

## CHAPTER 11: MOVING A WHOLE COMPANY

As I shared in Chapters 9 and 10, one of the more important lessons I have learned is that group transformation starts with the individual. If individuals are not willing or able to change, change in the group as a whole is impossible. Chapter 10 described how a small, close-knit, corporate leadership team transformed itself both at the individual and group level and prepared to lead a company-wide change process based on the same principles. This chapter describes that larger initiative.

The question of how to effect change in large groups is an important one. Based on my experience, an essential ingredient is a leadership team that has already transformed itself sufficiently to “be the change” that it seeks to create in the larger group. This chapter details how this small-to-large-group process has been taking place at THORLO.<sup>132</sup>

### STEPPING UP TO “OWNING IT ALL”

The transformation that had occurred in THORLO’s leadership team in 2009-2010 had revolved around the concept of ownership. First the company’s owner-CEO, Jim Throneburg (JLT), had committed himself to take an owner’s interest in every aspect of the business. The changes this commitment brought about in his behavior inspired the leadership team, of which I am a part, to take up the same level of ownership responsibility, both as individuals and collectively as a team. The team named itself the 5/09 to signify the five who had taken on leadership of the whole company in 2009.

As the changes described in chapter 10 unfolded, the team became clearer about the distinctions between its experiences of different levels of harmonic vibrancy. We started to think of our experience of the outer circle of harmonic vibrancy as “owning it all, all of the time.” Gradually, with a great deal of mutual feedback and support, we became more solidly grounded in our ability to operate at that level. It was in this period that two outside observers from the Institute for Strategic Clarity conducted an in-depth Ecosynomics assessment of THORLO’s operations and produced the agreements map I presented in Chapter 7 (Figure 27), showing a high level of functioning, frequently engaging all five relationships at all three levels of perceived reality. In this sense, “owning it all” was also an expression of the company’s mission statement of “realizing sustainable relationships.”

Not surprisingly, people within the broader THORLO community took notice of the changes in how the members of the 5/09 were acting and the things we were saying about the changes. A conversation about ownership arose within the company and expanded over the course of 2010. Through this conversation, it became apparent that many people felt a sense of ownership for the whole community but were not able to operate consistently on that basis. People agreed they wanted to be responsible to and for the whole community. In their day-to-day practice, however, they most often focused only on their particular piece of the whole. One THORLO employee expressed it this way:

“I love this place, and have for over twenty years. This is my family. I care about the whole experience our consumer has with us, and yet I find that I usually only pay attention to being great at my part at the tail end of the process. While I might be happy for or get mad at other parts of the process when they are successful or fail, I now see that I do not act as if I owned the whole process. If I did, that love and attention would go into making sure the whole thing works for our consumer.”

## **THE HARMONIC VIBRANCY MOVE PROCESS**

As people around the company had more and more of these conversations and experienced members of the 5/09 taking on responsibility for the whole, they began to express interest in learning how to do the same. The 5/09 responded by undertaking a new Harmonic Vibrancy Move. The challenge of this process was to engage the entire organization in a way that would encourage and support the individual-level transformation needed to create change in the group as a whole.

### **Identifying the gap**

To support the whole THORLO community in taking on a higher level of ownership, the 5/09 set out to determine the current status of owning it all throughout the community. As we searched for a way to assess this, we came back to how we had come to experience a direct correlation between owning it all and our level of harmonic vibrancy. When we experienced ownership for more of the whole, we also experienced broader and healthier relatedness to the self, other, group, nature, and spirit. Realizing this, the 5/09 decided we could use the harmonic vibrancy survey to assess the current state of both ownership and sustainable relationship throughout the community. This would give us a sense of the gap we needed to address.

In April 2011, the 5/09 asked seven different teams, representing one-fifth of the THORLO community, to take the harmonic vibrancy survey. Among other things, this survey allows people to rate their experiences of the five fundamental relationships on a scale of 1 to 5. The inner circle of harmonic vibrancy is 1.0, the middle circle is 3.0, and the outer circle is 5.0. In this instance, the average score for all the teams together was 3.6. In other words, the survey told us that most of the people in these groups were experiencing medium-to-high levels harmonic vibrancy.

Looking more closely, we found that there were really two clusters of team scores. Three of the groups clustered around the experience of the middle circle of harmonic vibrancy, averaging 3.2 in all five relationships. Four of the groups clustered halfway between the middle and outer circle, averaging 3.9. When we reviewed the results in the 5/09, these differences were illuminating, especially to those members of the leadership team who participated in groups in both clusters. Everyone agreed that, in the middle-circle cluster of teams, the primary focus was on process and outcomes, the motion and matter levels of perceived reality. In contrast, the outer-circle cluster of teams was focusing on process and

outcomes and also consciously paying attention to manifesting potential and creativity. They were working with all three levels of perceived reality.

