

How we use our Integral Operating System (IOS) to communicate with each other during our work with Family Owned Businesses

An Introduction

Integral Theory is grounded in the “Integral Philosophy” that was initially developed by Ken Wilber, who has written about Integral Theory for 30 years. Wilber secluded himself for a few years after the death of his wife, and came out of that time of reflection with an intensity and message that has significantly shaped the world of ideas and philosophy. What began with one man’s observations has evolved over the last dozen years into a collaborative global think-tank. The result: an Integral Vision, Integral Theory, Integral Transformative Practices, and an Integral Operating System. Dozens of fields, including business, have created Integral Institutes.

One of our unique differentiators is our ability to apply an Integral Operating System (IOS) to Family Owned Businesses.

In order to “get your head around” the importance of an Integral Operating System, let’s take a look at a couple of analogies, the first from sports and the second from computers themselves.

Phil Jackson is the only basketball coach to fully deploy the “**triangle-offense.**” Created by Sam Barry at USC, and refined by Tex Winter, who was an Assistant Coach with Jackson, the triangle-offense is very hard to learn. It was used by Jackson as the “operating system” that brought his teams success. Its uniqueness is its focus on the team over the individual.

The system's most important feature is the sideline triangle created between the center, who stands at the low post; the forward, at the wing, and the guard at the corner. The team's other guard stands at the top of the key and the weak-side forward is on the weak-side high post — together forming the "two-man game." The goal of the offense is to fill those five spots, which creates good spacing between players and allows each one to pass to four teammates. Every pass and cut has a purpose and everything is dictated by the defense.

Once learned, it becomes very natural and everything starts to make sense. Essentially, the main philosophy behind the offense is to pursue the path of least resistance. Every pass, every cut, and every screen has a purpose.

Incidentally, during Jackson's tenure as head coach of the Bulls and during both of his head coaching stints with the Lakers, his teams have never failed to reach the NBA Playoffs. It should also be noted that Winter has worked for Jackson as an assistant for all of Jackson's NBA head coaching career.

The next analogy is that of a **computer’s operating system.** It is the software that manages the sharing of the resources within the computer, and it provides programmers with an interface used to access those resources.

At the foundation of all system software, an operating system performs basic tasks such as controlling and allocating memory, prioritizing system requests, controlling input and output devices, facilitating computer networking and managing files. Most operating systems come with an application that provides an interface for managing the operating system. The operating system forms a platform for other software.

Modern operating systems can be found on anything composed of integrated circuits, like personal computers, internet servers, cell phones, iPods, routers, switches, wireless access points, network storage, game consoles, digital cameras, sewing machines and telescopes.

Common contemporary desktop operating systems are Linux, Mac OS, Microsoft Windows (in their various iterations).

Consider now the Integral Operating System. IOS gives human consciousness a system for processing data in such a way that everything is considered. When we use it to assess a family business, and to structure changes, it gives us a breadth and depth of consideration that is unparalleled.

Just as the triangle-offense allowed the players, coaches, trainers, and fans to work collaboratively, and just as MS Vista gives programmer, hardware engineer, designer, and end user the ability to work collaboratively, so IOS gives the leaders, managers, owners, family, and all other stakeholders the ability to work collaboratively in a family business.

At Atwood+, we use the IOS to work with family owned businesses, which gives us a uniquely comprehensive advantage.

Using “Quadrants” when Working with Family Owned Businesses

In 1995, “Integral Theory” began to emerge as the single most comprehensive way of thinking about, and working with, quite literally...everything. Today, Ken Wilber, the founding father of Integral Theory, has said: "The now undeniable fact is that any approach less-than-integral is doomed to failure."

There are 5 Parts to the “Integral Operating System” (IOS) – Quadrants, Levels, Lines, States, and Types. Each of the 5 will be introduced in this white paper, one at a time.

To use all 4 Quadrants thoroughly, one must first appreciate the concept of “holons.” A holon is a whole/part. For example, you are a holon. You are a whole in your self, but you are a part of your family, your place of work, etc. Everything is a holon; everything physical and metaphysical is a whole/part. Everything can be appreciated from an individual perspective, and from a group perspective, and everything can be appreciated from the inside perspective, and from the outside perspective.

