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How to change attitudes, beliefs, and paradigms in capitalism and management.

Some structural, organizational and personal case studies
showing a humanistic management approach.

Declaration

We have received statements from all intended participants agreeing to participate in the PDW and assuring that they have not violated the rule of three.

Carlos Largacha-Martínez (PDW Chair)

Potential Sponsors for PDW

- Organizational Behavior (OB)
- Iberoamerican Academy of Management (IAM)

Participants Information

Carlos Largacha-Martínez
(Chair, Author and Presenter)

Professor
Universidad EAN
Carrera 11 No. 78-47, 2° Piso
Edificio de Postgrados
Bogotá, Colombia
Phone: (+57 1) 593.6161 x. 2179
Email: clargacha@ean.edu.co

Víctor Hoyos (Author & Presenter)

Leadership Developer
Puentes al Liderazgo (Bridges to Leadership)
www.puentesalliderazgo.com
Carrera 1A# 11-130, Of. 502
Chía, Colombia
Phone: (+571) 8857788
Email: victor@puentesalliderazgo.com

Santiago Mariño (Author & Presenter)

Coach and Consultant
Inteligencia del Cambio
www.santiagomarino.com
Mobile Phone: +57 315 3014331
Email: santiago@santiagomarino.com
Bogotá, Colombia

Melissa Sierra & Andrea Saavedra (Co-authors)

Students at Universidad EAN
Co-Founders of the Youth Research Group
in Humanistic Management 'HuMan'
School of Business, Finance and Economics
www.facebook.com/groups/226054404163314/?ref=ts&fref=ts
Emails: lsierram8668@correo.ean.edu.co
ysaavedra_5@correo.ean.edu.co

PDW Abstract

The Humanistic Management Network proposes that companies can merge socio-human value generation with financial sustainability (see von Kimakowitz et.al., 2010). Within this PDW, three consultants—with one being also an academic—present the reality of a balanced capitalism from three perspectives: structural, corporate and personal. The order is organized starting from a capitalistic critique and proposal of change. Second, a real case study of a multinational corporation is presented. Finally, the reflections of personal change and how to propel it are elicited. With this in mind, a workshop is proposed to reflect into these three possible paths towards a more sustainable capitalism. Participants will be able to analyze their personal mindsets around these three domains and share their views with others. Using a TPA methodology¹ the participants will have the time and space to interiorize some of the core ideas presented, and also to be able to use it later in their professional settings.

Keywords: Paradigm change; Authentic Leadership Development; Organizational Behavior; Shifting Mental Models; Latin America; Coaching; Alternatives within Capitalism.

¹ The TPA stands for 'Training for Personal Authenticity', from the Spanish version of EPA 'Entrenamiento para la Autenticidad Personal', which is a methodology that was created from merging the humanistic management approach with quantic humanism's theoretical framework (see Largacha-Martínez, 2011, 2010).

Reference

Largacha-Martinez, Carlos. 2010. Aproximaciones a la Gerencia Humanista. Editorial Universidad EAN.
Largacha-Martinez, Carlos. 2011. Quantic Humanism. Kindle book.

Agenda

How to change attitudes, beliefs, and paradigms in capitalism and management.

Some structural, organizational and personal case studies
showing a humanistic management approach.

Chair

Carlos Largacha-Martínez

Presentations

Non-Accumulative Capitalism

Carlos Largacha-Martínez, Melissa Sierra, Andrea Saavedra

Capitalism and Management in the Age of Quantum Physics

Víctor Hoyos

The Humanist Experience: You Go First!

Santiago Mariño

Workshop with participants

Personal and Group Conclusions

Session Format

The 120 minutes allotted to PDW will be divided as follows:

- 10 minutes overview of the papers and how they all are intertwined
- 10 minutes for presentation of each paper—in a *co-reflection* format—and how to put it into practice in any company or group (30 minutes in total)
- 10 minutes presentation of the activity (group coaching and humanistic management) to be held
- 30 minutes of team working—with the presenters helping as facilitators of all groups
 - Groups of 5 will be formed. Each one will receive a set of questions² to work with
- 20 minutes of pair working. A face-to-face interaction will be structured in order to create a warm environment to share their personal paradigms and possible shifting.
- 10 minutes of *co-reflection* and learning
- 10 minutes for lessons learned and how to put it into practice in an organizational setting or as a consultant

² The set of questions are based on our experience as consultants, but mainly will be based on the writings presented here.

