**Title: The Role of Spiral-Dynamics in**

**Creating Sustainable, Values-Based-Organisations.**

 Towards Evidence Based Practice

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**Abstract**

**Purpose:** This paper explores the potential role of Spiral Dynamics in the development of sustainable value-based organisations (VBO).

**Methodology:** This paper is based on desk based literature review and is a working paper which contributes towards ongoing doctoral research.

**Findings:** Spiral Dynamics enables an understanding of the dynamic development of human values, and the relationship between these values and external conditions. Insight is gained to the complexity of leading people in organisations and the challenges of creating an organisation which is driven by values that are aligned with those of the employees and other stakeholders as well as sensitive to the longer term needs of the planet. The paper explores the concepts of values and cultural alignment as well as organisational viability (including profitability) and sustainability (leaving the planet undamaged for future generations).

**Research limitations:** Although a significant number of sources have been identified, more research is required to explore the relationship between the key themes of this work.

**Practical implications:** The value of the work will be in the eventual practical application to organisations to improve their viability in a sustainable context.

**Originality:** The concepts explored in this paper are all in the public domain, however, no work has been found to date which connects the various concepts in the way this research is proposing, and therefore the originality is in the connecting of the themes.

**Keywords**: Values-based; values-driven; sustainability; Spiral Dynamics; viability; Dr Clare Graves.

**Theoretical Base:**

This paper explores the potential role of spiral dynamics in the development of sustainable value-based organisations (VBO).

A “value-based organization as a concept refers to an organization where organizational values are defined and applied in leadership in terms of increasing motivation of personnel, commitment, and rewarding. Furthermore, in value-based organizations, organizational values are used to foster better communication and to reinforce decision-making and preferred actions” (Viinamaki 2012). If an organisation’s values are appropriately aligned at all levels within the business, and are compatible, the decisions that are made within the organisation will deliver outcomes which are sustainable. Values alignment also means that all managers and leaders throughout the business act from the same values base and act as they speak; espoused values and real enacted values are the same. Barrett (2014) refers to Values-Driven Organisations and suggests that the external and competitive organisational environment is now so complex and uncertain that values are a more effective guide for decision-making than reliance on analysis of past performance. He defined values as “a shorthand method of describing what is important to us individually or collectively (as an organisation, community or nation) at any given moment in time” Barrett (2014 p3). Values are not fixed, but reflect the needs that are associated with current life conditions.

There are three levels of human need, where a need is something that one wants in the belief that it will alleviate distress or suffering and make one happier or more aligned to who one is. First level needs can be based on something one does not at all have but feels is absolutely needed; second, something that is absolutely needed but one has insufficient of – these two levels are deficiency needs, or thirdly, something that is not a pressing need, but one would like to have – a growth need. Further, Barrett (2014) explains that the attention one gives to needs depends on the stage a person has reached in their psychological development, their life circumstances and their current situation. As one grows and develops, ones values also change.

A values-driven organisation is one which has enabling systems, structures, policies and procedures and “lives the values that align with the needs that employees have at every level of their psychological development” Barrett (2014 p12). The organisation is able to meet employee’s deficiency and growth needs as well as achieving its own purpose; there is high engagement from employees. He also talks about values being either positive (integrity, honesty, trust) or life affirming or limiting (control, status, blame) and driven by the fear of not being able to meet deficiency needs. When behaviours are driven by limiting values Barrett (2014) calls the resulting behaviours ‘entropy’. Leaders play a significant role in shaping the organization, and “leaders who do not pay the strictest attention to the values and culture of their organization are a liability” (Barrett 2014, pxvi). Leaders at any level in the organisation who make decisions from a position of entropy create organisation behaviours which are unhealthy. It follows therefore that a sustainable values-driven organisation, is one without entropy, but driven by positive values.

Both Barrett (2014) and Viinamaki (2012) seem to agree that values are key in decision-making, and that effective, values-driven leadership is critical in the development of appropriate organizational culture.