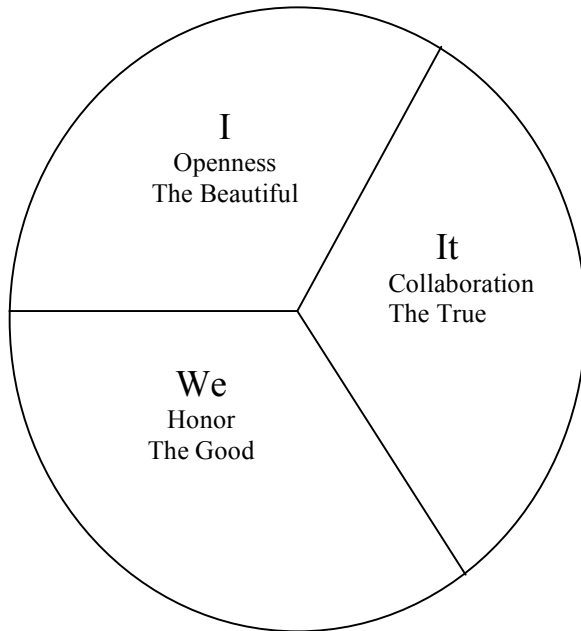
A family owned hardware store is a holon. It is a whole in itself, but it is a part of the other stores in the neighborhood, and other stores within the world of hardware stores. It is a part of the local Chamber of Commerce, and it is a part of the economy of West Michigan. But, it is a whole unto itself as well. For example, we can look at the holon called “The Smith Family Hardware Store” by looking at it each of the 4 Quadrants; each Quadrant gives us a special perspective on the holon that is the Store.

In the UL, we can discover through conversation, the mental models that are used by the individual people in the store who have influence. In the UR, we can observe how these individual people behave, and we can measure the degree to which each person’s behavior is aligned with his or her mental model. Then, we can move to the LL and look at the values professed by the culture of the store. Finally, we can look at all of the SOPs that make up the workings of the store. The SOPs should be aligned with the culture. When all four, UL, UR, LL, and LR are aligned and healthy, the store is running really well.

However, if someone’s Mental Model doesn’t align with the store’s Culture, or if someone’s Actions don’t align with the Culture, or with the SOPs, there is a problem. In fact, wherever there is a lack of alignment, congruence, or harmony, there is a problem.

<p>Individual Interior Why Am I... Mental Models I Theory Y Focuses on Psychological Understanding</p> <p style="text-align: right;">UL</p>	<p>Individual Exterior What I Am ... Actions It Theory X Stresses Individual Behavior</p> <p style="text-align: right;">UR</p>
<p style="text-align: center;">LL</p> <p>Collective/Group Interior Why We Are... Culture We Cultural Mgmt. Stresses Organization Culture</p>	<p style="text-align: center;">LR</p> <p>Collective/Group Exterior What We Are... Standard Operating Procedures Its Systems Mgmt. Emphasizes Social System and Its Environment</p>

Another way of making use of the 4 Quadrants is simply in diagnosing a problem. “What’s wrong here?” might lead to an examination of the level of **Openness** among individuals. If the leader is not open, for whatever reason, that lack of Openness will be demonstrated in Actions that are less than Collaborative. If the Culture has picked up from the leader that Openness is neither valued, nor practiced, then people working there will **Honor** the values that have been created, and they won’t be Open and they won’t Collaborate. Some parts of the business are observable; we can see and measure the degree of



Collaboration. However, some are less visible and can only be understood by being with the individual people, or the whole company, for a period of time. Mental Models held by individual people must be discerned through experience and dialogue, as must the values implicitly held by a Culture.

Wilber simplified his 4 Quadrants into what he called “The Big Three” – I – We – It. Socrates, in a slightly different order, referred to the three divisions of reality as “the good, the true, and the beautiful.”

In a Family Business where there is a recognizable amount of distance, or even outright withdrawal, it would be correct to assume that there is a problem with openness. A list of questions would be appropriate to ask in such a situation: Is there mistrust among people? Does someone feel too vulnerable? Has there been hurt in the past and thus there is a fear that more openness will invite more hurt?