Overview

How to change attitudes, beliefs, and paradigms in capitalism and management.

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No doubts that Capitalism is in question. We think that the financial crisis created an atmosphere of needed change, which also help emerge and/or propel initiatives around the world that changed the toxic actual paradigm: jungle-type capitalism. It is as if we have been in a so-called developing path, but the economic system has produced more wrong [un?]intended consequences than benefits—if the balanced is measured in poverty of number of people, for example. In this reality, management consultants have a key role to play, since they can change from within the core element of the neoclassic economic paradigm: the corporation.

By changing the organizational behavior, we believe, the structure of capitalism will be changed. As it is presented in the following guiding papers for the PDW, the structure of the system, the institution and the person all are intertwined. So if a real change is wanted, the three must be taken into account. Obviously it is impossible to change it all in a conference, neither to give tools to do it. However, the sessions and the methodology used will give some tools for the participants to interiorize them into their personal and professional portfolio, and/or to reflect into their personal responsibilities in order to be an agent of change.

The Humanistic Management Network published a book with a selection of 19 companies around the world that happen to be making the change. This information will be presented in a brief format to the participants, in order to know the patterns encountered in these researches done. These companies fulfill these requirements:

They show how businesses can unite social value generation with financial success. One general prerequisite for managing a business along humanistic principles is the emancipation from a sole focus on maximizing profits. What these companies share is that they are managed as an integrated and responsive part of society by:

a) Seeing that their organizational raison d'être includes the promotion of social benefit, for which business methods and market mechanisms are a means to support a specific end, rather than an end in itself; b) Submitting to the necessity of earning at least a sufficient income to be a self-sustaining organization but without succumbing to profit maximization as a normative criterion; [and] c) Maintaining the liberty to opt out of the application of the market rationality where this would conflict with or decrease the social benefits the organization seeks to create (von Kimakowitz, et.al, 2010:3).

The list of companies includes Tata, Semco, AES, ABN-Amro Bank, Dm, Cascades, among others. Since there are companies of all continents, the information is highly valuable. This research was done within 2007-2009, so the information is present. Within this reality, a critique of capitalism is presented beforehand in order to know the toxic outcomes of the actual state of the economic system. By providing a list of these

outcomes, more relevance is acquired by the companies that does not work to create the referred outcomes.

In the second contribution of Victor Hoyos, an international consultant that retired from Coca-Cola³ in order to realize his potential, he present the reality of a Colombian multinational and how they changed for the better, and with a sustainable framework. In his leadership consulting practice, last year Victor was privileged to witness such feat. He had the chance to meet and support Juan Luis Aristizabal as his executive coach, the vibrant CEO of Concreto, which is the most profitable construction firm in Colombia and key markets in Latin America, and an example of resilience, innovation, and more importantly, *paradigm shifts*. What makes this company great is the fact that this firm filed for Ley 550 (the equivalent to Chapter 11 in the US), ten years ago.

Understanding how this happened is something highly valuable. In a short format, Victor will present the highlights of this process and later on the three of us will use the TPA methodology in order to create a self-reflecting atmosphere so each participant will work on the structural, corporate and personal level. This is where Santiago comes into scene using a humanist perspective where ¡You come first!.

As an personal coach with experience in spiritual intelligence with Dana Zohar, Santiago has ample experience in worker closely to top managers in Colombia in order to reduce their EGO's, their big ones, and in order to accept that they need to change their actions if a sustainable company, and a sustainable capitalism is an option.

