiently imagine or create the business model to enable them to establish it on the ground. "We were struggling in the desert We needed a practical model, not academic, not white collar; it had to work for everyone.... We had been through two successful business phases from our founding by my father Lewis in the early 50's: 1) a technology phase from 1950s-70s: 'best-manufactured, quality product'; 2) a marketing phase from 1970s – 90s: 'customer affiliation with the brand.' I knew we had to master the next phase: 'our people as the heart of the living system'".

As Jay Harris, then IT head, now "front-end business" leader, puts it, "In hindsight, I can see we all wanted a non-hierarchical structure driven by a craftsman's attention to detail, an entrepreneurial spirit of [all-inclusive] ownership, and a sustainable business model. An environment where everyone in the [company] worked for more than a paycheck, for something bigger than him/herself.... But we didn't yet have a way for our group to manifest this deeper intention, other than just working hard. We all sensed the same desired outcome, but frequently it came out in three differently-worded versions that had us tripping over each other."

A critical breakthrough came in 2005 when JLT brought in Jim Ritchie-Dunham (JRD), a consultant specializing in systems thinking, to develop a business-system simulator to show how an organization could operate in the way JLT had envisioned. JRD had been working for some years, in a more theoretical way, on exactly the same challenge as the

THORLO team, and the synergy of these complementary approaches generated a whole new level of understanding and invention.

The leadership team found that the conceptual and practical frameworks that JRD brought to the party enabled them to understand, with new clarity and certainty, the vision they had been struggling to manifest. With this insight, they could now begin to shape and lead by example in pragmatic ways.

In the last five years, JLT has engaged his leadership team in a mutual exploration of new socio-economic principles called *ecosynomics*. Ecosynomics is the study of the orientations, states and behaviors of social systems that lead to outstanding levels of sustainable performance and of human meaning in organizations and communities of all types.

The capacity to create and sustain high states of leadership and employee satisfaction is referred to in ecosynomics as *harmonic vibrancy*. It is our conviction that a new social-economic paradigm is emerging to address the challenges of individual, organizational, and societal transformation. THORLO serves as an example of just such social pioneering. In fact, we believe THORLO's success is directly attributable to the harmonic vibrancy that has been created through the adoption of ecosynomic principles in its business model.

Sidebar: THORLO Profile

In 1953, Lewis Throneburg started his own hosiery mill in Statesville, North Carolina (USA). As a master craftsman, Lewis focused on the cost-effective production of high-quality socks, in an industry driven by generating economies of scale by producing as many socks as possible in a single style.

Lewis' son Jim took over the company in the early 1970s and, under his leadership, THORLO introduced improvements on the high-quality production methods inherited from Lewis and pioneered the invention of technology for producing variable-density padding and variable placement of that padding to specific areas of the foot, where activity-specific demands occur. This innovation expanded the focus on excellent craftsmanship to include a focus on exceptional responsiveness to customer foot health needs.

THORLO's high-tech socks are sold in 37 countries around the world. THORLO is exceptional not only for its unique hosiery products, designed to provide preventive foot care, but also for its innovative corporate culture. From its founding in 1953, the company has expanded its original offer of outstanding craftsmanship and high quality, in an industry more typically focused on economies of scale, to include a focus on exceptional responsiveness to the consumer's real needs. From the start, THORLO's leadership has understood that its success in delivering value depends on the commitment of all of its employees. To that end, THORLO has maintained a supportive, collaborative

culture even as the business has grown in size and dramatically increased the scope of its product lines.

THORLO's business model transformation has already shown surprising results in business performance. Over the past year, THORLO has reduced operating inventory by 36.2%, while revenues only declined 1%. In addition, the company maintained a 98.2% on-time delivery and a reduced knitting defects from 2.9% to 2.1%. THORLO has been able to maintain a gross margin on branded products that is 15 percentage points higher than its branded competitors, while its gross margin on commodity products is double that of competition. The company has achieved these margins while retaining all production in the US at its North Carolina mill. In fact, THORLO is one of the only two remaining hosiery companies still manufacturing in the US.