If there is a noticeable amount of frustration in the Family Business, then it would be fair to assume that commitments are not being either made, or kept, in an honorable way. Human beings become frustrated when they don’t get what they want, and if you have a number of frustrated people in your Family Business, it is because they are not getting what they want. That does not, of course, mean that they should. It only means that they think they should and someone, or some entity is not delivering as expected. Who wants what? What commitments have been made? What are the circumstances around which the frustration is experienced?

Conflict occurs in Family Owned Businesses when there is a lack of collaboration. When people aren’t working together as a team, conflict ensues. What are you trying to do together? Do you have a shared vision, rules by which to work, roles that you all fulfill, and coaches along the way?

Openness, Honor, and Collaboration. I, We, It. The 4 Quadrants. UL – UR – LL – LR.

These are important ***perspectives*** to take when consciously working with a Family Owned Business, or any holon, anywhere in life.

The Integral Operating System that we use as we work with Family Owned Businesses values **Quadrants**, Levels, Lines, States, and Types.

Using “**Levels**” when Working with Family Owned Businesses

You are familiar with levels, stages, and structures in your every day life, even if you aren't aware of it or don't commonly use the language. Levels of development are all around us.

For example, consider your physical abilities. As you know, your ability to move evolved through the normal stages of crawling, walking, running, and finally you were able to leap tall buildings. Or, consider your language abilities. As a child, you began with babbling, and went on to small words like “mama”, to phrases, to then simple paragraphs and stories, and finally complex dissertations.

Consider next the development of consciousness itself through stages, or what we call levels. You start out with a very egocentric existence, with little to no differentiation of self and others. When you were an infant, you couldn't tell where you ended and your mother started. As your sense of self and consciousness developed, you expanded your circle of awareness and differentiation of your self from others. Your sense of “we” grew larger and larger, from your family, your neighborhood, your tribe, your faith community, your region, your national identity, and finally to your global family of all living beings. This step-by-step growth of consciousness from level-to-level is the normal way our consciousness develops through stages, becoming well structured at one level before moving to the next. There is a sequence to the levels of development; stages generally cannot be skipped or experienced out of order. We do not run before we crawl, and we must walk before we develop the ability to run.

Once you have developed a certain line, there is permanent access to that level of development. The new level of development becomes a new “normal” in many instances. Once walking is developed there is not a return to crawling. Once sentences have been developed, baby talk isn't used any more.

As an individual you began life as an infant, and then you grew through toddlerhood, childhood, pre-adolescence, adolescence, young-adulthood, adulthood, and then into the mature and senior years of life. Those later years are marked by certain declines, for example, the loss of 10% of your muscle mass every decade beginning when you reached the age of 30.

Families, too, have their own lifecycle, which typically starts with independence and moves into a coupling stage. Next, there is entry into a parenting stage, with a focus on supporting babies as they grow up toward adolescence. Once that is completed, along comes the challenges of the empty nest with the launching of children into their own

adulthood. As time continues, it is normal to meet retirement and the final senior stages of life.

Likewise, within a Business, there are stages of growth along a lifecycle continuum. At Atwood+, we use a River Map to indicate the four different stages of the journey. The Map further describes the various phases within the overall lifecycle of a business. The Stages on our River Map are:

Stage 1: Which includes the Sea of Opportunity, the Launch of the business, the Start-Up phase, and then the Consuming River Canyon where enormous time and energy is dedicated to establishing a business that will survive.

Stage 2: Is the Profitable Paddle where the flow appears more stable. The next steps would be moving toward the Wise River Fork, where a critical decision is made. If the correct decision is made, it is up the River of Fortune where expansion/formalization, maturity, and successful succession occur.

Stage 3: If thoughtful attention was not given to pursuit of the River of Fortune, then challenges are met at the Courage River Fork, Last Chance Portage, and Last Branch of the Turn-Around River. If decisions were not made to turn-around toward the River of Fortune, then the Desperate River Fork and the Last Chance Portage provide a final opportunity for survival. Without wise changes, the business runs into THE FALLS.

Stage 4: The final stage includes the Death Grip Drift and Remembrance Riffles all the way into the Dead Sea.