Additionally, members of teams in both clusters noted that in the lower-scoring group, their experience often felt heavy and energy depleting, while the higher-scoring group felt much lighter and energy enhancing. One of the team leaders reflected on this difference:

“We are the same leaders in a lower-cluster group and a higher-cluster group. We are the same people, and these are our groups. And, the experience in the two is completely different. Since they are both our groups, we can agree to something different, and I don’t know why we haven’t. But now I know that we can. We already know how to live the way of the second cluster—we’re already doing it—and we just don’t in the first-cluster group. We have to change that, now. And since we are the leaders, we can make the changes we need.”

Next the 5/09 debriefed each team on its survey results. These conversations confirmed that most people in the community felt like they owned it all yet were often unclear about how to live into that ownership on a practical basis. Again, there were differences between the two clusters of teams. People within the teams that clustered at the middle circle of harmonic vibrancy said they wanted to act as if they owned it all but felt powerless to do so. In contrast, people in the teams at the outer circle said they often felt they had the greater capacity to experience owning it all. It became clear to the 5/09 that most people were uncertain about how to choose agreements that would enable them to enact their commitment to ownership. The gap we identified was between the intention to own it all and the enactment of that intention on a regular basis.

### **Exploring the experience of others**

The 5/09 was now at the point of needing to tap our personal experiences and those of others to define what life might look like for THORLO if we could close the gap. As before, JLT provided direction based on his deep reflection and wide reading. He was clear, for example, that moving the company to the next level of ownership experience meant that people throughout the organization would have to make a conscious choice to take on the ownership perspective. He saw that the 5/09 needed to support this by being specific and explicit about what we meant by owning it all. If this really was important to the company, JLT argued, it should be included in core documents, such as the Leadership and Employee Handbook. As the team continued to develop its plans for the Harmonic Vibrancy Move over the course of 2011, revising this handbook became an integral part of the process. The revised handbook played an important role as the Harmonic Vibrancy Move unfolded in 2012 and 2013.

Another significant contribution came from JLT’s reading on complexity.<sup>133</sup> Taking on ownership of it all, he realized, was an individual practice but one that people would enact in community. That is, the decision and daily practice would require the awareness and initiative of the individual; and the individual would have to practice ownership as part of a group process. What would support this individual-group process on a continuous basis? Framing the question of what company-wide ownership would look like in these terms

opened it to the insights provided in the literature about the nature of complex adaptive systems. These insights led us to see that a clear shared purpose and the systemic exchange of information would be essential to support the individual-group process of owning it all.

To this exploration of what the next level might look like, I brought my experiences with other groups' moving to higher vibrancy agreements, a number of which I shared in Chapter 3. I also brought my training in collaborative decision-making and the O Process. The other members of the 5/09 brought their daily practice in bringing greater ownership to the community and how that practice was beginning to develop in others. Through our conversations about what we saw about the next level of experience, we clarified for ourselves that we wanted all THORLO employees to be able to make a conscious choice at the individual level to take on being an owner of it all. We also saw that they would need strong support, both within and across teams, in order to practice ownership on a continuous basis.

### **Assessing our own experience**

With this clarity about the next level of experience, the 5/09 turned to the task of looking at the current situation at THORLO. We decided to include a wide range of THORLO voices in this inquiry by introducing it into the company's ongoing, community-wide leadership conversations. The practice of leadership conversations had been in place for many years. Conceived as running parallel to the conversations by which the business ran, they were designed to give people an opportunity to talk about their experience of taking responsibility for running the business. The top-executive team was engaging in leadership conversations twice weekly; other groups of department heads and functional leaders were doing so monthly. There was also a group open to anyone in the company who was willing to engage actively in the conversation, which often involved reading and discussing an article on leadership. Usually about sixty people participated in this leadership conversation, which was personally hosted by JLT in small groups of fifteen to twenty.

The assessment of current reality thus engaged a wide swath of THORLO personnel, about a quarter of the whole company. Through the hosting of JLT and other members of the 5/09, the leadership conversations explored the assumptions and agreements supporting the existing patterns of behavior around ownership. They used the four lenses of resources, resource allocation, value, and organization to guide this exploration. As this leadership conversation evolved in the community over the course of 2011, people got clearer and clearer on the differences between what they wanted and what they were experiencing.

When the 5/09 and other groups addressed the resources question, "how much?," they found that, while most assumed abundance, in reality the practice was more based in scarcity. While they saw abundance in the infinite potential that seemed obvious in each other and what the company could bring to the foot health of the consumer, their daily practices focused on the scarcity of just doing their jobs and on eking out sales and delivering products in a competitive retail market.

Similarly, in exploring the resource allocation question, "who decides?," the conversations uncovered a discrepancy between the desire that decisions be made with all five primary

relationships in mind and the reality that most were driven by an overriding focus on the group. The culture supported making decisions based on the needs of the individual in his self development, on the supporting of the other in their development, on the diversity of unique contributions to the group, on the development of possibilities that resulted in clear outcomes, and on the seeing of creativity and inviting that creativity into every moment. And sometimes it happened. And many times the conversation and the work focused on what the group needed from each individual in order to meet the needs of the group.