Sidebar: Ecosynomics

Mainstream social and economic paradigms are based on individualism, competition for scarce resources and control, while ecosynomic paradigms are based on collaboration, emerging abundant resources and commitment. The table below compares and contrasts the economic perspective and ecosynomic perspective across six core dimensions.

Comparison of Economics and Ecosynomics

| Dimension | Economic Perspective | Limitations of Economic Perspective | Ecosynomic Perspective | Result |
|-------------------|---|---|---|--|
| Focus of Analysis | Focuses on the individual – The whole is the sum of its parts | People don't behave only as individuals | Focuses on the community and the individual simultaneously | Greater Social Health and Productivity |
| Primary Objective | Increasing one's own utility explains human behavior | People don't always act rationally in their own best interest – utility does not explain human behavior in its entirety | Maximizing states of higher performance, meaning and connection in our key relationships explains human behavior | |
| Resources | Resources are scarce. The factors of production are assumed to be land, labor and capital | Does not address intangible capital such as intellectual capital, social capital. Assumption of scarce resources leads to scarcity of resources | Resources are abundant. The factors of production include intangibles and are abundant when the assumption is that resources ARE abundant | |
| Organizations | The organizing of how people work together is seen as the "division of | Division of labor and "contract" orientation do not maximize | Commitment orientation. Employee commitment leads | |

| | labor" and is "contract-based" | productivity. | to enhanced performance | |
|--|---|--|--|--|
| Linking of Individual and the Organization | Competitive individualism – competition brings out the best in people | Optimizes individual achievement at the expense of the organizational system | Proposes that collaboration of individuals in an organizational system maximizes individual and systemic achievement | |
| Value Exchange | Money is the medium of value exchange and value assessment | Value exchange is not simply a scarcity-based monetary system. The individual or the organization cannot be satisfied by a partial value set | The human experience is described by a rich set of values, greatly reflected in human relationship with oneself, another, those in the organization, spirit and nature | |

THORLO's Secret Sauce – Harmonic Vibrancy

JRD helped THORLO's leaders find a clearer way to think about and understand relationships and opportunities in their own organization through the principles of ecosynomics. "Harmonic vibrancy" is JRD's term that defines the experience of states of higher performance, meaning and connection in sustainable relationships within an organization. The social vibrancy and health of a dynamic, interdependent system is the experience that the ecosynomic framework seeks to describe and better understand.

While THORLO has its own language for its business model, its leaders all acknowledge that having the ecosynomic concepts and principles has been crucial to the business and cultural improvements they have implemented in recent years, to actually experiencing greater harmonic vibrancy on a practical operating level.

Harmonic vibrancy is attained through the harmonious integration of three primary comprehensive dimensions of human relationship: to oneself, to others, and to the whole. When these three fundamental aspects of a person's or an organization's reality - three "voices" - are integrated consciously, extraordinary and sustainable levels of performance and creativity can be experienced by all levels of an organization.

How has THORLO transformed its business model to create an environment in which *harmonic vibrancy* emerges among the leaders and employees of the company? Simply put, we:

• Developed a strong commitment among leadership and employees around a higher purpose, which we call *Shared Intention* and developed an approach, called Brand Stewardship, to carefully and responsibly lead this *Shared Intention*

- Encouraged intense collaboration, through a strong emphasis on relationships, and a set of agreements that underlie those relationships, all driven by the Brand Stewards
- Developed a set of principles that guide all decision making consistent with the company's Shared Intention
- Enabled collaboration through a structure---process we call *integrated collaborative conversation*, hosted by the Brand Stewards within the company

Let's look now in more detail at how THORLO is implementing these concepts through its own unique business model.