Let's visit our Smith Family Hardware Store again, and note the levels of development they have experienced as they have moved from stage-to-stage. At first, when Grandpa opened the store, his customers all came from the farms around the area and he literally kept a tab running for most of them in a notebook. Over time, as the area became more developed, he developed an Accounts Receivables system that was maintained by Ellie, his bookkeeper. When Junior took over the store Ellie became a full-time employee. Now, with electronic cash registers in the store, and a lot of commercial accounts, his AR system is pretty sophisticated. Junior's daughter, Sally, is part of the team negotiating with Ace Hardware because Ace is requiring the installation of a scanning system at some expense. Sally is better at understanding the details of this new system than her father.

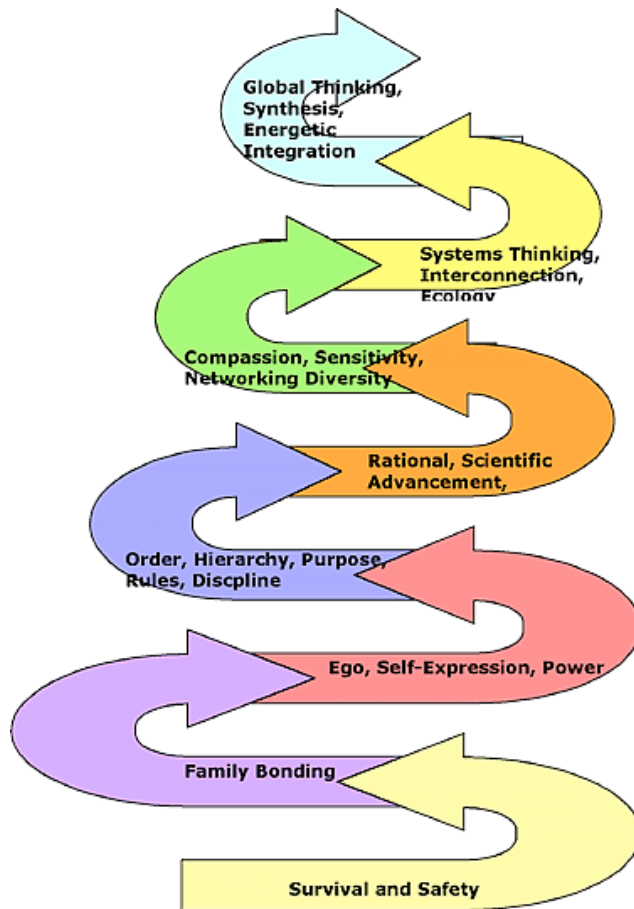
There has been an increase in the complexity of ownership: founder, to extended family, to voting and non-voting shares. The supply chain has been transformed from the monthly railroad delivery to Grandpa's hardware store to weekly, daily, just-in time deliveries, with customer purchases being electronically transferred up the supply chain to the distributor and manufacturer as needed. The inventory has changed in the number and complexity of parts. With Ace coming in there is a whole new system to be considered. There are new economies of scales when the Smith Family Hardware Store is purchased by Ace Hardware, gaining national brand, national purchasing contracts, marketing and promotional products along with extensive technology which has been introduced and grown in complexity:

One way of describing the evolution of the Smith Family Hardware Store is through the use of Spiral Dynamics Integral, as it has been developed by Clare Grave, Don Beck

and Chris Cowens. We at Atwood+ are particularly fond of SDI because it is really so easy to understand and use.

Spiral Dynamics Integral, SDI, describes the progression of values within individual people and organizations.

Grandpa was into Survival and Safety in the beginning when he launched his Hardware Store. In fact, a lot of the local farmers were in exactly the same spot. They all were



into Family Bonding, and so running a simple tab for AR made perfect sense. As the store grew, so did Grandpa. He became a fairly powerful person in the community as so many more people became dependent upon his products and service, and eventually for employment at his growing store. As time moved, on he moved to that Blue section of the spiral and created a lot more order. Ellie was working full-time, there were a lot of rules and regulations. Grandpa's attorney and accountant were very important. By the time Junior took over, the business was becoming a real enterprise, the orange part of the spiral. Grandpa and Junior butted heads a lot as Junior pushed for electronic cash registers and more "modern" record keeping systems. Boy, when computers were introduced Grandpa had a conniption! Junior, in time, prevailed. With Ace Hardware coming in, the amount and complexity of systems will really increase. That green