Through asking the value question, “by what criteria?,” people saw that there was a strong culture of believing that all five primary relationships were guiding key decisions. Everyone agreed that part of what they loved about the THORLO community was the process of taking the time and space to explore the perspectives of the self, other, group, nature, and spirit. They gave time and space to this because everyone in the company valued it. Sometimes this happened when there was a product development challenge, such as a special sock for a young boy whose foot had been damaged in an accident at home. All five primary relationships were engaged in deciding how to allocate resources to produce that sock. In most cases, though, the rationale behind decisions was focused on outcomes and process. “How are we going to get this product out the door for that order in the most efficient, cost-effective way?”

Finally, through the organization lens and the question of “how do we interact?” the leadership conversations explored THORLO’s commitment to ownership. Growing out of its long history of a strong community culture focused on the customer, there seemed to be a shared desire for individuals to own it all and for the group to support that ownership. However, with the exception of a couple of recent experiments with cross-functional teams dealing with specific issues, the company still tended to organize by parts, with each individual doing his or her own piece.

As the leadership conversations confronted these discrepancies, people began to realize they could decide to choose different agreements, designed to produce the experiences they wanted. They also realized that, through their conversations, they were all inviting that shift to happen. Having gone through the experience of previous Harmonic Vibrancy Moves, the 5/09 found it had confidence that it could guide the shifts in agreements needed for this current move.<sup>134</sup>

### **Defining and enacting the Harmonic Vibrancy Move**

The fourth step of THORLO’s Harmonic Vibrancy Move process unfolded in two stages. The first stage, defining, took place concurrently with the process described above of assessing current experience in the context of the expanding leadership conversations. This occurred over the first three quarters of 2011. The second stage, enacting, began toward the end of that year, carried on through 2012 and 2013 and is still proceeding as I write. Dividing the story up into these two stages makes it easier to describe what happened, but in reality, they overlapped considerably. We began enacting the move in the process of defining it, and the process of definition has continued as we have moved forward with the enactment.

## DEFINING THE MOVE – REWRITING THE EMPLOYEE HANDBOOK

For the 5/09, getting our ideas down in writing in THORLO's *Leadership and Employee Handbook* was essential. It was our way of following through on our commitment to being really clear on what we meant by owning it all. Only then, we felt, could THORLO employees consciously choose whether or not they wanted to join us in taking it on. In an important sense, the handbook was an invitation. One way we tried to frame it as such was to introduce it with personal statements of some of the 5/09-team members, in which they described how they had experienced the moves toward ownership we had already made. In this way, we invited and encouraged others to reflect on their own process of development, and to be open about what they were experiencing. The example in the text box below gives a sense of what these statements were like.

My name is David Varsik and I have been employed at THORLO since 1995. My background is in mechanical engineering. I was the first degreed engineer hired by THORLO with the intent of ensuring the sustainability of our technology. Over the years, my responsibilities have grown to include Director of R & D, Director of Technology and most recently I have taken on responsibility for all of Manufacturing at THORLO.

In the past, my approach to issues and opportunities was based in my engineering discipline and education. A few years ago I took on the mindset that I was responsible for what was, or was not showing up in my environment. This caused a change in the way I engaged with the people around me. I began to no longer provide input to them as an expert, but instead I engaged them in conversations about our higher purpose and about the “what and why” of what we were doing. The environment around me started to change, as best I can describe, from that of firefighting to fire prevention. I learned that the conversation was the key. As long as we were in conversation throughout the day about the “what and why,” individual decisions became more effective and efficient, because the group stayed aligned and on purpose. Over time this conversation has become more informal and is now the group's normal mode of operation.

This way of operating continues to pay dividends for THORLO. In the span of a little over a year, we were able to reduce our operating inventory by 35%. We are continuing to reduce our inventory, while maintaining a better than 98.2% on-time-delivery percentage. Over this same period of time, we have reduced defects in knitting from 2.9% to 2.1%.

This conversation strategy has also affected and evolved my personal life as well. I discovered several years ago that my greatest gift to the people around me was the sharing of myself and my gifts. I gained the awareness that in many situations there were internal obstacles that I was holding onto that prevented me from being able to fully share my gifts. I quickly learned that the more I gave up, the richer and more meaningful were the gifts I had to offer. The more I gave, the more I received, and I began to not only see the gifts in others, but the harmony that can be achieved when people feel free to share their gifts. Creating this environment of freedom and harmony has both deepened and broadened my relationships.

