Management models are intrinsically related to the worldviews shared by society and the predominant technological and economic environments of a given time. These worldviews not only determine the way businesses are managed and run, but also the values that guide their strategies and the purpose that they serve in society. In theory, the more the worldviews that guide a certain organization adhere to the values of the social and economic macro-environment of a given time, the more easily they can promote favorable interfaces for the prosperity of their employees and consumers.

A pivotal milestone for business as we know it today was the Industrial Revolution of the 18th century, while a pivotal milestone for company management took place at the beginning of the 20th century (with Frederick W. Taylor in the United States and Henri Fayol in Europe). In terms of worldviews, these two milestones correspond with the emergence of the orange level of consciousness in businesses while embedded in an urban society that was predominantly at amber altitude. This tends to make the public associate all business manifestations with an orange altitude mentality. However, since worldviews are structured according to tiers of consciousness, we know that orange altitude only emerges after the base levels of infrared, magenta, red, and amber have been reached. Looking back in time, we can see that many premodern economic and social manifestations still permeate modern and postmodern organizations, regardless of how advanced their processes may be.

Today, we are under the growing influence of green altitude, which began to proliferate in the mid-1960s. The trend to renounce or, more commonly, question the level of consciousness immediately prior to the one being operated from is a common facet of first-tier levels. The general impact of the emergence of green altitude has led to resounding questions about the motivations of organizations at orange altitude. Thus, businesses have received a fair share of criticism in the past few decades, which has been legitimized by the increasingly powerful evidence of the global impact that business practices have had on the environment. However, as green is still a first-tier altitude, its criticism of business practices tends to be indiscriminate. As it cannot perceive subtleties and differences in levels, these criticisms tend to attribute to orange the patholo-
gies of all other levels, such as the protectionism and exclusion of magenta, the opportunism, slavery, and exploitation of red, the hierarchical strictness and control of amber, and so on. However, green practices have also made significant contributions to business: the concept of sustainability (i.e., triple bottom line), social businesses, improved relationships in the workplace, social responsibility, and the recognition of quality of life in the workplace are examples of the immense good that green has brought, paving the way for a healthier and more beneficial future for businesses and society.

A curious phenomenon that can be observed today is the tendency for predominantly orange organizational cultures to take hold of certain aspects of the growing influence of green in society and emulate those values. Many organizations operate from well-known orange principles in business administration but add timid supplementary green strategies such as “social responsibility” departments that operate parallel to the organization’s core business. They may implement human resources practices aimed at improving the work environment to make it a “great place to work,” thus providing a “green veneer” that does not meaningfully impact management practices.

Consistent manifestations of healthy green practices in both business management and in new socio-economic and cultural models are worth discussing. Some examples of these manifestations are the professionalization of NGOs; the emergence of social, inclusive, and shared-value businesses; concepts such as Impact Investment, Capitalism 2.5, and Slow Money; and an increasing commitment to sustainability by global companies such as Whole Foods, Natura, Patagonia, Timberland, and Interface, among others.

Although pluralist, the green worldview bases its identity on a “separate I.” Green leadership idealizes organizations as a closed system—a living organism endowed with a “unified I” that emerges from employees and processes that are “on the inside” and interact with people and other organizations “on the outside.” The inconsistency in this metaphor lies mainly in the understanding that in a living organism, cells operate the entire time inside the body, whereas an organization is composed of individuals with a high degree of autonomy (even if they do not always exercise it)—they may resign, work for other organizations, or embark on different careers. People do not spend 24 hours a day in organizations and do not live for them. This fact implies a major difference between the organization and the behavior of a business, which adds a level of complexity not found in a living organism. This view of an organization has a direct impact on the tendency to lose flexibility, on the tension caused by suppressing conflicts, and on the “fossilizing” of processes and productivity due to the underlying idea that an organization must build its decisions from absolute consensus about its values.

**Integral Business**

From the Industrial Revolution to the present, organizations in developed countries have had reasonably stable technological and economic environments in which to flourish and expand. We now see the great inventiveness of businesses in generating prosperity, knowledge, technology, and products and services. We can also witness the disastrous consequences that this amplified capacity, when associated with less-than-conscious intentions, has caused in environmental and social terms. However, it would seem that we are undergoing a great transition as a species, probably a lot greater than the Industrial Revolution itself, and this shift inevitably implies deep changes in the way organizations operate and conduct themselves.