You can't give what you don't have, says popular wisdom. So, if you want to become a congruent Humanist Manager, you first should take a look inside yourself and

³ By that time, 6 years ago, Victor had the highest rank given to a Colombian in the whole history of Coca-Cola. For example, he was in charge of the 2002 World Cup.

learn to *be nice to you*. However, it has always been easier to see the speck in our neighbor's eye and not the beam in our own, so it is much easier to tell anyone their character flaws rather than recognize the ones that exist within us. This happens because, since children, our life has developed as a constant protection of our vulnerability. As adults, most of us are terribly afraid of admitting to ourselves and to other people that we have unresolved emotional issues, that we also have feelings, and to look "weak". In summary, half of what makes a human being "human" are emotions, which in our corporate culture are considered weaknesses. This is the first obstacle in becoming a Humanist Manager, and the obstacle is nowhere but in us. The first sabotage comes from within.

We propose to 'close the circle'. Starting from a structural review of capitalism—using real cases of companies as a *back-up*, passing later to a real case of a multinational, and finishing with an introspection and self-reflecting atmosphere we are sure to be able to have a very productive, fulfilling, and fun workshop where the participants will give an alternative perspective of the role of management consultants.

Reference

Von Kimakowitz, Ernst; Pirson, Michael; Spitzbeck; Dirksmeier, Claus; Amann, Wolfgang.
2010. Humanistic Management in Practice. Palgrave MacMillan. London.

Interest for the Management and Consulting Division

As part of the internationalization of the Academy of Management, it would be of keen interest to know how consultancy is being held in other parts of the world, particularly Latin America. With three consultants from Colombia with more than 15 years of national and international experience, this workshop will give participants an idea of how consultancy is being held in Colombia, what methodologies are used, and also will have a hands-on approach, since more than half of the PDW will be of participation and group coaching.

Since this PDW is organized to show the structural, corporate and personal domains of change within capitalism, a real value is added into having this as part of this Division. Hence, a holistic, systemic framework was chosen in order to deliver a better experience for participants.

Non-accumulative Capitalism⁴

How companies can balance their social duties with their financial rights and needs

Carlos Largacha-Martínez, Ph.D.
Melissa Sierra
Andrea Saavedra

What if the majority of the companies where for social growth but not for profit maximization? The motive behind entrepreneurship will be the social incentive and not endless accumulation. This will have positive effects: elitism eroded, cooperation increased, greediness reduced, jungle-type competition diminished (and corruption as well) and relationships preferred over transactional interactions (see Dembinski, 2010). The misconception about the human being is that only material incentives motivate him/her to do entrepreneurship (Yunus, 2010). This paradigm has toxic outcomes for social structures because it promotes (like symptoms):

- Endless accumulation as something ethical with *greed* as the end result (see Schumacher, 1975)
- Jungle-type competition as a fair game with *corruption* as the end result (see Yunus, 2010)
- Elitist interactions as a natural outcome with *discrimination* as the end result (see Fals-Borda, 1998)
- Transactional relationships as the only one possible with *denigration* as the end result (see Dembinski, 2010)

⁴ Some parts of this *working paper* was developed within the MIX initiative. See www.managementexchange.com. This has not been published before, neither is on revision.

Besides that, all these social constructions are embedded in logic and reason as the one-and-only intelligence where social institutions—like corporations—can be built. Emotional, artistic or spiritual intelligences are downgraded (Gardner, 2011). Dualism and empirical logic are the foundation of a reductionistic, deterministic, impersonal, and ideological *scientific*⁵ reality, where diversity, tolerance, intersubjectivity, humanism, and holism are downplayed, eroded, obscured, and “vituperatively decried” (Hughes and Sharrock, 1997: 85). The overall result is what we are seeing right now, which permeates the corporate world. These toxic outcomes were brilliantly presented in the documentary ‘Inside Job’⁶, where they even added another one to the list: lust. Minute by minute they are able to show how mainstream institutions—including universities—allowed this to happen, and for them, were co-responsible for the financial crisis of 2008.

The vast majority of the for-profit—and some of the non-for profit—present also the four outcomes with a different name:

- Skyrocketing CEO's wages (see Hamel & Breen, 2012)
- Unethical (sometimes illegal) practices to 'kill' the competition (see Spitzeck, 2009)
- Bureaucracy and control to maintain top-management EGOs (see Collins, 2005), and
- Humans seen only as 'resources' (see Kofman, 2011).