JLT and I took the lead in drafting the revised handbook, bringing in language and practices from the complexity theory of Erich Jantsch, the integral theory of Ken Wilber and the development theories of Susanne Cook-Greuter and William Torbert.<sup>135</sup> However, the process of shaping these materials into agreements and practices for THORLO came about through company-wide interaction and experimentation. The first step involved developing a common domain of language, a Thorlorized way of describing the experiences we were aiming for with the Harmonic Vibrancy Move.

This started as members of the 5/09 tried to find a precise and understandable way to describe their experiences. After we worked out some new terms, the team played with them until everyone agreed they seemed to describe the experience well. Then 5/09 members began to “road test” the language with their other colleagues at THORLO. This testing helped show what made sense and what did not and often led to simpler language with added layers of meaning. The term “Brand Stewardship” emerged in this way, as did “O leadership” (for ownership-leadership) and integrated collaborative conversations (ICCs). The 5/09 saw this process of developing and testing new language in groups across the company as essential to both defining and enacting the Harmonic Vibrancy Move. It was a way of building the common understanding that would enable people to articulate and share the experiences they were having and seeking to have.

#### OFFERING NEW AGREEMENTS

We saw the revised handbook as another way of creating shared understanding of what this Harmonic Vibrancy Move was all about. This was especially true in regard to agreements. “The company aspires to shift its intent to a new set of ‘Ecosynomic’ agreements and axioms,” the handbook states. “These agreements are understood and accepted as guides for all our interactions, and are as follows:

I choose to accept, step into, and contribute from my creative self, my greatest gifts, as deeply as I can see them now (for the benefit of the Whole). I see how my awareness influences our relationships. I choose to accept and support you stepping into and contributing of the best you can be, as you request it of me. I see our collective as healthiest when you and I each contribute from our best. I choose to increase my awareness of how I, you, and we, together, benefit when we are in harmony as a whole collective. I choose to be in balance with nature’s processes, for that which is visible and for that which is yet unseen. I give my commitment and will collaboratively to what I can see manifesting for the whole. I look for and support the ‘spirit’ of who THORLO is and what we serve through our Brand Stewardship. I acknowledge THORLO’s spirit in whatever form it shows up today. It is these choices that lead to realizing the sustainable relationships that, in turn, realize the sustainable value for all bonded loyal stakeholders.”<sup>136</sup>

The main assumption underlying these agreements is that all of the behavior they envision could emerge from integrated collaborative conversations. “Collaborative engagement,” the handbook says, “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.”

“Collaboration in the preservation and use of resources fuels the belief and knowledge of abundance, because it expands our ability to see ourselves and other people as a Harmonic whole. 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. Agreements reached in an environment of perceived abundance are therefore self-sustaining.”

The handbook distinguishes the worlds of abundance and scarcity by contrasting these proposed Ecosynomic-based agreements with the economics-based agreements they are replacing and the rules-based agreements of prior eras. “The ‘economic’ rules and basic assumptions represent what a great majority of us have been working under for most of our lives without ever knowing this consciously,” says the handbook. “These have always been understood and accepted as the rules that guide our interactions and are as follows:

I do my best (for compensation). I learn from practice, study, and reflection and put that in my work. You also need to do your best, bringing the skills and capacities you have developed. I contribute from what I know and can do. I support you in contributing what you know and can do. I minimize my impact on nature. I support the unique THORLO-ness of who we are. Our collective success depends on everyone contributing his or her part. Our success is a function of how well we perform. Our products have a minimal impact on nature, because of what we put into them and how long they last. We provide excellent products and services to our loyal consumers, for which they pay us well.”

The “basic set of often unconscious assumptions” supporting economic agreements include the beliefs that resources are scarce and that individuals and groups within the company need to compete to get the resources they need to do “the job at hand.” This mindset does not encourage collaboration, however, and so keeps people from realizing the abundance available in the group. Economic agreements, the handbook states, “lead inevitably to sub-optimization of community resources.”

Nevertheless, economic agreements represent an advance beyond the “nomic” agreements by which many groups are living. “*Nomics* are agreements based on the rules set by the whim of someone else,” the handbook states.

“What might they look like in an earlier stage of THORLO’s evolution? This question led us to the development of the following ‘nomic’ agreements. I work hard and give from what I have, and in exchange for that I will be given what I need to do my work. Since we each need to do our part, I support you in working hard, and you need to give of your best, according to what you have been given. You need to meet your obligations. If we each take on a part, then there can be enough for all of us.”

The rationale for describing all three kinds of agreements in the handbook was to emphasize the choice each THORLO employee was invited to make. Sticking with the existing, economic agreements was an acceptable choice. Yet everyone was invited to join the 5/09 in stepping into the Ecosynomic agreements.

“THORLO, Inc. is seeking a few special people who seek employment alternatives to their current employment that will allow them to learn continually and to grow personally and professionally long-term. People who want to work in a team environment where the experience is one of “creative family.” People who love people, love life, and want to love their work again. People who are creative and love working with other creative, dedicated people. People who will grow and thrive in a community serving others in creative ways. People who will appreciate being an integral part of something bigger than themselves. People who want to be excited every day coming to work. People who want to share their thoughts and opinions, and know they will be heard.”