Brand Stewardship

The most innovative business model transformation at THORLO has been the practice of Brand Stewardship. "Stewardship" is defined as the careful and responsible management of something entrusted to one's care. THORLO has entrusted the management of its brand and relationship with its loyal customers, loyal employees, loyal stakeholders, and loyal shareholders (in that order of priority) to its key leaders, the Brand Stewards. Specifically, Brand Stewardship at THORLO means: (1) sustaining the integrity of the value-relationship between THORLO and its loyal consumers, (2) acknowledging that its loyal consumers "own" the brand, (3) making sure its loyal consumer's voice is present in all conversations that constitute the enterprise, and (4) realizing the discipline and awareness required to think and act, contextually aligned, as a team of Brand Stewards.

The organization's higher purpose, or *shared intention*, is the foundation of the organization and its success; it is the common belief that unifies the organization and justifies its existence. Foundational to Brand Stewardship is taking on responsibility for the total wellbeing of the organization, seeing and developing its *shared intention* with all employees. This involves identifying the organization's *shared intention*, then integrating this higher purpose into decision-making processes as the single arbiter of all resource choices. It also means developing the capacity of employees to listen to and appropriately integrate the voices of all stakeholders to support this shared intention. The key to *harmonic vibrancy* is a shared belief in a shared intention; by carefully and responsibly managing the organization's shared intention, Brand Stewards work to actively increase the harmonic vibrancy of the individual members, their relationships and of the organization as a whole.

Contextual alignment around a shared intention is the reason an organization has come together in a collaborative form; its deeper, often subconscious reason for being. ⁵ Employees experience this purpose in an organization when they sense there is something that everyone shares and benefits from, a common attractor. ⁶ When this shared intention

⁵ For an early organizational treatise on why people form collectives to cooperate, see (Barnard, 1938).

⁴ Source: Merriam Webster's Online dictionary

⁶ This has been described in the chaos-complexity theories of social systems as the "strange attractor" (Strogatz, 1994).

aligns with individuals' own deeper values, they experience a deep resonance with it and find themselves wanting to give of themselves to this purpose. Some observers of history suggest that most of the positive achievements of humanity have been created out of such collaboration to achieve a shared intention.

Another common observation is that people know when they are in an organization with a shared intent, even when they are not fully conscious of it, meaning that they are not able to describe it clearly – "It just feels right." It is also a common observation that when people become awake to such shared intention and begin to work on it more consciously, it has a significant transformative impact. It becomes a much stronger beacon, a magnetic, "strange attractor" that brings more and more people to it with increasingly greater will to engage in deeper relationships to bring it forth. At THORLO this emerged first as a long-term culture that was "just part of how we are." In the past few years, with the introduction of ecosynomics concepts into that culture, a conversation about shared intention started, with employees now identifying a consciously shared experience.

THORLO's culture is articulated and set forth in its company handbook. From the *THORLO Employee Handbook*, brand stewardship is currently defined as:

THORLO's "North Star," which acknowledges that our bonded loyal consumers "own" the Brand and that our single filter by which we make our business decisions is anchored in the question, "What is in the best long-term foot health interest of our bonded loyal consumers?" After the primary context of the bonded loyal consumer, the filter becomes the bonded loyal employees, the bonded loyal stakeholders, and finally the bonded loyal shareholders.

Brand Stewardship serves as a master criterion – or "final arbiter" – for assessing plans, attitudes and actions within the organization. Leaders who embrace it continually ask themselves, "Is this conversation in the context/spirit of Brand Stewardship – and, if not, how can it be brought more fully into that alignment?" This sensibility and practice enables them to integrate the dynamic of harmonic vibrancy into the day-to-day, pragmatic decisions and activities of the business.

THORLO's leaders are keenly aware that becoming a Brand Steward requires deep self-awareness and ongoing commitment to one's personal development and that this cannot be mandated, compelled, or even taught in the usual sense. Yet the opportunity, invitation and assistance are in place for all employees to "step-up" into this form of leadership. Eligibility for Brand Stewardship has nothing to do with one's function or level in the company, and everything to do with one's willingness and capacity to grow into deeper relationships to one's self, others, and the organization as a whole. This invariably means a willingness to engage in authentic self-development with one's colleagues: to "take oneself on." Individuals are left entirely free to opt for such a path, or

not, as they see fit.