Once the organization converts itself, by the pressure excerpt by the jungle-style capitalism, into a profit-maximizing machine, then everything start to fall apart. Thus, the organizational structure starts to develop several illnesses just to respond, as a blind

⁵ This outlook gave birth to the school of thought known as positivism, whereby “ideas only deserved the appellation of knowledge if they could be put to the test of empirical evidence” (Hughes and Sharrock, 1997: 29).

⁶ See <http://www.sonyclassics.com/insidejob/>

machine, to what is asking to do, and **only that**: produce goods and services maximizing the profits to the stockowners. That's it!

This structure and approach generates wrong spillover effects that can be summarized as follows:

1. *Stakeholders' dimension is diminished*, and only taken into account by social or legal pressure (in the vast majority of the organizations). It is not a secret that companies react to social responsibility, not pro-act.
2. *Work-Family Balance is downgraded*. Although every day more companies have family friendly practices, the reality is that when its time of 'diligence', the family goes to the toilet. This has several wrong consequences for the company and for the society as a whole.
3. *Infinite accumulation* by the stockowners without any ethical conflict. Skyrocketing inequality is the new (old?) game in town. GINI coefficients, worldwide, have not had a positive trend.
4. *Decisions are made against the well-being of the workers*, since the ultimate goal is to maximize profits. This well-being includes: environmental, financial, social and human. More people each day have an instinct feeling that they don't control their lives anymore (even if they do have a job). As WorldBlu states "1 out of 4 Americans believe they work in a dictatorship"⁷.
5. *Ideology permeates everything*. Anything that wants to create a change in this reality is seen as communist (evil-doers). Top-management thinks that the Corporation and the jungle-type capitalism is not the problem. It is just a problem of 'synchronizing' some forces.

⁷ See <http://www.worldblu.com/> visited January 5th 2013.

Little-by-little, changing the vast majority of for-profit legal status to a for-[social]-growth types will help stop⁸ all these social, structural and corporate toxic outcomes. Social entrepreneurship, B-Corporations⁹, and WorldBlu certified ‘democratic places’ are big steps—among others—that has been happening right now, and we are very happy to see this social-economic trend. That is necessary, but it is not sufficient. *Elitist mental models have to be changed*, and this is the core of this symposium. To make all of the participants aware of the existing of this mental models, either in themselves, but as important in the companies they work with or the ones they do consulting. A good example that only changing the legal status is not enough is to see the realities of some NGOs. Their organizational culture and internal climate are not outstanding (Largacha-Martínez, 2007). In addition, the salaries of some CEO's of non-for profit organizations are beyond the million dollars a year¹⁰. The four symptoms *must* be changed, not just one or two.

Within the Humanistic Management Network¹¹ we have been publishing some books that reflect part of this aforementioned thinking. In the second book “Humanistic Management in Practice” (von Kimakowitz et. al, 2010) the editors highlighted the foundations of business. This book is a collection of 19 companies¹² around the world that are human-centered in the matters of decision making, but that also have a financial sustainability. What it is more interesting is that all of them have better financial returns

⁸ It has to be said that at least, *in principle*, but as will be shown later in this paper, several real examples confirm that it is a possible reality.

⁹ See <http://www.bcorporation.net/>

¹⁰ See <http://www.charitywatch.org/hottopics/Top25.html> visited January 5th 2013.

¹¹ See www.humanetwork.org

¹² One of these companies is SEMCO, which is a great example of how to reduce inequalities within their workers. For example, the minimum wage at SEMCO is three times the legal one in Brazil, and the rate between the minimal wage and the top earner is about 17 times (see Largacha-Martínez, 2010). Also see Hamel and Breen (2012) that show that Fortune 500 companies have a 1 to 400 rate of inequality.

that the average of their industry, not to mention internal climate or turnover rate (Ibid.).

What the Humanistic Management proposes is:

They [the 19 companies presented] show how businesses can unite social value generation with financial success. One general prerequisite for managing a business along humanistic principles is the emancipation from a sole focus on maximizing profits. What these companies share is that they are managed as an integrated and responsive part of society by: a) Seeing that their organizational raison d'être includes the promotion of social benefit, for which business methods and market mechanisms are a means to support a specific end, rather than an end in itself; b) Submitting to the necessity of earning at least a sufficient income to be a self-sustaining organization but without succumbing to profit maximization as a normative criterion; [and] c) Maintaining the liberty to opt out of the application of the market rationality where this would conflict with or decrease the social benefits the organization seeks to create (Ibid., 3).