This need for essential changes in business is evident given the statistics, which point to an average lifespan of 40 to 50 years for large companies (De Geus, 2002). This fact reflects the low capacity of organizations to adapt and evolve in relation to the reality of today’s world, an outlook that is set to become increasingly true given the growing complexity and uncertainty of our times. Many factors contribute to this outlook of growing uncertainty that challenges the survival of organizations and questions their role in society, among them:
The successive crises in the financial markets and their impact on the international economy

Political polarization and the risk of war and terrorism

The environmental and natural resource crisis

Post-internet cultural and behavioral changes and the increase in the number of people guided by second-tier worldviews

MIT economist Otto Scharmer is one of the voices that clamor for a profound review, as the crisis is not only socioeconomic and environmental, but also one of values and meaning:

I summarize this in three figures … The first figure represents our ecological crisis. Although we have only one planet Earth, we degrade our natural capital on a massive scale, using up the resources of 1.5 planets just to meet our current consumption. The imbalance manifests itself in the scarcity of water tables, in food prices that skyrocket. The second one represents our social crisis. Two and a half billion people live below the poverty line. Number three represents the magnitude of our spiritual crisis and reveals growing rates of depression, exhaustion, and suicide. According to the World Health Organization, in 2000, three times as many people died from suicide compared to those who were murdered. (O Estado de São Paulo, XXX)

What is certain, however, is that many factors point to the impossibility of sustaining old standards, whereas others, such as the flourishing of a new economy with second-tier values based on flexibility, virtuality, and fluidity, point to new possibilities for the future of organizations and businesses.

We can see, for example, the emergence of new patterns, most notably in Silicon Valley–based businesses, where the traditional planning-and-control model has been replaced with an approach that is more adaptive and compatible with workers’ realities. Concepts such as permanent beta, prototyping with a minimal viable product, and abolishing fixed annual targets show the beginning of what may come to be a new management protocol for second-tier companies.

Also worth mentioning are Brian Robertson’s Holacracy, Otto Scharmer’s Society 4.0, and Gary Hamel’s initiative with the Management Innovation eXchange, which chronicles the innovative business management actions of companies such as Google, Facebook, Atlantis, Morning Star, and W.L. Gore as refreshing signs of a new vision for business.

We do not know exactly the direction that businesses will take, since we are in an “eye of the hurricane” of global uncertainty. However, we can affirm that the Integral approach may point to consistent paths and guide the co-creation of business models for future generations. These models are based on the second tier of consciousness, and as such are much deeper, more comprehensive, flexible, responsible, and capable of combining the needs of individuals and systems for high performance and sustainable results. Integral businesses will only emerge after second-tier levels of consciousness (teal and turquoise altitude) are achieved in a sufficiently large group of leaders.

At the second tier of consciousness, a business is an open system (similar to an ecosystem). It is composed of individuals who are relatively autonomous and interact at all times in a fluid way at many levels; these individuals generate experiences (tangible and intangible products) essential for maintaining the operation. According to this view, an organization is much more permeable at many levels to the “external” environment, and is exposed at all times to fluctuations in the macro-environment to all sorts of uncertainties. The cohesiveness of the system is attributed to subtle intrinsic factors, which leaders recognize much more as strategic factors than the traditional management control and measurement systems. Second-tier busi-
nesses demand from leaders the ability to simultaneously hold multiple perspectives and act with constant
diligence—supported by solid governance practices and stakeholder engagement—thus orchestrating several
levels of interaction, including subtle and subjective aspects that honor deep contexts and meaning. Barrett
C. Brown’s (2011) research on leadership outlines a brilliant profile of the essential competencies of this new
type of leader.

With such a complex foundation, an integral business must be led by individuals who operate predomi-
nately from second-tier consciousness, supported by organizational values that are molded around second-tier
precepts and structured around a management model that follows this multidimensional and integral view of
an organization.

The Integral Management Meta-Model

In the history of business administration, the evolution of management models has always occurred as an
adaptive response to the macro-environmental challenges of the period, but with the implicit aim of main-
taining a conventional modern worldview (orange altitude) with its individualistic, materialistic, mechanistic
worldview. Below are the main schools of management and their chief contributions:

- **Scientific Management and the Classical School** (1890–1940) concentrated attention
  on productivity in order to meet the challenges of mass production. Their models
  developed task specification, division of labor (people and tasks) for performance,
  standardized rules and operations, skills/abilities versus needs, and payment systems
  that linked performance to reward. That is, their main contributions focused on the
  contributions and well-being of the Right-Hand quadrants.
- **Administrative Management Theory** (1890–1980) introduced the concept of bu-
  reaucracy: formal authority, hierarchy, meritocracy, responsibilities, standards of
  conduct, equity, discipline and stability, further emphasizing the supremacy of the
  Lower-Right quadrant.
- **The Behavioral School** (1920–1990) elaborated several concepts and factors that
  impact behavior (e.g., empowerment, cross-functioning, power through knowledge,
  attitude toward leadership, human relations, behavioral training, informal organiza-
  tion), thus shedding light on many aspects of the Upper-Left quadrant, but reducing
  them to the Upper-Right quadrant and to the purposes of the Lower-Right quadrant.
- **Management Science Theory** (1940–1990), which emerged during World War II,
  was greatly influenced by the production needs and technological leaps of the pe-
  riod, and emphasized operation and efficiency with the concepts of Total Quality
  Management and Management Information Systems—a vision largely directed at
  the Lower-Right quadrant.
- **Organizational Environment Theory** (1950–2000) finally started to look at organiza-
  tions as open systems. However, this systemic view, which introduced concepts such
  as synergy, contingency theory, and organic systems, also reduces everything to the
  Right-Hand quadrants.