According to JLT, "I knew from my personal experience that you must make a personal commitment to self-development, to self-awareness, to seeing that you are responsible to 'take on' 100% of what happens to you and to accept and work with it. Then real learning and change can take place; you overcome a sense of being a victim of your life, or of anyone else here. You take off your mask to be authentic, to grow, to change. Otherwise, you can't accomplish anything of significance. This is a deep self- organizing systems [principle]: that you co-create what happens to you, are co-responsible for it – so you can change yourself, your colleagues and the system only through integrated collaborative enquiry, dialogue, and action. You are the one responsible for your life and for what happens to you, to colleagues, to THORLO. And you can really work it out only in relationship/community.

"I also experienced that members of a self-aware, self-organizing human system must enable each individual to freely choose – it has to be so for anyone who self-selects to become a part of it. No one can be forced into being part of it. You are free and can choose to become aware of your own and of THORLO's self-organizing dynamics. We have to ensure that all employees who self-select see and hear and understand that you are being asked to choose between 'what it means not to take yourself on...(consequences)' and 'what it means to take yourself on' and to evolve your awareness along with your colleagues."

"You get to learn through practice with taking yourself on and through being part of conversations with others doing the same. Those who step into this new way of being and acting become Stewards of the THORLO Trademark – Brand Stewards – who walk the talk, and commit to be 100% personally responsible for the brand with our customers, employees and other stakeholders. These include senior leaders and the 52 others folks from around the company who are in training to become responsible Brand Stewards."

Though clearly not all THORLO employees are or aspire to be brand stewards, the expectations around supervision generally, as spelled out in the company *Handbook*, are quite consistent with this emphasis on self-responsibility:

You and your local Leadership are two essential parts of a close working relationship, each having a certain responsibility to the other. You may expect your Leadership not to be responsible for your work/process, and not to see that you perform your role correctly, thoroughly and safely; this is your responsibility. Your Leadership, in turn, can be expected to be available to listen to your needs, have a nurturing presence/attitude, and provide you information that saves you time and makes your work life easier....

At THORLO there is an exceptional regard for employees, which underlies the collegial relationships enjoyed at every level of the enterprise. There are no "managers" and no

"top management," only leaders and employees, all of whom are given the opportunity to self-select to "step-up" into leadership roles, when they are ready regardless of seniority or position. This commitment is clearly reflected in the language of the company. As in all companies, there are senior leaders of functions and departments, who are typically members of specific leadership groups, but they are not referred to as "managers."

The every-day practice of brand stewardship, as the shared intention that must underlie all decisions, is engrained in THORLO's employees' approach to their business. To be a brand steward means to be 100% personally responsible for seeing every decision through the lens of brand stewardship and being able to articulate that with colleagues and stakeholders. Brand Stewards are the glue that binds THORLO's Shared Intention with its business model. Shared intention, and its continuous integration into the business through the approach of Brand Stewardship, is the key strategic component of THORLO's success.

Ecosynomic Agreements for Collaboration

THORLO seeks to achieve its shared intention through intense collaboration. This intense collaboration is achieved by relating to one's self, to one's colleagues, and to the whole enterprise through a set of formal agreements among Brand Stewards. These agreements are personal declarations that also constitute core principles of the discipline of ecosynomics: The agreements are based on an understanding that making and keeping deep personal commitments of "self-responsibility" with colleagues produces higher levels of personal meaning and performance, individually and collectively. When one reflects upon the power of these commitments, one is aware that they go far beyond normal workplace expectations, as seen in the company *Handbook*.

