

Stage Six: Deer in the Clearing

Authors' note:

Tribal Leadership is all about cultures we've seen. We can point to examples of Stages One through Five. In the case of Stage Five, the best we've seen is a temporary rise to this level, followed by an oscillation back to Stage Four.

We're often asked if there's such a thing as a stable Stage Five culture. The answer is: we've never seen it.

Likewise, people ask if there's anything beyond Stage Five—is there a Stage Six? Likewise, we haven't seen it.

However, experts we interviewed (especially Ken Wilber and Don Beck) suggest that such stages are inevitable. We're writing this paper in the hope that someone has seen the kind of culture these experts suggest is only a matter of time. If you have an example of a Stable Stage Five or Stage Six culture, please let us know. Our tribe is eager to learn from yours.

Imagine that we are walking along a trail in a dense and pristine forest.

As we walk, we are aware of the whoosh of the breeze in the branches above, harmonizing with the burble of the stream that our trail is following. At one with nature, we inhale deeply as we work our way up into a canyon and the odor of fallen pine needles envelopes us. The warmth of a shaft of sunlight streaming through the trees heats the back of our neck as we walk the ancient pathway. It is a perfect day.

We round a bend in the trail and suddenly, we are released into a clearing. It is startling in its beauty and we catch our breath. Off to the right, a tree, struck by lightning ages ago, lies on its side, turning silver in the weather, a home to the beetles and the moss that is beginning to dapple its north side. A whole world of life is teeming in the clearing.

Beyond the fallen tree, a patch of grass and clover, and the swirl and hum of bees at work, lends movement to this moment. A blue jay flits through the clearing and his shadow causes a squirrel to scamper for cover.

On the far side, a subtle movement captures our attention. As we watch in wonder, a deer pokes her nose out of the forest. She is wary, and as she tests the safety of the clearing, she steps into the clearing. She stops every two or three steps, until she is illuminated with the sunlight of the clearing. She puts her head down and begins to graze, and we glance at each other, afraid to breathe and shatter this magical moment.

Then John sneezes, and the deer explodes out of the clearing to the squawking of the jay and the swirling of the bees, and disappears back into the forest. In a few moments, the clearing settles and the idyllic scene returns itself to timeless perfection.

We look at each other and a thought passes between us. *We could make this clearing perfect for deer!*

We return to the car and get a block of salt. Wordlessly, we carry it back to the clearing and set it beside the fallen tree. We retire to the cover of the forest to wait and watch. What is possible? What will happen, now?

A young buck pokes his head into the clearing. He sniffs the air, then steps in and begins to graze. In the next few moments, another deer shows up, and then another, and another, and one of them finds the salt. There is a pause, a moment of shared awareness, and the entire group moves as one to the block and begins to lick the salt.

It is perfect. Time seems to stand still. And then we see the point.

The deer are like people, and the clearing is where we work and live our lives. We've been messing with the deer and wondering why the deer bolts. How much smarter to build a clearing in which people want to be there, and like the deer, share a sense of innocent wonderment that doesn't pass as a history-making project concludes.

People in our studies describe Stage Five in magical terms. Many call it “a miracle,” or “something beyond what I imagined I'd ever see.” The moment is fleeting. Something like John's sneeze breaks the mood—in corporate terms, earning season rolls around, or a competitor catches up—and people go back to business as usual. They track the competition, benchmark, and engage in endless strategic planning cycles.

Is it possible, we wonder, to build a clearing for a tribe—like we did for the deer in our story—in which a perfect moment like this would last forever?

Stable Stage Five?

We are at a historic point in organizations, when everything is about to change. It's only happened a few times in history. It's the dawn of stable Stage Five.

Let's remember just how far we've come, and how fast, and then see what a stable Stage Five tribe might look like.

Looking back, over the last two centuries there has been a pattern. The next stage started a dream, and people wondered if it would be possible. Then it appeared in companies—first as momentary blips, and then as stable stages. Decades later, people found it difficult to image a time when anyone would question this stage. Hadn't it always been that way? People's thoughts turned to the next stage—would that be possible?

As it stands right now, we don't have evidence for stable Stage Five. We haven't seen it and don't know that it's ever existed. As such, this chapter is speculative, but based on what we believe is sound reasoning. Further, it is consistent with what other experts in stage development models are predicting.

A hundred years ago, when assembly lines were state of the art, Stage Two was all people could imagine. If a gear breaks, replace it. A person stops performing, fire him. Both parts and people were commodities. Early in the 1900s, consultants would take moving pictures of people assembling parts, review them frame-by-frame to see what small changes in movement would boost efficiency. Whether people took pride in their work was irrelevant.