We think that if this non-accumulative capitalism happens, a lot of good things will happen concomitantly. As a conclusion of this paper, we can summarize this practical impact in the following themes:

- 1) **Reducing economic (and social?) speculation:** Economically speaking, it is clear that the 'invisible hand' is a fairy tale. The forces behind demand-and-supply are crisscrossed by the profit maximization motive. The speculation is also propelled by 'kill-the-other' type of competition. Speculation creates inflation that at the end

produces a lot of problems. In the long-term, commodities prices will be reduced and global social inequality too.

- 2) **Changing the paradigm:** Money does not generate long-term happiness. What drives us is not economic prosperity but passion, *callingness*, self-actualization or flow. The structural realities generated by profit-capitalism and competitive-corporations are not supporting a sustainable happiness. Changing this mind view will help achieve the non-accumulative approach since materialism will not be an end in itself. Thus 'having' will be replaced by 'being'. In addition, the "command and control" corporate paradigm will be changed for "sharing and renunciation" one.
- 3) **Avoiding "killing" the competitors at "any" cost:** since the ultimate goal is to accumulate, profit-maximization is a must. Hence, if my competitor is reducing my profits I will start doing non-ethical but legal actions. In marketing there are several stories about this. Good-faith actions go to the toilet. With these changes made, this will change as well, so companies will share since the social incentives are the ultimate goal, not to win a bigger share of the market.
- 4) **Motivation comes from asking "who is the other":** the workplace will be filled with participation, democracy and humanism. The non-accumulative paradigm will permeate the corporation and the CEO's mindset, so people will be intrinsically motivated (on the majority of the times) and not extrinsically (material drivers). In addition, people won't seek realization mainly in knowing who they are (individualism and egoism) but on knowing the other (cooperation, diversity).
- 5) **FBSI vis-a-vis NYSE:** This means, the 'Family Balance Social Index' is preferred to the 'New York Stock Exchange' (as a dissimilar way to put it). Family, in a broad

definition, is where deep emotional bonding occurs. Only in this space, values are ingrained, instilled, learned, and apprehended in the self. No wonder that we have this corrupted world. Since materialism is not the end goal, corporations are redesigned to allow families to grow. Healthy bonding will be possible.

- 6) **Equality and Sustainability is possible:** non-accumulative capitalism is not a flattened society, although it tends towards a less hierarchical one. The stockowners are not looking for profits but for wealth creation and human growth. But this wealth will be more equally distributed. Savings will be redesigned in order to have economic tranquility. Male-chauvinism will be part of museums.

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Capitalism and Management in the Age of Quantum Physics

The positive consequences of shifting paradigms in Concreto S.A.

Victor Hoyos

Last night I was watching my 14 year old daughter struggle with her Physics homework. Quite cautiously, I approached her, fearing I would have to face more of Einstein's work than I could explain. Watching *Down the Rabbit Hole*¹³ videos doesn't make me an expert in quantum physics, and I assumed this is what we would be dealing with. It was therefore no small surprise to find out that force, mass and acceleration were still the task at hand. Whether her school is falling behind or not, I was disappointed, as quantum physics is in my mind what should be changing the world altogether, starting by Capitalism itself.

Quantum physics has *scientifically* proven that changing an attitude or a paradigm can change the outcome itself (Capra, 2001; Zukav, 1979; Zohar, 1990). It is starting to change how we see things in many aspects in life, like science and health. Furthermore, its impending application to capitalism and management seems like an avenue that ought to be taken. This is a chance, a decision we have to make, and also the subject of this paper.

Let us start with the relationship between quantum physics and *normal* science, as Kuhn (1996) put it. As you read Bruce Lipton (2008) on what is now called epigenetics (see Francis, 2012), you realize that the power of our intentions, the ability to shift paradigms, and believing in things that you cannot *see* can drastically change the outcome.