In the age of knowledge that has followed in the wake of the Internet, multiple models arose based on
knowledge management, chaos theory, systems theory, complexity theory, and biological and quantum mod-
els. These models were born with a postconventional configuration, but collapsed in their attempts due to the
disconnect between new objective realities (Right-Hand quadrants) and their still conventional premises and
worldview (Wilber, 2003).
In short, the current models contain greater complexity and more aspects of reality, but do so with the same reductionist, fragmented logic that subordinates individual needs to collective demands (i.e., absolutism of the Lower-Right quadrant), which explains in good part several of the crises previously mentioned. There is general agreement among leaders of the integral movement that there are no organizations operating at a truly integral level. However, there are many individuals in transition or already stable at second-tier who think and act in pursuit of solutions for the problems faced by organizations operating from first-tier worldviews.

For these professionals (consultants, executives, entrepreneurs), an organizational model based on the Integral approach might be an important reference for enabling observations (diagnoses and critical views), thoughts (formulation of strategies and creative paths), and interventions (leadership and operational capability) aimed at enhancing the level of consciousness at organizations in all of their dimensions.

With that in mind, the Núcleo de Negócios do Instituto Integral Brasil [Business Division of Integral Institute Brazil] devised an Integral Management Meta-Model based on the Natura Management System.

Why a Meta-Model?
Due to the high degree of complexity in large corporations—whose spectrum of operation is extremely broad, thus demanding an equally broad management model—the need arose to develop a meta-model (i.e., a more comprehensive organizational model that can be adapted to any type of corporation, thus maintaining the cohesiveness of the larger system).

The aim of the Núcleo de Negócios do Instituto Integral Brasil is to propose a reference model that is applicable to the components and operation of any type of organization. In the field of management, the meta-model concept is the most adequate for this purpose. Because of its focus on basic common denominators, the meta-model is also intended as a model useful for small and mid-sized organizations, think tanks, social companies, and for future organizations operating in emerging technological and economic environments.

Why Integral?
The meta-model presented in this article reflects the precepts of the Integral framework and therefore aims to be comprehensive, detailed, and non-reductionist. It has been devised from a developmental point of view, with values based on critical inclusion (not on eclectic inclusion) and considers levels of depth that orient business practices toward a field of greater meaning, thus creating a greater capacity to respond to today’s greatest challenges.

At the end of this article, there is a brief description of the correlation between the Integral model as originally devised by Ken Wilber and the Integral Management Meta-Model. Using the Integral model as an evaluative lens, we recommend that researchers conduct detailed studies in the business field to observe the effectiveness of the meta-model, thus increasing the applicability of both integral maps.

Although this article presents a linear description of the Integral Management Meta-Model, we note that all of its components are interrelated and that organizational dimensions tetra-arise. Therefore, a certain component may be viewed as a “thread in a tapestry” and from there its relation to the other components can be unspooled in any direction, taking into consideration the germane levels and dimensions (quadrants).

Possible Uses of the Meta-Model
In addition to being a tool, the Integral Management Meta-Model is a description of the life of organizations. Hence, it contributes to the internalization of a second-tier worldview as it is studied and applied by researchers, consultants, and managers. As the model becomes more broadly understood and implemented, there will be greater possibilities for its creative and practical use. For example:
• As a model for start-up companies—the sooner guidelines are implemented in a process, the greater the chances they will be successful
• For research and case studies—thus increasing knowledge in the field of business and management, guided by the integral vision
• As a consulting model for companies in search of a more sustainable evolution model—thus serving as a tool for diagnosis and intervention
• As a syllabus for general training courses—thus contributing to the dissemination of knowledge guided by the integral vision

Components of the Integral Management Meta-Model

From an integral point of view, a good definition of a business might be: “An open social system composed of individuals and their relationships, with shared values and purpose who promote experiences that support the development of society.” This definition is directly related to the ability to perceive an organization as a holarchic open system, whose results (whether financial return, environmental impact, social impact, human relations, or quality of life) affect the whole of society, as well as the organization itself and the individuals as part of society (Fig. 1). In other words, profit is the positive result of an organization measured by the sustainability of its work in society in all of its aspects.