#### LINKING THE NEW AGREEMENTS TO BRAND STEWARDSHIP AND ICCS

Choosing Ecosynomic agreements was at the heart of the Harmonic Vibrancy Move. However, the handbook emphasizes, its purpose was to serve Brand Stewardship, and the way it would be enacted was through the “integrated collaborative conversation” (ICC). Brand Stewardship, the handbook states, is “THORLO’s ‘North Star.’

[It] acknowledges that our bonded loyal consumers ‘own’ the Company 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.”

The handbook describes the ICC as “a dialogue among people who seek emergent, creative opportunities to harness previously untapped potential, both as individuals and as a group, to serve as Brand Stewards.” The ICC is both a structure and a process.<sup>137</sup> It is the main support of the collaborative engagement envisioned in the Ecosynomics agreements, as well as “the primary strategy of the Company.” Implementing ICCs across the THORLO community was therefore the foundational shift the company needed to make.

#### ENACTING THE MOVE – RESTRUCTURING IN ICCs

As the 5/09 entered the fourth quarter of 2011, ready to enact the Harmonic Vibrancy Move it had laid out in the revised *Leadership and Employee Handbook*, it changed its name. It was now the Culture ICC or CULICC (pronounced as a spelling out of the letters, C-U-L I-C-C). The team chose this name to reflect its belief that THORLO’s culture was the context for THORLO’s business, not the other way around. A successful business would be the manifestation of a healthy culture, and therefore the focus of the company’s top management needed to be nurturing that culture.

The name change also signaled the importance that ICCs were to have within THORLO going forward. The CULICC had been working intensively on its own practice of collaborative conversation and had begun to develop a model of the ICC based on the O Process (described in the sidebar below). We determined four essential characteristics of an effective ICC:

1. A facilitator to guide the process and a co-host to ensure that the other three characteristics are in place.
2. Clarity of purpose: the shared deeper purpose of the group; the local or specific purpose of the conversation; and how the two are connected. When it seems like the conversation might be off purpose, the role of the co-host is to ask those in the conversation whether they are on purpose or not and how so. If they decide they are not, the group will put the subject of their conversation in the “parking lot,” to be connected to another conversation.
3. The requisite diversity in the room to address the local purpose and clarity about the specific reason why each of the voices is present. The co-host makes sure these conditions are present and the people are open to listening for the different voices.
4. 100-percent participation in exploring what can be seen in the realm of possibility from all the perspectives in the room. The co-host and facilitator make sure that all voices participate. When a possibility is shared and “becomes real,” they see that it is named and that is it has become a probability the group collectively recognizes. They work together to help people see how the new probability relates to each of the voices in the room and to confirm their commitment to enact the shared probability, as expressed in action items.

By early 2012, the CULICC was satisfied with its understanding of this process and announced the restructuring of all the major groups, teams and processes in the company as a series of nested ICCs. Going forward, THORLO’s strategy would live in a network of continuous and interweaving conversations, in which all three levels of perceived reality would constantly be present, to be transformed with input from everyone engaged in the work. The people who had been leaders of the teams and groups, for the most part, took on the role of facilitator in the ICCs. People who had already been part of the co-hosting leadership conversation (mostly members of the CULICC) became the co-hosts.

The existing practice of leadership conversations helped prepare THORLO employees for this transition. In addition, at the beginning of 2012, JLT began meeting with small groups to discuss the concepts, language and agreements in the new *Leadership and Employee Handbook*. Over the course of 2012-2013 every employee participated in one of these conversations. The feedback to the CULICC was that this process gave them language to think and speak more openly about their experiences with the company.

We also heard that people felt the personal stories of transformation that members of the CULICC had shared in the handbook gave them permission to talk more openly about their experiences. For some time, a central thread of the leadership conversations taking place around the company had been about the need for individuals to take responsibility for their own development and how their actions affected others. This was related to owning it all and also to the new Ecosynomics agreements in the sense that self-responsibility is needed to support responsibility to the other, to the group, to nature and to spirit. Starting in 2012,

the company invested heavily in supporting employees in their personal development through continuing leadership conversations. The CULICC also led a series of workshops, inspired by positive psychology, to help individuals become more aware of the capacities they already had to function effectively in relationships.

Over the course of 2012-2013, every THORLO employee became engaged in the strategy process through the ICCs. The mindset at all levels has shifted from “we are having a conversation about strategy” to “the conversation is the strategy.” Information is flowing continuously among nested ICCs that include both cross-organizational processes and range across time horizons, potentially touching on new business development (a long-term horizon), organizational optimization (a medium-term horizon), and implementation (a short-term horizon) in a single conversation. Depending on the ICC, this conversation occurs on a weekly or monthly cycle, creating a continuous flow of information through all levels of the company.