¹³ See <http://www.whatthebleep.com/index2.shtml>

Healing ourselves from cancer, defying a genetic condition and other new age concepts are not as far-fetched as they seemed to be ten or twenty years ago¹⁴.

DNA tests may be far from obsolete, but there are pockets where concrete applications of what could be explained by quantum physics are taking place. For instance reiki (a nontraditional healing practice based on giving energy to another) has practitioners that are now available in some US hospitals to support and improve allopathic treatments. Recognizing the administration of energy in any way, shape or form is definitely a start, and down the road, alternative medicine may become a more mainstream part of health care in the near future.

The same should happen to Capitalism. Our leading economic model, Capitalism—like Newtonian physics—, is defined in linear terms: resources are limited—although sometimes treated as if they weren't—and those organizations who use them best, win. Per capita consumption of a given product or service determines how much a company can sell, but the model is saturated because we are basically running out of geographies and consumers to lure¹⁵.

Attempts at stretching the boundaries of the model, like the *Blue Ocean Strategy* (Kim & Mauborgne, 2005) tend to fall short, as looking farther away into new businesses with no competition—blue oceans—only buys time until that new space is tainted red. Take

¹⁴ Electromagnetic charges shifted by our intentions and presence alter our DNA; we can heal ourselves from previously known terminal illness, and in general, fulfill our highest potential by changing our individual paradigms.

¹⁵ At present, Colombia, one of the so called CIVETS markets, and the place I live in, is experiencing an unprecedented growth coming from foreign investment and companies trying to increase consumption to 47 million people which are quite behind in their consumption indicators.

Apple and the late Mr. Jobs for instance, a great success story that turned a nerdish computer company into a mainstream technology and design master. This example, along with enterprises like Cirque du Soleil, was hailed as Blue Ocean standard. However, in a short period of time, this advantage has been lost, and Mr. Tim Cook is now dealing with very clever competition—like Samsung, patent infringements, labor conditions in China, and a red ocean that is likely to make technology consumption a marginal element of economic recovery.

Now to management within capitalism: the same linear connotation applies. Rewards and promotions are limited within the ranks, and only those managers that achieve their numbers will succeed, and they will do so at any cost. In a linear environment, linear behavior will follow (Semler, 2003). Managers under high pressure cannot afford to treat their people well or to invest in talent/leadership development. Achieving results means burning executives as a necessary evil. Up and rising managers in the ranks see that only through *cracking the whip* do results happen, and they learn to do the same, perpetuating a vicious cycle, to this day. In short, savage capitalism unfortunately implies savage leadership (Secretan, 1997; Spitzeck et.al., 2008).

However, isolated examples where paradigm shifts are taking place exist, with seeming support from quantum physics. In my leadership consulting practice, last year I was privileged to witness such feat. I had the chance to meet and support Juan Luis Aristizabal as his executive coach, the vibrant CEO of Concreto, which is the most profitable construction firm in Colombia and key markets in Latin America, and an example of resilience, innovation, and more importantly, *paradigm shifts*. What makes this company great is the fact that this firm filed for Ley 550 (the equivalent to Chapter 11 in the US), ten years ago.

Concreto goes back to 1961 when local families in Medellín incorporated a construction firm and had a spectacular growth cycle that lasted 40 years, going from a small construction business to a giant infrastructure and megaproject mogul. However, in the typical red ocean, linear scenario, construction as a business became commoditized, and with a few unlucky megacontracts assigned to competition during a recession, in 2001, bankruptcy was around the corner. This is where Juan L. comes in. A family heir that had been purposely out of the business was dragged to lead it when it faltered most.

Most managers in charge of bankrupt companies chop it up to pieces, cut costs in unseen ways, and all in all, follow a linear approach to the P&L. Mr. Aristizabal chose not to. Two important elements became part of the turnaround strategy: modify the business model from bricks and mortar to construction services—a very leading edge strategy at the time, and to *shift the paradigm* of having to get rid of old school engineers in favor of young executives that could develop the service strategy, having them coexist and collaborate.