The focus on organizational culture as a key ingredient of success is not new and is not confined to the context of value-based organizations. Cameron and Quinn (2006) suggest that culture is an organisation’s most important competitive advantage. The model of organisational culture proposed by Schein (2010) has values at its core; he suggests that there are three levels of culture, at a visible level there are Artefacts (which are behaviours, company logos and other visible assets) , then Espoused Values and Beliefs (which are ideals and aspirations, the values and beliefs that an organisation says are important). These Espoused Values may not be aligned with the deepest of the three levels, Basic Underlying Values, these are unconscious and determine behaviours and feelings, thoughts and perception. In other words, the values that support an organisation’s voiced aspirations are not necessarily the same as the values which drive its behaviours. An organisation may say that one set of values are important, yet behave in a different way; ideally the organisation’s Espoused Values and Basic Underlying Values are aligned and congruent. Perhaps the importance of Basic Underlying Values in driving behaviours and perception supports Barrett’s (2014) concept of a values-driven Organisation as opposed to Viinamaki’s (2012) Values Based Organisation. The difference may be primarily semantic; however the deepest subconscious values should drive the dynamic of the organisation rather than merely being the base or foundation of the organisation. Foundations are designed to stop movement, an organisation which does not have growth (movement) and the ability to adapt to changing life conditions and external demands cannot be successful.

 Spiral Dynamics is based on the concept that the development of individuals (and societies) follows a predictable pattern which changes as the conditions of existence change, (Graves 1981). External life conditions trigger an internal change and a correspondingly aligned world view, a ‘level of psychological existence’ or ‘values system’ which unfolds in an “emergent, oscillating, spiralling process marked by progressive subordination of older, lower-order behaviour systems to newer, higher-order systems” (Graves 1974, p73). Each emerging level is more complex than the last and Cowan and Todorovic (2015) suggest that the complex interaction between external conditions (nature) and internal values and world view (nurture) make the old nature vs nurture debate outdated . It is not a question of personality or behaviour; it is a question of the importance and significance of both personality and behaviour.

The emerging values levels are described by Graves (1974) based on his research, and further developed by Beck and Cowan (1996) into Spiral Dynamics. According to Graves (1974) there are 6 basic themes, and currently two levels. The first level, the lower order behaviour system is ‘subsistence’ and as a person or society develops through the themes or values, the goal is to survive and establish individual dignity. At each values level within this lower order system, a person can understand the levels he/she has come from, and develops an understanding and alignment with the level he/she is at; however, there is no understanding of the higher levels that have not yet been achieved. Once into the higher order system with a reasonable degree of physical and psychological security an individual becomes free and Graves (1974, p74) refers to a first level of ‘being’, with a responsibility to develop communities of knowledge based on experience in the lower order system, to “insure the survival of all viable life upon this Earth”. He describes the gap between the sixth level, the last in the lower order system, and the seventh level, the first in the higher order system, as significant; “the gap between getting and giving, taking and contributing, destroying and constructing. It is the gap between deficiency or deficit motivation and growth or abundance motivation. It is the gap between similarity to animals and dissimilarity to animals, because only man is possessed of a future orientation.” (ibid p79)

The term Spiral Dynamics was used by Beck and Cowan (1996) in their book, however, their work builds on that of Graves sharing the same basic principles and therefore the term is used in this paper to encompass the concepts initiated by Graves and then further developed. Although Graves work focused on the development of individuals, the concept of Spiral Dynamics has been applied to societies and also to organisations where it has been used in particular in the context of leadership and change, and this is a key focus of Beck and Cowan’s work (1996). Their later work was influenced by that of Richard Dawkins, a biologist (The Selfish Gene 1989) and the Polish-American Psychologist Mihaly Csikszentmihalyi (The Evolving Self 1994) both cited in Beck and Cowan (1996). Csikszentmihalyi (1993) cited in Beck and Cowan (1996 p30) used the expression ‘meme’ to contrast with the ‘gene’; genes are associated with physical characteristics, while ‘memes’ are associated with human behaviours. Beck and Cowan develop this concept of Memes in their work. The spiral concept that is used by them is similar to that in DNA.