Increasing complexity environment

![Diagram of the Integral Management Meta-Model framework.](Image)

*Figure 2. The Integral Management Meta-Model framework.*
Organizational Management and Dynamics

Understanding the essential dynamics of an organization’s operation helps us understand how healthy management should take place. As we know, an organization may be considered an open social system. Open because it is affected by an environment of increasing complexity, in all its dimensions and levels, in the form of data, interfaces and uncertainties. The fact that an organization affects and is affected at all times by the environment in all these dimensions is a truly important point that should not be overlooked. For example, when an organization sets targets for its employees beyond their control (and therefore beyond their real responsibility), it generates serious tension that affects the individuals and their relationships within the organization, which inevitably spill outside the organizational environment. This is only one example of a distortion that commonly takes place in organizations of virtually any size.

The complexity of a larger environment may generate entropic influences, when they are unfavorable to the organization’s purpose (e.g., a company that manufactures baby products in a market where the birth rate is decreasing), or syntropic influences, when they are favorable to the organization’s purpose (e.g., the solar panel industry in a society with growing environmental awareness). These influences cause tension between the organization’s current position and the desired position in the future (Fig. 2). From this perspective, management is the method applied by an organization’s leaders to eliminate the tension between the current position and the desired position in the three dimensions of the organization (individuals, relationships, and operations).

This dynamic is known in Holacracy as dynamic steering and is a revolutionary concept in that it makes the traditional top-down management practice obsolete, substituting a “push” for a “pull” strategy. The impact of this dynamic is felt by the decrease in the artificial pressure exerted by leadership, which is substituted by healthy tension distributed throughout the entire organization. This tension translates into a space that allows for constant learning and makes the organization potentially much more adaptive and agile—a “school” with great potential for innovation. Once the essential dynamics of an organization’s management operation are understood, we can move to the main components present in any type of business.

Organizational Identity

To begin with, we have the organizational identity, which is the persona of a given organization, summarized in the expression of its values, mission, and vision, and which is ideally perceptible in a way that is consistent with its culture and brand. The more clear the organizational identity, the greater its ability to attract and “belong” through the maintenance of a morphogenetic field inherent to the organization.
integral consciousness, evoking the zeitgeist of an era that is yet to come. In expressing this pioneering nature, they will have the capacity to attract innovative individuals who operate from second-tier value systems and thirst for interfaces that will allow their full expression.

The values of an organization are expressed through the set of beliefs that unify a perspective or the filter through which an organization and its employees interpret the complexity of the environment. Often, the values of an organization are not explicit or do not represent the true values adopted in decision-making processes, mainly due to a difference between the disclosed values and those supported by the center of gravity (i.e., level of consciousness) of its employees. These individuals in turn reproduce their own values in the system, creating a loop that deviates even further from the actual practice of official values, leading to difficulty in establishing a cohesive identity for the organization and pervasive communication problems.

Maintaining a center of gravity at second tier is one of the greatest challenges faced by aspiring integral organization. There are many examples of organizations born out of their founders’ innovative vision, but which then lost part of their essence in the generations that followed. Such is the case of Hewlett-Packard and Apple (in spite of Steve Jobs’ controversial personality, it is hard not to acknowledge his obsession with integrating technology and human experience is clear evidence of second-tier vision). The relationship between Jobs’ vision and Apple’s identity, which is well explored in Walter Isaacson’s (2011) biography, is an example of this challenge. In Brazil, Natura is a company whose identity was inspired by thinkers such as Plotinus and Teilhard de Chardin, but after its founders left, the company’s leadership faced the great challenge of aligning its identity with its practices.

Shadow is an incredibly relevant theme in management, yet one that is often overlooked. It pervades nearly every aspect of an organization as a direct result of denying impulses that diverge from the organization’s values and identity. These rejected impulses take place “underground” in corridor conversations, spying, rumors, power struggles, and Freudian slips. The high cost of these conflicts goes without saying.

A paradoxical problem for second-tier organizations is the potential of shadow manifesting in all previous levels. The ability of an organization to recognize shadow and create a context in which this energy can be healthily reintegrated into the system—for example, by incorporating practices such as the 3-2-1 Shadow Process as outlined in Integral Life Practice (Wilber et al., 2008)—is one of the aspects that differentiates second-tier models from most current management models.