We choose to make these agreements, for the expression of greater vibrancy in our relationships. In recognizing the power of these agreements to guide our interactions, we will continuously witness each other's realization of our deeper potential

<u>Self</u> 1) To acknowledge this act of witnessing, I choose to accept, step into, and contribute from my creative self, my greatest gifts, as deeply as I can see them now.

Other 2) I choose to accept and support your stepping into and contributing of the best you can be, as you request the same of me. I believe our company is healthiest when you and I each contribute from our best.

Whole 3) I choose to increase my awareness of how I, you, and we benefit when we are healthy as a company. It is these choices that lead to realizing the sustainable relationships that realize sustainable value for our collective.

By following these agreements, the members of the [organization] acknowledge the importance of the whole and the part, and integrate a balanced understanding of the two into all decisions.

Sustainable Value through Sustainable Relationships

Consistent with the ecosynomic principles, THORLO's mission statement "Realizing sustainable value through realizing_sustainable relationships" reflects a core conviction that the sources of effectiveness and success lie in developing work relationships based on trust, respect, and mutual support. Exceptional care for the quality of relationships extends to all primary stakeholders: loyal consumers, employees, suppliers, business partners, and key others.

One way THORLO nurtures these relationships is by continually assessing itself, while making decisions and carrying out transactions, against a set of standards it calls the "four integrities": guidelines for ensuring product integrity, business systems integrity, capital management integrity, and culture integrity. People in all aspects of the business are expected to sustain trust, respect and honesty in their relationships with stakeholders. Being mindful of these standards helps keep everyone and every part of the business oriented to the mission.

Product integrity focuses on the needs the company serves – what the business provides in the world and why. Here product is understood to be everything that the company does, from making socks to serving customers and building and sustaining business partner relationships.

Business systems integrity focuses on how the company addresses the business need – these are the processes and structures it uses to source raw materials, manufacture, distribute, market and retail its products.

Capital management integrity is about how THORLO supports financial resources, what it invests capital in and how these resources are stewarded.

Culture integrity is about whom people are being, in relationship, when developing products and services. Here culture is understood to be the wider circle, of who THORLO is and how it engages with the world within which the business sits.

Holding these dimensions as elements of integrity highlights the importance of achieving high levels of all four elements in every decision. One cannot hold high integrity in one element and not the others; they are too deeply interwoven. While some managers in any organization may know this intellectually, THORLO has integrated this understanding into its operations by systemizing communications to make consideration of these principles a critical component of all decisions. These systemized

communications are carefully and responsibly managed, in large part by the Brand Stewards

This has had a direct impact on the business, with each department taking up all four of these standards and not simply assuming that someone else in another area will watch out for that perspective. It has increased the quality of shared understanding across the company, the ability of people to relate to other areas of the business and clarity about how everyone's efforts are coming together to fulfill the company's shared intention and mission. Throughout THORLO, people report that this has increased their sense of ownership of the whole of the business, no matter where they sit in the supply chain.

Another standard practice, which reflects THORLO'S primary focus on loyal consumers, in particular, is the way decision-making conversations are initiated. Before any discussion of the specific issues to be addressed is begun, participants in the meeting are asked to explain to the group how their unit's role in this matter is likely to affect the company's "bonded loyal customers." Commitment to that relationship is brought to bear, not as an abstract principle, but as a concrete reality which is to guide deliberations and decisions.

Enabling Collaboration: Integrated Collaborative Conversations

The "sustainable relationships" which constitute the essence of the strategy of THORLO are generated throughout the organization in "integrated collaborative conversations." The intensity of the leadership's conviction to this approach is reflected in a number of ways – not least of which is the amount of energy and time devoted to conversations to create and maintain the culture. Their commitment to conversation as the medium for employee and organization development and good business decision-making is antithetical to how most companies operate.

These *integrated collaborative conversations* have evolved around five continuous, very distinct, yet interwoven conversations (see Figure 2). These are conversations around different types of questions, from the emergent long-term strategy to short-term strategy to organizational integration and resource allocation to tactical deployment optimization. The five groups in Figure 2 consist of integrated, cross-sectional conversations among THORLO's Brand Stewards.