## **EARLY RESULTS**

Over the past two years, the cultural shift that has occurred in THORLO as the result of this Harmonic Vibrancy Move has affected all of the company’s employees in some way. Eventually all have been engaged in the process through collaborative leadership and the ICCs. The language we developed for the handbook now permeates how they talk about everything. While our Thorlorized terms will mean little to someone from a different culture, this language has made our agreements explicit and part of THORLO’s everyday dialogue. When I visit the company these days, I hear a lot of O Process language. People talk about supporting each other in being their higher selves or bringing out more of their contributions, about seeing possibilities and converting them to probabilities, and about the diversity in the room. I also hear lots of use of the word “agreements” and the concept of choosing agreements, as well as frequent references to the three levels of perceived reality.

Many employees have made their own personal leadership declaration, committing to developing their own potential co-creatively within the community. The role and growth conversations described in Chapter 3 support them in making this move. These came about within the context of THORLO’s cultural shift. As people began to notice inconsistency between the established practice around performance and compensation reviews and the far more supportive ethos of the ICCs, the old approach had to give way.

Within the community, the greater clarity and higher levels of commitment have helped people function more effectively, because they have greater awareness and understanding of what they are doing and take more responsibility for how they are acting. These changes, within the context of the structure-process of nested ICCs have produced some significant business results.

### **Efficiency**

At first, THORLO folks have told me, it felt like they were in endless conversations,

moving from one ICC to the next. Soon, however, they noticed two things. First, much of the information flow and decision making was happening more seamlessly because of the nested flow of the ICCs, from more strategic to more tactical, from the front end through to the back end of the business, on a continuous basis. Second, in the informal, between-ICC conversations, people were much better informed and focused on doing meaningful work that is on-purpose and aligned. Decisions bring everyone together, in appropriate contexts (ICCs) to deal with dimensions of issues specific to an ICC and then those feed into other issues in other ICCs, on a fluid, continuous basis.

As a result, there have been far fewer “surprises,” unwelcome events that used to disrupt the whole system because nobody was expecting them. Potential problems now surface in the conversation and get dealt with early on. In Ecosynomics terms, THORLO has reduced its costs of scarcity, experiencing far fewer of the inefficiencies that result from not operating at the higher levels of harmonic vibrancy.

### **Effectiveness**

The implementation of ICCs has helped everyone have greater clarity on what to do and greater success in doing it. The co-hosting role has worked to ensure that each conversation stays focused on its local ICC purpose and that everyone remains clear about how that relates to the shared higher purpose. That connection is part of the conversation most of the time. Now THORLO folks ask each other, in most conversations, to get clear individually and as a group about why they are doing what they are doing. While this now occurs in about  $\frac{3}{4}$  of the conversations, it continues to be a learning process. In the cases where the ICC is not yet as effective, the difference is felt. The co-hosts are using that experience of the felt difference as an opportunity to see what still needs to be understood about their agreements, in order to shift those less effective ICCs, hoping to achieve a higher percentage of ICC's experiencing higher states of harmonic vibrancy and outcomes. For the co-hosts, this is a process of shifting the unconscious to the conscious, so that it can be seen, let go, and another agreement chosen.

In addition, there is conversation at the CULICC level on a daily basis about the shifts being experienced in direction and alignment of the nested sets of ICCs. When something new emerges, such as the response to a request for a new product or service, it is possible to adjust quickly, both within a specific ICC and across ICCs, to align the local purposes with the shared higher purpose.

### **Innovation**

The co-hosting function in the ICCs also ensures that each group has the requisite diversity of voices in the room and that everyone is aware of the unique contributions

each person is expected to make. This discipline has everyone in the circle looking for creativity in each other, inquiring into insights and inviting them in. It seems they are now almost addicted to this inquiry and to the exhilaration they experience when creativity shows up, which it does on a regular basis. In addition, because of the continuous overlapping flow of information, anything learned in one ICC immediately flows to the others. For example, a process innovation that proves valuable in one group, such as “presencing the consumer at the beginning of the ICC” or seeking out “anything that has surprised someone since the last meeting” quickly spreads to other groups.

### **Resiliency**

A key aspect of resiliency is the ability to respond to changes that emerge in the business context. Because of the deep trust in each other and the experience that any issue that comes up will be dealt with purposefully, quickly and transparently, the interweaving of the ICCs now makes it relatively easy for THORLO to respond as a unified whole when shifts occur in its environment. For example, when there was no snow in the winter of 2012, all the ICCs were able to work together to respond quickly to this big, unexpected challenge, which affected every aspect of the business. No snow meant no ski-related products moving off the shelves in stores, when a lot had already been manufactured and was being shipped. The different ICCs were able to respond together, rapidly responding to the short-term needs of the retail customers.