If values are what an organization deems important, its mission is what makes it important to society. An effective mission statement must be established as a commitment to meet an essential need of society, as the organization will then have greater flexibility to reinvent itself, room for innovation, and the capacity to survive in the long run, regardless of changes in the technological and economic environment. For example, an organization whose mission is “to produce quality images” has a greater chance of survival in the long run than an organization whose mission is to “to produce quality cameras.”

Whole Foods is an example of an organization that has emphasized how it has been guided by its mission, as seen in its declaration of interdependence: “We are a mission-driven company that aims to set the standards of excellence for food retailers. We are building a business in which high standards permeate all aspects of our company.” Another example worth noting is Natura Cosmetics’ Razão de Ser [Reason for Being]:

To create and market services that promote Well-being/Being Well. Well-being is the harmonious, pleasant relationship of an individual with his/her body. Being Well is an individual’s empathic, successful, pleasurable relationship with the other, with nature, which he/she is a part of, and with the Whole.

For a business to be second tier, a vision of the organization based on its values and mission before
A vision like “to become a market leader” implies positioning the organization in relation to the competition, which may drive it away from its core values, thus bringing ego into the equation and subjugating the organization’s identity as a whole. On this topic, an interesting read is W. Chan Kim’s and Renée Mauborgne’s (2005) well-known Blue Ocean Strategy.

As time goes by, the individual behaviors and collective rites and symbols adopted by the organization create its culture (Taylor, 2005). An organization’s culture is a subtle and relatively autonomous pattern that may, to a greater or lesser extent, reflect its values, thus affecting its identity. Like the values established, culture is a morphic field deeply rooted within time that influences habits and becomes an important factor of resistance to change (even if the changes are positive for the organization and for society). For this reason, leaders must always quickly identify and correct patterns that are not in line with the organization’s identity before they become deeply rooted habits that jeopardize the organization as a whole.

The identity of the organization is expressed by its brand. A brand may be understood as the expression of the organization’s identity in any contact experience an individual might have with it. A second-tier organization understands that its brand’s reach is directly related to its ability to map and look after the innumerable points of contact between the organization and the macro-environment. A brand is experienced not only during a Super Bowl commercial break, for example, but also in its lawyer’s position before a judge and in a delivery truck driver’s behavior. As brand consultant Ricardo Guimarães (2009) of Thymus Branding has stated: “Not only clients, stakeholders, staff members [are included] but also the press, regulating bodies, the families of staff members, NGOs, capital markets, and so on. We call this totality of the general public a ‘Brand Ecosystem’ and it is in this context that the company acts and where its value is perceived.”

Brands can generate deep connections with archetypes in the collective imagination. An organization can recognize the archetypes that define it and strategically strengthen its branding position through them, as argued by writer and consultant Carol Pearson (2001): “Mythic stories are like bridges that connect people and organizations with the best, most authentic and most distinctive parts of themselves.”

Organizational Perspectives

Every organization can be understood from three perspectives or dimensions that exist and emerge simultaneously: individuals (“I”), the relationships between individuals (“We”), and the organization of management processes and procedures (“Its”). These three dimensions have particular characteristics and their own development, but they are indissoluble and influence each other. Integral leadership must therefore give the same importance and pay equal attention to each of these dimensions, whether in the formulation of strategies or in actions and learning based on the results obtained in these three dimensions.

Today, we see leaders giving unequal treatment to these three dimensions. The emphasis is usually placed on the organization’s collective dimensions (i.e., in procedural, economic, social, and environmental results). The dimensions of the individual and relationships are seen as a “means” to obtain impersonal and objective organizational results. This outlook stems from a mechanistic and rational worldview, which is characteristic of first-tier consciousness.

For Integral Business, the Upper-Left and Upper-Right quadrants are extremely important. Individuals play a role in the organization with their physical, emotional, subtle, and causal bodies. As an employee or a partner, individuals express themselves by performing their functions and by resolving tensions generated during the process of the organization’s evolution to higher levels of complexity. The bond of a given individual with the organization is established, more than any other factor, by a psychological contract.

This psychological contract, a concept initially introduced by organizational and behavioral theorists Chris Argyris (1999) and Edgar Schein (1979, 2010), is established through the connection of the individual with a given organization. It is based on the subtle meaning individuals attribute to their role and to the value
of the organization, which involves an understanding of their purpose in life. An integral organization will make constant efforts to carry out selective processes and corporate education programs that promote greater consciousness for individuals regarding their personal purpose and their connection with the organization. The deeper and more all-encompassing the individual perceives her role to be, the greater her capacity to withstand doubt and the greater her openness to learn. An individual who attributes Kosmoscentric meaning to her experience will allow more space for knowledge than one who views it with an ethnocentric lens. (This factor makes the development of the values and spirituality lines an important goal of a second-tier organization’s human resources staff.)