Figure 2

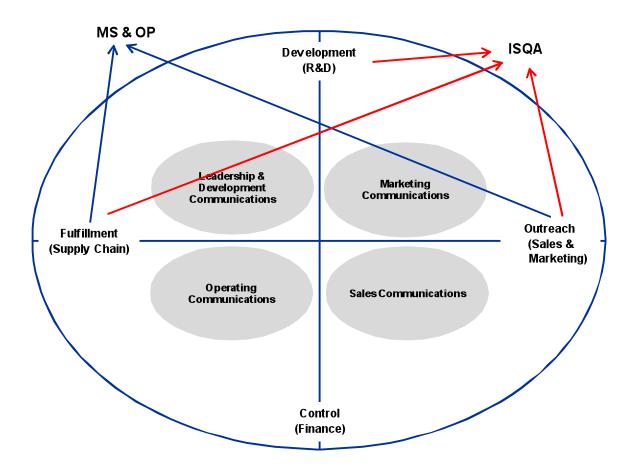
| Team | Purpose | Frequency |
|-------------------|--|-----------|
| | 1 | · · · |
| Core Team | Focus on emergent long term strategies | Weekly |
| Operating Team | Integration of information, planning | Daily |
| | and execution | |
| Alignment Team | Feedback from the field of action | Weekly |
| Leadership Team | Building culture of brand stewardship | Monthly |
| Integration Teams | Cross-functional integration | Weekly |

The first three of these groups work to focus on emergent long term strategies, the evolution and sustainability of a new ecosynomic collaborative community culture, the integration of information, planning, and execution across all departmental boundaries, and to ensure that the contextual alignment of brand stewardship – the *what* and *why* and a contextually aligned high-level *how* – is never missing in all operational meetings throughout the company. The fourth conversation takes place with all entry-level leaders, 52 people from all levels and areas of the company, who have personally committed to step-into a conscious level of leadership. They meet monthly to work on their own understanding of their leadership responsibilities and what becoming brand stewards means within the company. The fifth level of conversation is focused on cross-functional integration.

These cross-functional integration conversations are organized around an innovative communications structure. This structure is depicted in Figure 3 below. The communications matrix is based on the concept that there are four directions of relationship with the business world, which happen through outreach (sales & marketing), fulfillment (supply chain), development (R&D), and control (finance). There are people, on the outer levels of the matrix, who are responsible primarily for communication with the stakeholders in each direction of relationship.

In the corners, between two directions, there are integration conversations: (1) Marketing Communications, between outreach and development; (2) Sales Communications, between outreach and control; (3) Operating Communications, between fulfillment and control; and (4) Leadership and Development Communications, between fulfillment and product development. There also exist two additional integration conversations, for two cross-organizational directions: ISQA (integrated system quality assurance), and MS&OP (marketing, sales, and operations planning). Each of the groups meets weekly to integrate cross-functional efforts.

Figure 3: Communications Matrix



One of the ways Brand Stewards strive to keep themselves and others aligned with THORLO's shared intention is to ask frequently in conversations – in a group, one-on-one, and even internally with one's self – "Are we on purpose?" Most clearly, this means, "Is this conversation, in context as well as in content, consistent with our commitment to serve THORLO's bonded loyal customers?" Secondarily, this may often also mean, "Are the tactical details here clearly held in alignment with strategic context, or are we losing the forest for the trees?" Because the "on purpose" question is frequently asked and discussed as the main criterion for a solid decision or conversation, all employees have a sense for what's missing when conversation is not "on purpose."

Being on purpose does not mean that employees must avoid discussions of tactics in whatever level of detail is necessary. Rather it ensures that the tactical level is appropriate to the deeper context of the specific meeting or conversation. It keeps meetings and talks from "being lost in the weeds" and disconnected from their larger rationale.