Classic studies in the 1920s and 30s by Harvard's Elton Mayo at the Western Electric Company at its Hawthorne plant in Chicago, changed all that. In one study, a group of workers which were producing 2400 relays a month were asked to change their

process to one that was less efficient. Productivity went up. They were given breaks, and productivity rose again. It continued to rise during most changes that should have (in Mayo's mind) led to the reverse. Scholars and leaders began realize that *motivation* and *drive* were important. They began to imagine a culture of personal accomplishment—Stage Three—where people would be measured on ability and success, and rewarded.

After World War II, companies behaved much like the military: top down, command-and-control, and Stage Three was a reality. In the United States, returning soldiers had unprecedented access to education, and individuals who committed themselves did well. They bought houses, raised families, but their children imagined something more than their parents had.

Over the next two decades, technology boomed, electronic communication united the free world, and tasks became more complex. People began to imagine a different method of organizing—this time based on teams. While there had always been groups—such as clusters of miners working underground—people wondered if it would be possible to a organize a multinational company with teams. What about issues of secrecy, and confidentiality? Many people believed teams were a dream—like our deer story.

In the 1970s, when Baby Boomers entered the workforce, they formed teams more easily than their parents had, and the first stable Stage Four cultures appeared. At first, these companies became Meccas, drawing consultants and leaders to see if they were real. Since then, team structures have become so common that it's hard for today's MBA graduates to imagine a time without them. That said, most companies still fall far short of a Stage Four culture.

When Generation X entered the workforce, they wanted to make history. Famous first as “slackers,” then as people drawn to companies with strong missions and values, they didn't want to commit to a single employer for life, and companies weren't offering such deals anymore. People began to write and think about an economy run like Hollywood—stars, producers and a director come together, make the movie, and then disband. People began to imagine tribes of professionals being more important than companies.

Further, such ad hoc groupings occasionally got it right when the timing was perfect. When that happened, it was magic. The Macintosh, Pixar movies, Amgen, Google.

Today, we see temporary leaps into Stage Five as more and more companies are focusing on the prerequisite—Stage Four cultures. They are focusing on values and vision. We hope, as a result of this book, more leaders will stabilize their tribes at “we're great” and look for opportunities to make history—Stage Five. As they do, temporary leaps into Stage Five will become more common.

Like our predecessors in the 1920s, 1950s, and 1970s, we ask: is the next stage—Stage Five—possible as a stable configuration? We believe that it is, and propose what it will look like. We haven't seen this description yet, but are confident it is appearing now. [Coaching tip: **Spread the word.** If, as you read this description, it sounds like an organizational tribe you know, please let us know. We will research what we hear and, with permission, write about what we uncover. Just as Amgen was dancing at Stage Five before we found it, we're confident that stable Stage Five will be out there soon—and perhaps is already.]

[Technical note: What's this based on? As Appendix B shows, there are thousands of years of thinking and research that support the conclusions of Tribal Leadership. In this chapter, we are drawing on two lines of research in particular. First is "integral" approaches to studying psychology and sociology, popularized by author Ken Wilber. Wilber notes in his many books, and in his time in interviews with us, that consciousness and culture develop in parallel. Currently, only about 2% of the U.S. population are at the level of "second tier" awareness that would tend to form "life is great" cultures. This 2% leans toward the border between "first tier" and "second tier," and as a result their language patterns will tend to move back and forth between what we call Stage Four and Five. However, the population appears to be shifting toward these higher levels of awareness. As this occurs, Stage Five cultures will become more common. In addition, people appear to be moving to what Wilber calls "turquoise" thinking—which currently only 0.5% of the U.S. population do on a regular basis. This shift will stabilize people, as individuals, at second-tier thinking, and hence, make stable Stage Five cultures more common.

Second, the history of organizations shows that inventions turn into competencies. Human Resources is an attempt to institutionalize hiring, promotion and retention of great people—a practice that few companies got right in the 1950s and 1960s (often by chance, or guided by instinct). Strategic thinking, and especially environmental scanning, used to be done by only the best companies, and is now commonplace. Likewise, a few companies in our studies created an opportunity that moved them to Stage Five. It is reasonable to conclude that inventing these opportunities will be a competency of companies in the future, thus stabilizing tribes at Stage Five.]