### **Influence in the supply chain**

THORLO’s ability to influence its suppliers and biggest customers has increased exponentially since the start of its cultural change. Recently, the company has negotiated agreements for co-management of inventory with a number of giant customers, in a mutual risk-taking model. This model means that THORLO takes on much of the risk in the retail-consumer relationship with the big-box store. It has to be very flexible in response to the stores’ needs for particular styles, volume of product or in-store displays. Most of THORLO’s competitors are in the commodity business of selling large volumes at low profit margins. They do not have the internal processes or flexibility to respond quickly to this type of retail risk, so they cannot make a mutual risk-taking kind of commitment. THORLO can, and the ICC is critical to its being able to do so.

## **LESSONS LEARNED**

In this company-wide learning lab, I was able to work directly with the four lenses and incorporate the concepts and language of Ecosynomics transparently into the Harmonic Vibrancy Move process. I saw how these perspectives, ideas and terminology, when

Thorlorized, enabled the company to move into the outer circle of harmonic vibrancy. In the process, I realized that the main contribution of Ecosynomics was to provide a framework that helped the folks at THORLO become more conscious and effective in doing what they were already doing. As I have said before, many people are making moves toward greater vibrancy and abundance. The Ecosynomics perspective helps us see how these efforts are similar and different, and how we can learn from all of them.

THORLO is a small, privately owned company. Yet I am finding similar kinds of restructuring happening in large groups within publicly traded corporations, such as a global bank I work with in Mexico. It seems that more and more there are “conscious capitalism” types of movements afoot, promoting learning, development, and awareness as strategic to the business. I also see lots of groups working with the idea of “conversation” as the strategic move.<sup>138</sup>

JLT is an unusual business leader. Yet more and more business owners are investing for sustainability, fairness, and resiliency. Over the past decade, many of the companies singled out for being both successful and great places to work have started from a premise that it is important to create higher vibrancy relationships with their customers, their employees, and their supply chain, as well as their investors. Their questions seem to focus on where to invest in the organization to create these better relationships. Indeed, that is the million-dollar question today. The THORLO story and the Ecosynomics framework offer some answers for that.

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### **Sidebar: The O Process**

Over the years, colleagues have taught me much about good processes for building collaboration.<sup>139</sup> I have distilled these processes into an overarching process with six elements, which I draw out in Figure 37. After enough people began to call it the “O Process,” because of its shape, the name stuck. The O Process supports two forms of alignment that I have found critical to deep collaboration. The first alignment is within six areas, and the second alignment is across them. I find that most high performing groups have strength in both alignments, that most mediocre and weak groups have little of either, and that people working independent of each other have none of either.

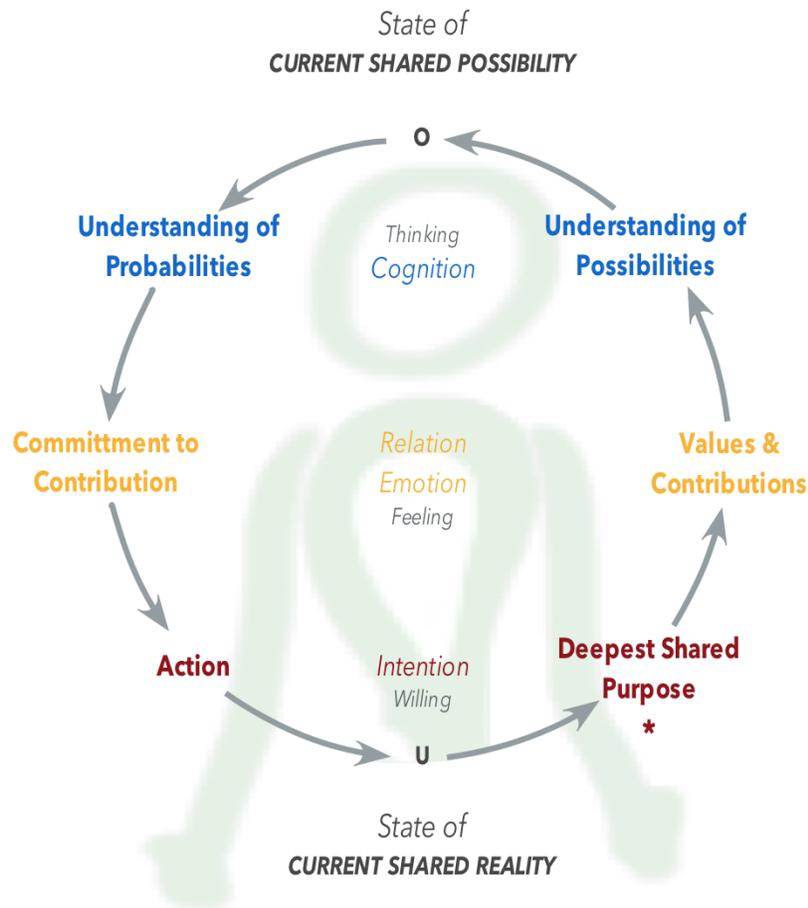


Figure 37: O Process for Collaborative Alignment

*Deepest shared purpose*

I first seek to find and make transparent the alignment that exists in the deeper purpose that everyone involved finds important. Whether it is the health of children in a school community, a feeling of patriotism among citizens of a country or Brand Stewardship in THORLO, something brings the stakeholders of a specific interest together. When people see they are aligned around this deeper purpose, they can also define a common goal, even though they came into the process seemingly at odds with each other.<sup>140</sup>