An individual’s openness to learning is what defines the possibility of widening his mental model (i.e., the cognitive line, which allows individuals to sustain multiple perspectives). The mental model is of great importance for communication and learning in organizations and must be seriously considered before conducting any education initiative. A mental model also plays a role in configuring the individual to his role within the organization; however, it is also a space for resistance to change and a bias factor. Integral organizations will perceive an employee’s dissatisfaction as a consequence, not the cause of a problem, and will deeply probe the case on a vertical basis (i.e., from the psychological contract and mental model) as well as a horizontal basis (i.e., inadequacies in the relationships established and role within the system).

A “property” (amber altitude) contract, in which the worker offers loyalty in return for security, is still common in companies. However, it is more common for modern businesses to offer a “transactional” (orange altitude) contract, whereby the worker offers performance in return for status, self-esteem, money, and power. Second-tier organizations, on the other hand, will seek to sign psychological contracts of “construction of meaning and shared value,” by which a shared purpose between the individual and the organization and a contribution of value in consecutive cycles of evolution is expected. At Natura Cosmetics, this approach has become the process by which every worker explicitly builds and negotiates an individual development plan.

On the relationship between individuals, purpose, mental models, and motivation, we recommend Drive by Daniel Pink (2011), Boundaries of Intelligence by Nilton Bonder (2010), and Man’s Search for Meaning by Viktor Frankl (2006).

Relationships form the interpersonal dimension of an organization. This dimension refers to the ability of individuals to interact toward a shared purpose or task, regulate power relations, and develop affective bonds. Many modern organizations experience serious problems with internal competition because they do not promote integration among individuals and the various divisions of the company. Promoting such integration depends, among other factors, on an orientation based on higher values by an active and responsible leadership and on work that is deeply qualified in the realm of the individual.

Purpose is regulated by power relations, which are political dispositions that regulate the decision-making processes within an organization. Power relations may vary from organization to organization in their level of flexibility, reliability, and ability to diverge. When poorly managed, they can destroy relationships due to a pathological hierarchy of dominance, something that is frequently related to how individuals and groups relate to the role of authority. On the other hand, weak power relations may mean disengagement and disorganization due to lack of clarity regarding the roles within the group.

A few cases of innovative practices that seek alternatives to power relations and aim at strengthening teams, thus freeing up the potential of relationships in the organization, can be seen in models developed by MorningStar Farms and W.L. Gore, which are true inspiration for second-tier organization practices. These organizations seek to deconstruct the conventional culture that focuses on the individual as the “performance hero,” substituting him for the group’s performance strength, which is much more appropriate for carrying out complex tasks.

Finally, relationships become stable when the affective bonds between individuals in the organization are informed by mutual trust, respect, and appreciation. If well established, these bonds allow the emergence
of healthy differences that improve learning, generate cohesion, and stimulate intimacy. Affective bonds are highly desirable for second-tier organizations because better results tend to come from a diversity of people; this diversity only arises when conflict occurs in an environment of trust, which is itself created when individuals are willing to make themselves vulnerable. Thus, a second-tier organization will cultivate open expression among its employees.

The third dimension of organizations corresponds to its interobjective processes and structures (Lower-Right quadrant), which we normally call systems or organization. This dimension is certainly the most recognized and developed in modern-day businesses. Many business problems and challenges stem from the reductionist view that favors this dimension and distorts or subjugates individuals and relationships, merely treating them as means or resources to obtain objective operational results.

In Requisite Organization, Elliott Jaques (2006) claims that the focus of organizational development must be on the revision of its systems, as they define management capacity. We really do see that the majority of current models are not sustainable given the problems commonly found in today’s global companies. Many organizations mix network designs with traditional hierarchical structures, which results in serious challenges for balancing horizontal fluidity, and for a holarchy able to sustain different levels of complexity. Holacracy is a response that can be adopted in technology-light organizations or those focused on services, but it seems to not yet be mature for large-matrix organizations.

An organization’s vision serves as a subtle connector for both individual purposes and purposes shared among the organization’s members. The vision then informs a global business strategy, which comprises the choices coordinated during decision-making processes (governance), which in turn translates the vision into real results. In second-tier organizations, strategic planning is potentially much more sophisticated and refined because it is formulated based on a more complex (vertical coverage) and broad (horizontal coverage) view of reality.

Perhaps the greatest challenge for second-tier organizations is efficiency in executing highly complex strategic planning in a macro-environment whose center of gravity is at a lower level, including a considerable portion of employees and/or stakeholders who are directly involved in the tasks, systems, and available technologies. Inevitably, these organizations will have to find a way to cope with the tension generated by the reality/level of consciousness of the present time and the reality/level of consciousness that guides the organization’s vision of the future and strategic planning. This tension, which must be a daily concern of organizational leaders, comes from the perception of intricate paradoxes. Resolving these paradoxes will sometimes result in leveraging development and, other times, in collapse and resistance, necessitating reorientation.