The spiral forms the basis of the values structure, which is composed of vMemes. Each vMeme “reflects a world view, a valuing system, a level of psychological existence, a belief structure, an organising principle, a way of thinking or a mode of adjustment.” (Beck & Cowan 1996 p4). They refer to this spiral values structure as a ‘core intelligence’ that will “form systems and direct human behaviour” impacting on life choices and influencing decision-making. vMeme’s can have a healthy or unhealthy influence, and change in intensity according to differing life conditions. Beck and Cowan (1996) suggest that life conditions are affected by time, geography, societal circumstances and existential problems. The nine different vMemes are represented in terms of different colours, and have clearly different characteristics. The first six colours, beige, purple, red, blue, orange and green represent lower or first order values systems, and the next three colours (the first of the next block of six), yellow, turquoise and coral are higher or second order values. The first level or vMeme is beige and is concerned merely with personal survival, this is a ‘me’ or ‘I’ focus. The vMemes then oscillate between this concern with self and a concern with the collective ‘we’.

The nature of each of the vMeme colours is summarised in Figure 1 below.

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| --- | --- | --- | --- | --- |
| **vMeme Colour** | **Paradigm** | **Structure** | **Underpinned by processes**  | **Focus** |
| Beige | OldFirst order | Loose bands | Survival  | I  |
| Purple | OldFirst order | Tribe like groups | Circular  | We |
| Red | OldFirst order | Empires | Exploitative power-seeking  | I |
| Blue | OldFirst order | Pyramidal form | Purposeful, controlling, authoritarian  | We |
| Orange | OldFirst order | Delegative forms | Achievement oriented, autonomy seeking, strategic | I |
| Green | OldFirst order | Egalitarian | Experiential and consensual | We |
| Yellow | NewSecond order | Flexible, integrative Knowledge based | Flexible, integrative Knowledge based | I |
| Turquoise | NewSecond order | Holistic, global | Flowing and multidimensional | We |
| Coral | NewSecond order |  | Coral is emerging and less is known  | I |

**Figure 1. vMeme characteristics. Adapted from Beck and Cowan (1996:5)**

The ‘Seven Levels of Consciousness Model’ developed by Barrett during the period 1996 - 1997 (2014 p61, p221) is based on Maslow’s stages of human psychological development, and is shown in figure 2 below. In this model the focus of the first three levels is to meet the needs of the physical being, personal survival, love and belonging and self esteem; the next level is a transformation from this ego focus to the next three levels which focus on meeting the needs of the soul. The needs of the soul relate to finding meaning in life and making a difference. This seems to be similar to the transition from first tier thinking to second tier thinking in Spiral Dynamics. There is scope for more detailed analysis and comparison between the two models.

|  |  |  |
| --- | --- | --- |
| **Spiritual (soul)** | **Service –** give back to the world | **7** |
| **Making a difference** – integrating with others who have the same vision for the world | **6** |
| **Internal cohesion –** self actualizing and fully aligning with who you are and who you can become | **5** |
| **Mental** | **Transformation –** individuating – letting go of cultural and personal conditioning that no longer represent who you are | **4** |
| **Emotional (ego)** | **Self-esteem –** differentiating – separating self from the crowd, honing personal skills and talents and excelling | **3** |
| **Relationship –** conforming – staying safe and loyal to family and culture | **2** |
| **Physical (ego)** | **Survival –** staying alive and healthy | **1** |

**Figure 2, The seven levels of consciousness model, Barrett (2014, p221)**

Graves began researching in 1951during a period when human nature was explained by behaviourism and Freudianism. Grave’s thinking was more aligned with the Humanistic psychology of Maslow, and the hierarchy of needs was a context within which Graves could set out his thinking, (Combs, 2007) though Graves did not use Maslow as a starting point, as Barrett did. This connection between Graves (1974) and Barrett (2014) is interesting, Barrett does not cite Graves or Beck and Cowan (1996) in his work, however, there are some clear parallels in their thinking, of course Barrett’s work on Values-driven organisations is significantly more current than the initial writing of Graves (1974, 1981), and Beck and Cowan (1996).