The paradigm shift proposed was hard but ‘simple’: *recycle* engineers. This is, to turn 55 year old directors and vice presidents—mainly engineers—of the traditional construction business, into visionary executives of a service business that could blend and interact with young executives without jealousy or turf wars (see Largacha, 2010). Trading in helmets and boots for leather moccasins is no mean feat in so-called developing markets environment, but this paradigm shift has allowed for amazing results: expertise of 25+ year engineers is used in the nimble and tenacious manner of an undergraduate rookie. Both population groups keep each other on their feet.

Quantum physics is related to this paradigm shift: if you take a 55 year old engineer headed for retirement and challenge his belief system, this person starts to question whether professional life is over at this time, and does not have to sit in disguised fear clinging on to a seat in a showdown with management. As the belief is rewritten (from “I am 55 so I am useless” to “I am 55 so I am useful”), repressed energy is unleashed, and this person can, and will play the game for 10 more years against all convention, learning the service business, and contributing beyond expected “life cycle” of an executive. There is literally a change in the vitality and perspective for these people (Hoyos, 2011).

Notwithstanding the cost savings of this paradigm shift, an immense expertise bank has been built, and in another ten years, the batch of young executives will have been able to take over from their *yodas*, a luxury that is seldom seen in business these days.

Conconcreto has been able to defy convention and continually hit their numbers, for ten years running. With a more complex environment, and construction service firms coming into Colombia, this differentiation is crucial. Conconcreto continues to lead, and it seems the Red Ocean is not catching up with it. In fact, Conconcreto has last week successfully completed a second share issue, transitioning from a bankrupt privately owned company to a healthy and strong publicly traded firm in ten years.¹⁶ Market value for this company has grown tenfold, its net profit has increased 300% and the holding of construction service firms from a bricks and mortar type firm is now a reality with more than 11 companies that cover the whole construction value chain from real estate to property maintenance is not easily copied by competition.

¹⁶ For more information visit www.conconcreto.com, and www.bvc.com.co. Conconcreto trades as DHCCONCRET and CONCONCRET

When asked about his secret for success, Mr. Aristizabal's briefness says it all: "my job is to get out of the way and shift paradigms."

Shifting paradigms is in fact the only way our economic model can change. Only when investors start rewarding those who do, will the market altogether see things in a different light. And these changes are implemented by managers. Managers are the trustworthy guardians of the bottom line for the system, and when they are willing to risk their stability to act responsibly and expansively, and still deliver sustainable results, we are on to something. No external guru writing books¹⁷ (Presence, Energy Leadership, etc...) can convince Wall Street or the markets in general, more than results themselves.

¹⁷ Presence: Human Purpose and the Field of the Future, by Peter M. Senge, C. Otto Scharmer, Joseph Jaworski and Betty Sue Flowers

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The Humanist Experience: You Go First!

A philosophical approach to Humanist Management in a capitalist world, based upon my executive coaching experience

Santiago Mariño

Since the first time I had contact with the concept of Humanist Management (see von Kimakowitz et.al., 2010), I have conceived it as the “nice guy” management style, based upon the value of the human being as a holistic system rather than as a resource. Although I honestly believe that being nice is a much simpler and effective way of getting out of people the best from them rather than being dictatorial, I feel that it is not as simple as it sounds, basically because you can’t be *nice* to people when you have an inner emotional turmoil, as most “dictatorial bosses” do (see Owens & Hekman, 2012), hence having your own beliefs about life working for you and not you for them.

You can’t give what you don’t have, says popular wisdom. So, if you want to become a congruent Humanist Manager, you first should take a look inside yourself and learn to *be nice to you*. However, it has always been easier to see the speck in our neighbor’s eye and not the beam in our own, so it is much easier to tell anyone their character flaws rather than recognize the ones that exist within us. This happens because, since children, our life has developed as a constant protection of our vulnerability. As adults, most of us are terribly afraid of admitting to ourselves and to other people that we have unresolved emotional issues, that we also have feelings, and to look “weak”. In summary, half of what makes a human being “human” are emotions, which in our corporate culture are considered weaknesses (Goleman, 1998). This is the first obstacle in becoming a

Humanist Manager, and the obstacle is nowhere but in us. The first sabotage comes from within.