**Organizational Results**

The usual, limited view of an organization’s productivity points only to the results of investments (in the form of financial profits) or to a wider view that considers the sustainability of a business, such as the set of economic, social, and environmental results known as “triple bottom line.” For integral organizations, however, the results to be measured and cultivated go beyond triple bottom line, which is only an expression of the organizational dimension of a business, to include the individual (performance) and relationships (collective intelligence) dimensions.

Performance stems from the intrinsic motivation that emerges from an employee’s mental model and the meaning he ascribes to his role in the organization. For an integral organization, performance is not only “convenient for pointing out how lubricated the gear is,” but is also important for checking the employee’s level of engagement and happiness/well-being. This sensitivity to different holons means that a specific performance problem will not result in a rearrangement of the entire organization to conform to the individual (i.e., a holon of lower complexity).

Collective intelligence (i.e., the shared or group intelligence that emerges from the collaboration and
competition among an organization’s staff) can be leveraged provided that there is a general alignment of the three dimensions (individual, relationships and organization) and of the levels in each one of them. Second-tier management will aim to capture collective intelligence in an implicit/subjective manner, making it visible and available. Although it serves both individual and organizational results, collective intelligence has its own intrinsic value (in the beauty and complicity that emerge from intersubjective interaction).

The triple bottom line concept is, without a doubt, important progress for the sustainability of businesses. Measuring the impact of an organization in this manner, however, is limited to compliance with laws (amber altitude) or to institutional commitment (orange/green altitude). Only organizations that enter the transition to second-tier incorporate triple bottom line concepts as a source of innovation and transformation for the macro-environment as well.

Organizational Culture

As outlined above, culture is consolidated in the three dimensions of individuals, relationships, and the organization.

For individuals, culture manifests in the form of behaviors of systematized habits and behaviors. This set of behaviors is adequate if they express the values of the organization; when they do not, it may indicate leadership problems or critical problems in organizational communication. For relationships, values are expressed via rituals, signs and symbols (e.g., dress code, shared language, parking spaces for executives, private elevators, etc.). Disagreement or agreement about these sorts of issues decisively affects the effectiveness of organizational leaders. For the organization, culture manifests in organizational procedures, protocols, technologies, and environments that reflect, to a greater or lesser extent, the organization’s values. Culture is of central importance to second-tier organizations; the goal is to identify the anomalies between what the organization delivers and what it claims to value, aiming at replacing inertia with conscious actions that reflect the organization’s identity.

Leadership and Learning

Leadership manages all three dimensions of a business, steering the entire organization toward a desired future. A leader is any individual invested with authority, guiding employees toward individual, collective, and organizational objectives. To achieve this goal, leaders must be constantly supported by a learning process. From an integral point of view, leadership must take into consideration all levels of an organization’s consciousness, not by aligning action and command with those levels, but by making actions perceptible and intelligible by all levels. The concepts of “primal leadership” by Daniel Goleman (2006), “adaptive leadership” by Ronald Heifetz (1998, 2002), and “requisite organization” by Elliott Jaques (2006) are points of reference that enable postconventional leadership.

Learning is essential to the exercise of second-tier management. It permits a business (in its three dimensions) to constantly interact with the space of tension between its present position and desired position, thus generating a permanent state of evolution. Learning is also responsible for scanning and metabolizing results and culture, which feed back into the system through leadership in a never-ending process that constantly seeks the emergence of new realities. From an integral point of view, the learning process must generate a system that supports second-tier actions that recognize tensions, which, when solved, free the system to continue its evolution process. The danger is in avoiding a postmodern pathology that silences healthy conflict and rejects holarchy, both of which are crucial for the emergence of second-tier systems.

Conclusion
The meta-model described in this article is only one effort toward a more comprehensive management model that encompasses all the potential that the Integral approach can offer. There is still a long path to be taken by integral researchers in the fields of management and business in developing research and ideas, and by pioneering managers, leaders, and consultants who boldly implement the solutions that emerge from models like this one. However, we are certain that, in view of modern-day global and organizational challenges, measures that do not take into consideration the systemic complexity of organizations, and the understanding that this complexity must be interpreted through an integral lens, will fail.