This paper begins the exploration of potentially complex links between values, organisational culture and organisational sustainability. With reference to the words of Graves (1974, 1981) above, it appears that it is not enough for an individual, organisation or society to merely be values-driven, especially if there is an aspiration to sustainability. The leaders at least must have a world view that is beyond ‘survival’ and with a second order focus on ‘being’, with a future rather than a present orientation, and with a motivation to ensure the survival of the planet. Adding the perspective of Barrett (2014) leaders must have positively focused values, and no personal entropy; ideally they have also been through the process of transformation and work from a ‘soul’ level of consciousness. There is now a clearly established link between values, organisational culture and sustainability, but what is really meant by sustainability?

A number of definitions of sustainability exist relating to different contexts and with slightly different emphasis. Young and Dhanda (2013 p4) cite Hawken (1984) with regard to sustainability in commerce: “leave the world a better place than you found it, take no more than you need, try not to harm life or the environment, make amends if you do.” With a degree more complexity, the World Bank suggests “In order for development to be sustainable, it has to be comprehensive—it has to successfully balance economic goals with social and environmental….. but it usually goes far beyond the objective of increased average income to include things like freedom, equity, health, education, safe environment, and much more.” (Soubbotina 2004 p1). This seems to correlate with Grave’s (1974) suggestion that humans develop to a point where they have a values perspective with a future focus on ‘freedom’ and the survival of ‘viable life on earth’.

The classic United Nations (UN) Brundtland definition of sustainability cited in Drexhage and Murphy (2010 p2) is “development which meets the needs of the present without compromising the ability of future generations to meet their own needs.” This definition and that of the World Bank focus on sustainable development, however national economic sustainability is an element of sustainable development, and therefore the definitions are being used as a starting point in seeking a definition that is appropriate in a purely organisational context. Drexhage and Murphy (2010) suggest that there have been more successes to date with the environmental and climate change elements of sustainable development and that for any real change to take place in the economic dimension, patterns of business and consumerism need to dramatically change. Changes in the economic dimension would in turn have a positive impact on the environment. “The needed systemic changes will require a revolution in the way the world does business. This will have an impact on lifestyles and consumption patterns - especially so in developed countries, but also for the growing middle class in developing countries.” (ibid p3). Graves (1974) would suggest that such a radical change requires higher order thinking which Beck and Cowan (1996) call second tier thinking, or Barrett’s (2014) upper three levels of consciousness. Such change would therefore need to be led by what Kotter (1996) refers to as a ‘guiding coalition’ of second tier thinkers driven by positive values, focussed on giving service and making a real difference. Drexhage and Murphy (2010 p2) suggest that developed countries have the technical knowledge and the resources to lead such change, but that “the required level of political leadership and citizen engagement is still a long way off”. Where leaders and others appear to give service and make a difference, but the purpose is ego driven to meet a personal need, or an entropy need then the outcomes will not be sustainable.

Research has been undertaken in the context of sustainability and effective ways to measure organisational sustainability, in particular using the Triple Bottom Line (TBL) approach popularised by Elkington (1998). TBL does not live up to its rhetoric and is not a completely reliable measure, according to Norman and MacDonald (2003). Others such as Giminez et al (2012) have used it in their research, though they have had to specify the detailed measures associated with the three aspects of the TBL, People, Profit and Planet. Specifically, Slaper and Hall (2011) suggest TBL is not easy to measure, there are no common measures, and the metrics for People and Planet are not clear. They do however suggest that this is a useful flexibility as the specific measures relevant in any context can be identified and applied. Financial metrics are a key element of the TBL concept. In referring to economic, social and environmental goals in their definition of sustainability, the World Bank, Soubbotina (2004) seem to align with Profit, People and Planet, perhaps adding a degree of credibility to TBL.