section of the spiral... that is where another kind of change occurs. The Smith's are having to involve a whole lot more people in their business, and a lot of those people are "different." The Mennonites to the north still plow their fields with horses, and the suburbs to the south have become populated with a growing number of people from India, many of whom work in the medical field in the City some 40 miles away. The people from Ace come from the Chicago area, and they are wonderful, but different. They have over 4,600 stores in all 50 states and more than 70 countries! Teaming with them presents great opportunity to think BIG and to think about broader systems. Sally went to college in the City and she seems to get along with a lot of the people from Chicago. She will be the future leader of the Smith Family Hardware Store. Grandpa still comes by to push a broom and to chat with the old timers, but Sally is the one who meets with the people from Ace's Corporate Offices.

Levels of development are the stages through which a family owned business rather naturally evolves. With each step, with each level, there are changes galore. Ways of

thinking, feeling, and acting evolve. Many adaptations have to take place. Change occurs one-half-step at a time, and it changes in all 4 Quadrants. Change isn't just from one generation to another; it is from one level of complexity to another and it follows an orderly progression.

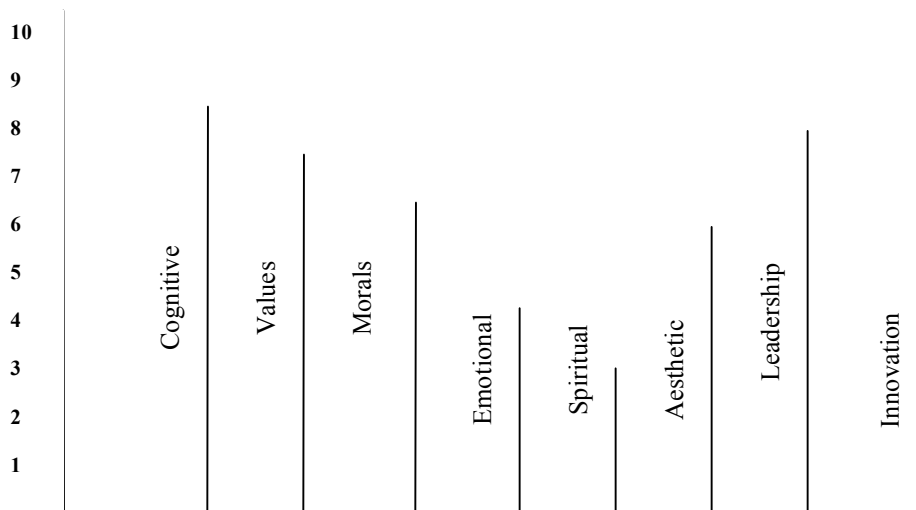
We understand the normal flow of change and we guide family businesses through those changes so that they prosper along the way.

The Integral Operating System that we use as we work with Family Owned Businesses values Quadrants, **Levels**, Lines, States, and Types.

Using “Lines” when Working with Family Owned Businesses

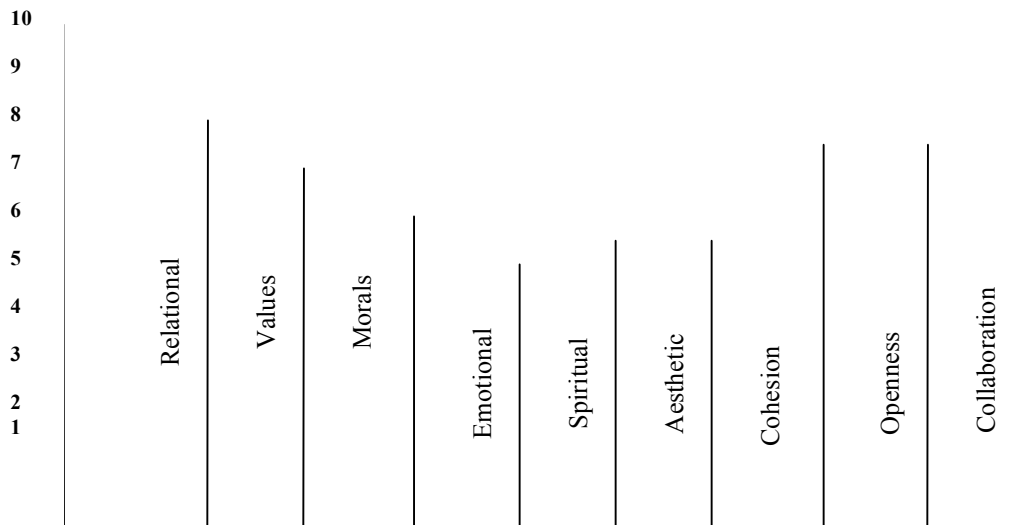
Using Lines to think about a holon can be enormously useful. Remember, a “holon” is a whole/part and we want to consider three holons right now: the individual, the family, and the business.