"On purpose" at THORLO has another layer of meaning, as well, which is at least implicit in the ecosynomics agreements, especially when they speak of each person's "creative self" and "deeper potential." THORLO's leaders would say that a business

conversation is most "on purpose" when each individual participant is speaking, at once, out of an attunement to the purpose of the whole (Brand Stewardship) *and* out of an intuitive sense of his/her own life-purpose or -meaning.

To be "on purpose" in all the ways indicated above is to be in touch with the sources of creativity and abundance – both material and non-material – in the individual and in the organization. This is what makes a company into a genuine community. To collaborate in this sense is therefore not just to work together or cooperate, but to *co-create*.

The connection of integrated collaborative conversations with the ecosynomic principles is well-articulated in the company *Handbook*:

- 1) Collaborative engagement starts with the premise of abundance and regenerates it in the awareness of all participants, making possible self-sustaining processes that are not visible from the competitive agreements formed around scarcity.
- 2) Collaboration in the preservation and use of resources fuels the belief in and knowledge of abundance, because it expands our ability to see ourselves and other people as a Harmonic whole.
- 3) In collaborative abundance, the system catalyzes and expands externally exchanged energy and generates its own energy to thrive. The knowledge of the possibility that there is "enough" enables the system to think creatively and enact solutions that can actually reverse negative trends.
- 4) Agreements reached in an environment of perceived abundance are therefore self-sustaining.

Through the structured process of integrated collaborative conversations, co-hosted by the Brand Stewards, THORLO has enabled and encouraged intense collaboration. The integrated collaborative conversations are the strategic support structure through which the company has been able to realize its mission in a collaborative way, thereby increasing the harmonic vibrancy of THORLO leaders and employees.

Conclusions

In summary, THORLO's business model, based on Brand Stewardship and 100% personally responsible Leadership, has enabled the company to serve its consumers' foothealth needs much more effectively, efficiently, and innovatively, while simultaneously demonstrating that practicing Brand Stewardship leads to a happier, healthier communal working environment and a more sustainably profitable business. It is now clear that the practice is guided by alignment around a shared intention, a focus on relationships, and an agreement to collaborate intensely and intentionally in order to achieve the harmonic

vibrancy that is integral to this new business model. While these concepts are not necessarily new, the active, careful and responsible management of the THORLO business model by its Brand Stewards is quite revolutionary. Through Brand Stewardship, JLT has solved his succession issue and has created what appears as a truly sustainable enterprise that no longer requires his continuous involvement. In addition, THORLO has generated superior financial results, while attracting, motivating and retaining outstanding employees.

THORLO's business model is only one of an infinite number of variations in the realm of ecosynomic possibility. Through that business model, THORLO achieves optimal levels of harmonic vibrancy, and it is the fully realized system that best fits THORLO's shared intent and mission. What any organization can take away from the success of THORLO's business model is the benefit of developing a shared intention and restructuring relationships around that shared intention to maximize harmonic vibrancy and abundance of resources.

If the experience that 245 people have shared in what started as a hosiery mill in Statesville, North Carolina resonates with you, you can begin to take steps to transform your company into an *ecosynomic* organization. Below we set forth seven steps to incorporate the *ecosynomic* principles into your organization:

- Understand that the true underlying objective of your people is to maximize harmonic vibrancy, not personal utility
- Build commitment in your organization to a *Shared Intention*, that common belief that unifies the organization and justifies its existence
- Encourage and motivate collaboration to achieve that shared intention
- Instill in your leaders the sense of "careful and responsible management" (Stewardship) to drive true commitment and collaboration
- Develop a relationship strategy that clearly defines how each employee should relate to one's self, to one's colleagues, and to the whole enterprise through a set of formal agreements
- Instill a set of core principles to guide decision making in a manner consistent with the shared intention
- Put in place a leadership structure that enables collaboration through a matrix of integration meetings or "conversations"
- Finally, measure the improvement in harmonic vibrancy you and your people experience as part of an *ecosynomic* organization.

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