Study of Beck and Cowan (1996) would also suggest that one’s idea of what is ‘a better place’ will depend on where one is in the Spiral, and that the most valuable definition is likely to be one that resonates with all stakeholders, whatever their current perspective. Finding a definition which appeals to all perspectives is a complex process, not least because the measures that each perspective are likely to consider important will vary.

In view of the comments above relating to the challenges of measuring progress using TBL and current World Bank perception of global progress, (or lack of it) towards real sustainability, the Brundtland definition seems adequate in the context of planet, but inadequate in an organisational context, raising scope for further research and a more refined definition. Perhaps sustainability as a concept is not entirely appropriate in the context of organisational activity. It is easy to conceive of the need for the planet to be sustainable, for each generation to leave an undamaged planet for generations to come, and for the planet to continue as a sustainable entity indefinitely. However, people have a finite life cycle, as do organisations and therefore it may be that the concept of TBL which puts people, planet and profit in the same set of measures may be appropriate in the short term, but inappropriate with a long term perspective. Organisations and the way they do business play a significant and important role in sustainability of the planet, but can they themselves be ‘sustainable’ in the same way? The viable system model (VSM) developed by Stafford Beer (1972, 1975, 1979, 1981, 1984, 1985), cited in Jackson (1988) is complex but introduces an interesting concept, and the consideration that ‘Viable’ may be a more appropriate term for organisations than sustainability.

The question posed therefore becomes one of whether values-driven organisations are more viable than others, and whether Spiral Dynamics has a role to play in the development of values-driven organisations in their quest for viability.

As a result of the literature studied so far, the following conceptual framework has been developed:

EXTERNAL context - economic, social, political, cultural and environmental.

Prevailing life conditions.

Values Alignment throughout the business: its employees, stakeholders, espoused and actual values and behaviours, strategic decisions and all aspects of its culture

Viability of the business

Sustainability of the planet

INTERNAL organisational features – Values, leadership, culture, resource allocation, employee engagement. Leadership values and behaviours – levels of consciousness, ego vs soul; evidence of personal or organizational entropy; needs, deficiency vs growth.

Spiral Dynamics – enabling an understanding of levels of values in people, organization, community, nation and therefore driving the development of values systems to support viable organizational growth in a sustainable context.

**Figure 3, Conceptual Framework developed by the author.**

**Further Research Questions**:

* Investigate the similarities and differences between Values Based Organisations (VBO) and Values-driven Organisations (VDO) and confirm whether VDO really is the most relevant in the context of this work?
* Investigate viability and VSM (viable system model) and determine whether it is a more suitable concept than sustainability in an organisational context.
* Define a sustainable/viable VBO/VDO and determine the benefits of being such an organisation?
* Spiral Dynamics was developed in 1990’s, what, if any work has been done to understand the emerging higher levels within the Spiral?
* What is the role for Spiral Dynamics in the development of sustainable/viable VBO/VDOs?
* What are the implications for Human Resource Development in facilitating values and cultural alignment?

**Methodology:**  Further desk based research to critically analyse Spiral Dynamics and to further explore the connections between the work of Barrett (2014), Maslow (2012), Graves (1974, 1981) and Beck and Cowan (1996). Next to further analyse the concepts of Sustainability and VSM; VBO and VDO in order to determine the concepts most relevant in this research. The actions of organisations who currently claim to be ‘sustainable’ and values oriented will be critically analysed in order to explore the benefits in the context of people, profits and planet. Ultimately it is the relationship between these concepts which is of interest.

**Findings:**  This work will inform ongoing doctoral research.

Implications for Practice – Although the starting point for the research is a significant desk based literature review which will include this and future papers, the ultimate aim is to apply the findings in a practical way within organisations.

**Relevance:** This research is relevant to the field of Human resource Development (HRD) since the outcomes of this research are intended to inform positive organisational change. Change requires learning at both individual and organisational levels, and therefore HRD will be fundamental to the practical application and continuation of this work.

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