Ego is nothing different than a layer around our essence, an invisible shield built up to protect our vulnerability from the exterior threats, basically other people's judging (Senge et. al., 2008). Ego resists looking within, it's natural, its function is to look outwards, and looking within makes it very uncomfortable. If ego's function is to assure "safety", then its natural tendency will be to maintain states that have been proven to be safe. This state is called "our comfort zone", and this is why we experience such reluctance when forced to move out of our warm, cozy, well-known *comfort zone*.

But there has been no change in the world that has not involved someone moving out of their comfort zone. Life has managed very well throughout history to force humanity out of its temporary comfort zone, which has to do specially with thought patterns, in order to enhance evolution (Maturana & Varela, 1992). Otherwise we probably would still live in caverns, surviving only on basic instinct, because that was what we first learned to do. In this process of looking within, the exploration begins on one's beliefs (Senge et.al. 1994), on our own interpretations and defined meanings about what we think we are, about what life is, and about what, in general, reality is about.

So far there has been nobody that can genuinely prove that s(he) is the owner of *Truth*. Throughout history there have been many wars around defending any of the credos based on these beliefs, and as we all know, today these wars continue. Therefore, everything these wars have fought for are nothing else than human beliefs and interpretations. Acknowledging this offers us a wide open perspective from which we can freely "choose" exactly what we want to believe in.

If all our judgments about life are based on the information we have in our brain, and this information is the result of a lifetime of educational influence from many sources, family, society, school, media, religion, etc., hence forming our belief system, and since all this information is nothing different than other human beings' beliefs transferred from generation to generation, why not choose to accept the beliefs we have found yield peace, love and harmony into our lives and question every other belief that doesn't?

As logic as this process would seem, it is not easy to do. Questioning our own beliefs, and specially changing them, requires a high degree of braveness (Argyris, 2010). This is because most of the people that reach a management position in a company usually have a career behind them that has taken years to build. These careers, usually, are based upon corporate principles that come from many years behind, the generation to generation process, and questioning these principles implies "risking" everything they have been working for. Hello! You are your first obstacle!

Our corporate culture is focused on results, and there is nothing more important for a sales manager than fully executing the budget negotiated with general management at the beginning of the year, his image (ego, safety) would be in risk if he does not comply. So, every month the goal is to honor the budget at the end, and all activity is done keeping this in mind. This is another way of saying "I will be happy in the future", because right now I'm not. Ego believes he will always be happy *in the future*, this is why it is so difficult for us to focus on the present moment, on the process rather than on the result, and this is why we are never happy for more than a short period of time and we are constantly bouncing on an emotional pendulum. We are looking at the wrong place it seems. We keep our attention on expectations—future, rather than in the moment—present.

On occasions, when I have shared this example with some of my coachees, some have replied saying that if we should never expect results, then there would be nothing to live for. This is a misinterpretation. Not focusing on expectations doesn't mean not to have expectations at all. It means that once the goal is defined, expectation for it must be let go and instead you must begin doing what must be done focusing attention on the process and not on the expectation for a result. There is always a part of the process that is not in our hands, there are some things we cannot control, this part of the process we must *leave it to the Universe*. The result, at the end, is yielded not only by our actions but also by the variables we don't control. This is why focusing in the result—the expectation—is quite useless and rather we should focus on the process. This is a way of generating well-*beingness* right here, right now, and of getting free of the paradigm of being happy “in the future”, which feeds the need of more and more accumulation, which is the basis of pure and tough capitalism.

Looking within us is a hard process, but necessary if a change is desired in our thought patterns. A leader must start with her. How can s(he) be thinking on humanist management, how can s(he) as a leader become a means to other peoples' well-being at work if s(he) cannot provide herself with what s(he) intends to provide to/for others? First become a leader to yourself. First inspire yourself and then go and inspire others. This is what being harmonious is all about.

Rules are important, but example is the great stimulus, as late Zig Ziglar (2007) would say. If you, as a leader, want to create a well-being environment in your company, begin by showing with yourself how to live well. Remember Ghandi (2002) when he said *be the change you want to see*. A humanist manager, foremost, has to be a brave manager,

has to give herself the opportunity of honoring his essence. This is how you get something to give.

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