NOTES

1 “First tier” is an expression used to summarize the six main levels of values development in accordance with Clare Graves and Spiral Dynamics as developed by Don Beck and Christopher Cowan. First-tier levels are characterized by the belief that “my values are the only correct ones.” This contrasts with the levels of second-tier development in which individuals recognize the importance of all value systems. Integral Theory uses the term first tier to refer to the first six stages of developmental altitude (infrared, magenta, red, amber, orange, and green).

2 The fundamental principles of ecosystems, which can also be observed in healthy organizations, are: interdependence (mutual dependence to a greater or lesser extent for all vital processes), nesting (organized in networks that are super-imposed on different levels of interconnections), cycling (organized frequency of factors in time, guiding a closed flow of matter and energy), cooperation (exchanges are supported by generalized cooperation that promotes co-evolution), dynamic balance (a natural tendency to recover the balance in view of environmental fluctuations), and diversity (growing diversification of members and functions that allow greater flexibility and adaptive and creative power).

3 The meta-model aims to describe the life of organizations via the five elements of the Integral model:

Quadrants: the four quadrants may be seen in the presence of the three dimensions of the I, We, and Its. They represent the organizational dimensions of the individual (Upper Left, Upper Right), of relationships (Lower Left), and of the organization (Lower Right).

Levels: the meta-model also considers the layers of depth, the levels of consciousness or of the being, in each dimension of the organization’s holon:

- The upper, causal/subtle layer (essence, deeper meaning) is experienced by individuals as meaning; by relationships as shared purpose; and by organizations as vision. All three are different expressions of an organization’s greater purpose or mission.
- The intermediate, mental layer is experienced by individuals as a mental model; by relationships as power relations; and by organizations as strategies.
- The emotional layer is experienced by individuals as intrinsic motivation; by relationships as affective bonds; and by organizations as execution of actions.
- The physical layer is experienced by individuals as performance and behavior; by relationships as collective intelligence, symbols and rituals; and by organizations as economic, social, and environmental results and systems.

The identification of physical, emotional, mental, and subtle levels in the text refers to the holon of an organization. It should not be confused with the identification of the levels of the holon of the individual, who also has a physical body, emotions, mind, and a subtle body.

Lines: There are many possible ways to use developmental lines (e.g., cognitive, moral, interpersonal, kinesthetic, spiritual). For example, for developing individual leaders, identifying causes of conflict in the realm of relationships, and for organizational improvement via recruitment processes.

States can serve different purposes, such as observing seasonality and fluctuations in consumption in the market, product life cycles, phases of the implementation of a project, changes in the organizational climate in relation to macro-environmental factors, and crisis management, among others.
Types also offer a broad range of possible studies, such as classification of individual personalities, styles of leadership, cultural and ethnic differences, types of markets, and so on.

4 This is a comprehensive definition that may include many categories of business, not necessarily just those oriented towards “financial profit.” In order for an organization to fit this description, it is vital that it be guided by a specific purpose, regardless of whether or not that purpose involves profits. Moreover, from an integral point of view, there is no contradiction between profit and social benefit, between private and public. What gives meaning to an organization is its ability to “generate value” that did not initially exist before its genesis.

5 Complexity is the web of events, actions, interactions, retroactions, determinations, and chances that compose the phenomenal world, with traces of confusion, disarray, disorder in chaos, ambiguity, and uncertainty (Morin, 2008). Data are the apparent and measurable forms through which it is possible to verify the impact (entropies and syntropies) that the surrounding environment has on the organization and vice versa. Interfaces are the contextual units that relate to and are within the organization and whose impacts can be measured based on the level of interdependence, interrelation, trust, brand image, affective bonds, and organizational credibility. Uncertainties are highly complex fluctuations that are not subject to measurement or full observation, but are partially perceptible and have a future impact on the organization. Uncertainty is a characteristic that permeates both macro- and micro-environments, and is a concept that is often neglected by organizations.

6 Entropy is the measurement of the level of progressive disorganization of a system or unpredictability of information. Developed by German physicist Rudolf Clausius, entropy refers to the degradation of energy that takes place in a system and the fact that, in any physical change, not all energy that is in the initial system is found in its final composition.

7 Syntropy, also known as negentropy, is the opposite of entropy (i.e., it measures the organization of a system’s particles). A negentropic element is one that contributes to balance and organizational development. Syntropy is a symmetrical principle that contrasts with the loss of energy and disorganization through an injection of new energies.

8 The morphogenetic field is a theoretical formulation of English biologist Rupert Sheldrake. Morphogenetic fields organize not only living organisms but also molecular structures; they are non-physical fields that have an influence on systems that present some sort of inherent organization. Through habits, the morphogenetic fields are changed, giving rise to structural changes in the systems with which they are associated. According to Sheldrake, morphic fields are structures that extend in space-time and shape the form and behavior of all systems of the material world.

REFERENCES