*Values and contributions*

Sharing this deeper purpose allows everyone the freedom to contribute his or her creative best, like the individual players in a jazz group.<sup>141</sup> As in a jazz group, so in any group with a shared purpose, each person can make a unique contribution. In most situations, people tend to value only their own contributions, believing that others are wrong-headed, a waste of resource, or secondary in importance at best. Building alignment around values and contributions involves helping people see each other's unique contributions. This validates

the other's existence, builds appreciation and strengthens the trust that comes out of seeing a shared deeper purpose.<sup>142</sup>

#### *Understanding of possibilities*

Similarly, each group member brings a unique perspective on what is possible. Given the specific knowledge and experience of each group member, no two will see the same possibilities. When I remind the group that the different perspectives in the room are unique and necessary to address the shared deeper purpose, everyone comes to recognize the distinctions each person makes as valuable. They can see the different textures they each contribute to the picture of the “whole” possibility that emerges for them as individuals and as a group when they are addressing the shared deeper purpose. Alignment around seen possibilities highlights how these are different perspectives on the same future reality.<sup>143</sup> From this recognition emerges an awareness of the *state of current shared possibility*.

#### *Understanding of probabilities*

When there is alignment on these first three areas—shared purpose, values and contributions, and shared possibilities—something incredible emerges: shared probability. This is the fourth alignment. When it occurs, everyone involved sees the same future, and that future begins to become “real.” This happens when people begin to dedicate resources to something, way before it shows up physically. Many processes support the putting together of possibilities into forms that make the probabilities easier to see.<sup>144</sup>

#### *Commitment to contributions*

As the new reality seen with others begins to sink in, it comes into the relational space where people begin to make commitments to contribute what they can to this shared future reality in alignment with the deeper purpose they share.<sup>145</sup> Part of the commitment to being in the group is the commitment to participate, in both the seeing of possibilities and the manifesting of the probabilities. Since this is the work of the group and the individuals in the group, everyone is looking for what they can contribute to making the probability a reality. “What can I do?”

This part of the O Process focuses on what is required for taking on action items. It is about what the individual sees as the unique contribution his or her voice can make to the realization of the shared probability. “What part of this is mine?” This step engages the relational-feeling dimension we invited into the process in the second step of *Values and Contributions*. Now, however, we are calling on this dimension to play a part in moving people to take up the manifestation of what they have envisioned together.

#### *Action*

Having made commitments for specific contributions, it is time for action. To act in alignment requires alignment around the will to go back to one's own world and do something. When the culture “back home” supports these actions, because they fit with what is already being done there, taking on actions and completing them is relatively easy. In many cases, though, the new collaborative probabilities seen require commitments to action that are not consistent with the existing culture back home. For people to take these actions, then, they require support from the group.

As individuals in the group move to action in support of their shared probability, they experience that they are all working in the same *current shared reality*. As one member of THORLO's CULICC put it, "We are all working, in our own way on our own actions, towards the common thing. We are in the same, shared reality, right now." This experience is very different from the feeling of action taken when everyone's action item emanates from a separate reality and serves a separate purpose. But, as in the THORLO case, there can be an experience of working in a shared reality. When the O Process creates alignment within and amongst each of the six elements, people experience this higher state of current shared reality. This is a powerful motivating force.

Some people I have worked with say, "We do that," meaning that they work through the O process. Yet, when I explore what they actually do, I often find that they start at the cognition level of possibility and wonder why nobody shows up at the relational level of commitments or the intention level of action. They are missing the point that they need alignment on the right-hand side of the O in order to convert the possibilities into probabilities that people will commit to and take action. When I have seen the full O process engaged, however, it releases extraordinary power.

It seems that people shy away from alignment on all six elements, because they think it will take longer. Yet this alignment actually accelerates the process, leading to much greater efficiency, effectiveness and innovation. The efficiency comes from the fact that people are pursuing probabilities they have co-created in the service of a goal they think is important. There is no need to waste time and energy pushing them into doing things they do not want to do; they move willingly to action. Greater effectiveness comes about when people align on the purpose they share and on what they each uniquely contribute to that shared higher goal. Innovation shows up because everyone present saw and contributed their unique perspective, providing a richer environment of possibility in which the probability emerged. Greater efficiency, effectiveness and innovativeness from a bit more alignment would seem to be a great investment.