The purpose of this chapter is to speculate based on our research and conversations with other experts. How would a stable Stage Five tribe function? How would it talk? What behaviors would we see among members, and in its leaders? What would its structure look like? We put forward three hypotheses: that a stable Stage Five culture (1) will focus on the context in which business happens, (2) "invents invention," and (3) will produce, and be produced by, Tribal Elders.

Creating The Clearing

The story of the deer draws attention to a subtlety we heard in our interviews: late Stage Four leaders, who have led Stage Five cultures, act as ecologists. They actively remove any contaminant from the tribe, and thus seem to spend more time removing elements than putting elements in. As Amgen's Gordon Binder said: "We had the bad apple rule, if someone didn't fit. It didn't mean they were a bad person, but they were a bad person for Amgen." Binder's famous once-a-month speeches to new employees encouraged them to leave if they didn't share the eight values.

Bob Tobias, former president of the National Treasury Employees Union, now runs executive education programs for public sector employees at American University in Washington, DC. In his flagship program, a 20 month degree: "We create an environment that is safe, where they can learn from each other, and then replicate that with others... The main question we ask is: 'What environment do you create that will inspire you to give your discretionary energy to accomplish our goals?'"

[Technical note: each stage offers a solution to a problem posed by the previous stage. Stage Three's problem is egocentricity, which is replaced stable partnerships speaking

“we’re great.” Stage Four’s problem is that global problems cannot be solved by tribes that are locked into competition with other tribes. Stage Five’s solution is to shift the focus *only* to global concerns, as began to happen at Gallup under CEO Jim Clifton]

Binder and Tobias, like the story with the deer, pay attention to the clearing. Both men assured us that by paying attention to the clearing, moments of greatness happened. “The more we removed anything that wasn’t consistent with Amgen values, the more successful we were,” Binder asserted. Tobias describes the end of 20 month program. “Each person has to make a speech about what they learned. They don’t talk about the program. They talk about their wives, boyfriends. That’s how we know we got ‘em. They’re building great environments and great relationships.” “We got ‘em,” he repeated.

What makes tribes not “get ‘em” is any contamination of the environment—anything that will drag a culture back to earlier stages. As we saw in chapter two, any Stage One behavior will drag a tribe down. In chapter six, we noticed that Stage Three behavior, especially from senior executives, can destroy a “we’re great” culture, driving it down to Three and even Two (“my life sucks because we want to collaborate but aren’t allowed to”).

In order to advance stages, the hallmark of the prior stage had to be abandoned. A person has to leave behind the belief that his life sucks to move to Stage Three. A person has to drop the language of “I,” “me,” and “my” to move to Four. It is reasonable to conclude, then, that a stable Stage Five will have permanently left behind any reference to beating the competition.

This last sentence often takes executives by surprise, and strikes some as dereliction of duties. Isn’t the purpose of a company to beat its competitors? Actually, no. It’s job is to produce goods or services that customers value enough to make it worth while for everyone—customers, employees, and investors. Likewise, government agencies and not-for-profit organizations need to offer value.

[Technical note: a surprising number of Tribal Leaders made reference to spiritual principles as their guiding force, including Men’s Wearhouse CEO George Zimmer and Gordon Binder. Gallup CEO Jim Clifton told us: “People at the higher levels are interested in converting spiritual principles into real-world results.” Our research confirms his belief.]

The essence of Stage Five is action unencumbered by anyone or anything saying what can’t happen. Most corporate tribes—especially in large and mature organizations—are crushed under policies, procedures and systems that add no value. At Stage Four, pruning makes sense. For a group to make the leap to Stage Five, removal of such contaminants is imperative.

Executives often counter at this point: “If we don’t watch the competition, how do we know if we’re successful?” The point makes sense. After all, some dot coms had Stage Five cultures, but without a coherent strategy to sustain it. Stable Stage Five organizations need to be informed by the market without letting the competition become their compass. Also, stable Stage Five tribes must have mastered all the business fundamentals—accounting, information technology, finance, operations, management, and marketing—which the dot coms lacked.

[Technical note: strategic performance and cultural stage tend to correlate. If a tribe has a Stage Five culture, but very low strategic performance, its culture will regress—quickly and dramatically.]

Inventing Invention

Most of the Stage Five tribes we observed were “tractor beamed” up by an opportunity—something external and unexpected. They are noticed by an existing network and the market, and so they are brought in to contribute resources and to engage in Stage Five activities. In some cases, however, these opportunities were created, such as Apple defining the need for digital music players as it rolled out its revolutionary iPod.

We believe that tribes with stable Stage Five cultures will have the ability to invent such market-changing opportunities on a consistent basis. How is this possible?

First, tribes span beyond the bounds of employment. You are a member of several work-placed tribes, in all likelihood, and also tribes having nothing to do with your career. As such, you are in touch with tribes of tribes—and so you are in communication with the market. If you are known as an accomplished person in your field and by your work tribes’ core values and noble cause, you will become a magnet for ideas and feedback from the market.

Part of the genius of Apple tribes is that they simultaneously anticipated and created market demand, and the resulting several years of iPod dominance look like a dance between company and consumers. Stable Stage Five tribes operate on the edge of emergent market demands, which they are able to listen to and shape—as a result of their tribal members being known as the walking embodiment of their strategies.

Second, a tribe that is stable at Stage Five spends almost no time in thinking about routine processes. Once a new system or procedure is invented, it is made routine, and as soon as it stops providing value, it disappears—a result of ruthless, nonstop pruning. Thus, tribal members have the time and focus to create a team-based relationship with the market, just as Apple has done.

Our suggestion on “inventing invention” is more than just listening to the customers, however. It is inventing processes to *make sure* that this dance continues, indefinitely. Hard to do? Absolutely. Some tribe somewhere will figure out how to build a competency of inventing invention, and that tribe—if it doesn’t already exist—will be the first to stabilize at Stage Five.

Tribal Elders

Frank Jordan, the former Mayor of San Francisco, described a visit from Pope John Paul to his city. At the time, Jordan was Chief of Police. At the event, he made eye contact with Jordan, walked over to him, whispered something in his ear, and walked away. Everyone wanted to know what the pope had said.

Jordan told us: “You’re the Chief of Police, and I’m sorry for all the security problems my visit is causing you.” This single sentence continues to impress Jordan, many years later, because the pontiff didn’t commodize anyone—whether they were in his religion or not. This is a characteristic of Tribal Elders—they overlook no one.

While most Tribal Leaders are well-respected outside their tribe, Tribal Elders take this to another level. In a sense, everyone was in the pontiff’s tribe—a characteristic of Stage Five. Although he was recognized for leading a movement, he spent his time as the head of the Catholic church finding resonant values between people of different faiths, and even with atheists.

[Technical note: Many Tribal Leaders we spoke with were planning their transition to Tribal Elder. Griffin Hospital VP of Administration said, “The dream was always that the community would have good health.” He sees himself becoming more involved with that cause, not less, once he retires. He laughed and added, referring to his beloved community: “God leaves Heaven and lives in the Valley.”

Jordan, too, has “graduated” from his Tribal Leader status as mayor to that of Tribal Elder. We see the same tendencies in many of the people we interviewed for this book, including Gordon Binder and Steven Sample (president of USC).

Tribal Elders are vital in Stage Five for a pragmatic reason: “life is great” needs to reach out to as many tribes as possible, “tractor beaming in” their talents, ambition, values, and passion. Without an ability to constantly network outside of a specific tribe, the fuel for Stage Five will run dry.

[Coaching tip: **Plan your retirement around being a Tribal Elder.** “Elder” denotes one’s cultural stage and the esteem granted by people of many tribes, and so doesn’t require gray hair. However, most Tribal Elders we met are, in fact, senior citizens—a fact that should inspire people planning to retire. Western societies have a problem engaging retired people, and many find their post-work lives to be less fulfilling than they had hoped. We suggest that “Tribal Elder” is the most important role in society, and that the world needs many more. The only prerequisites are that you have been (or are on your way to) becoming a Tribal Leader. You must first “own” Stage Four, and your retirement should be a formal declaration of moving to the next stage—“life is great.” You need to be known by your core values, and have a strategy. Refer back to chapter nine for the steps in putting together a plan to make this happen.]

Epilogue: Stage Six?

Ken Wilber and Don Beck both suggested to us that there are stages beyond Five. “Stage Six,” Wilber said to us, “probably has a spiritual but not religious flavor... It would see the Earth as one organism. The language would be ‘life is great’ built around an awareness of a single mind.” He added: “Paradoxically, this [awareness] is coupled with the notion that there is hierarchy, and it’s important.” Wilber argues that Stage Six would include, and transcend, all the previous stages.

We’re not sure about his argument—we have never seen Stage Six, much less stable Stage Five. We agree with his notion (based on a solid understanding of development across many fields) that there appears to be an upward drive in human beings, that manifests itself in creating new stages. Whether Stage Six will ever appear in organizations is beyond our knowledge base to answer, but we put our trust in the next generations to surprise us all.