Let's think about Grandpa Smith and the Hardware store he started. Below you will find what we call a Line-Level Graph that depicts the various Lines in Grandpa's life. These are the intelligences, as it were, that he brought to the business. The levels are ranked 1-10, and the eight Lines, as you can see, cover a range of relevant issues. Grandpa was really smart, and he was really innovative. His emotional stability and spiritual depth weren't very high. He would lose his temper at times and he couldn't connect with the Mennonites on a personal level at all. Grandpa could lead his growing team of people, and he was known as a pretty moral person with good values. His store got kind of messy at times, and Grandma would come by to clean up the aesthetics – she would dust the place at least!



Let's look at the Smith Family as a holon for a minute. They, too, have their own Lines as you can see in the next Line-Level Graph below.

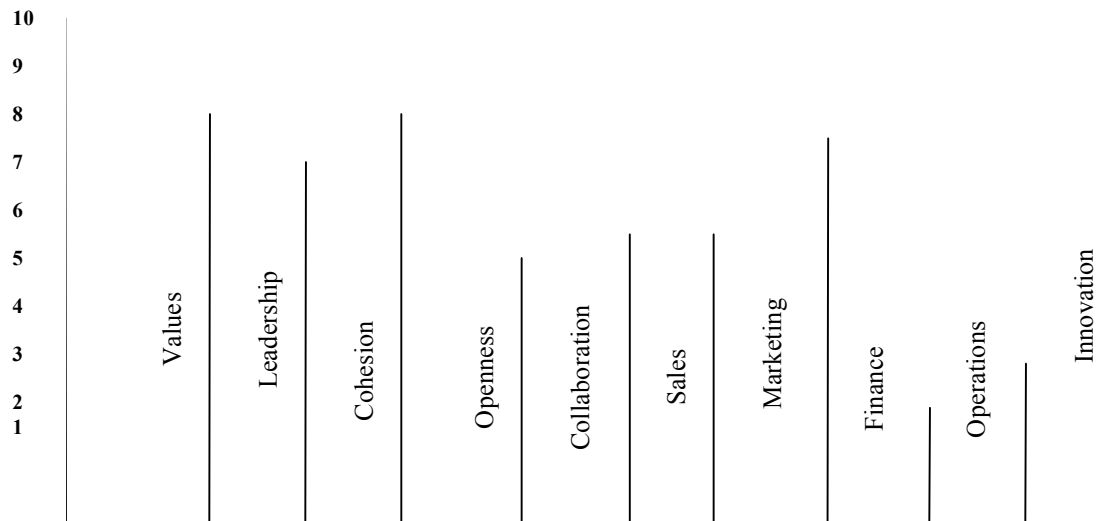
As a family they had great relational skills. Their skills at relating with others were matched by their skills in collaboration, which really worked to their advantage with their customers who often came into the store, and still do, with a problem for which they need collaborative help. The family morality is pretty high, but not quite as high as their values. There have been a few wayward moments in the family history, much to Grandma and Grandpa's disappointment. The family's spiritual Line has grown as Junior became very active in the local Bible Church. Junior's brother, Billy, never got involved in a church and suffered because of it, or so the family believes. The family has some appreciation of beauty, and so their aesthetic Line is where it is. Their emotional Line is not much higher now than when Grandpa started the store. The Smiths have a reputation for being a fiery bunch of people. What has helped them along the way has been those Openness and Innovation Lines. They have been open to change, and new ways of doing things. Those two, and the smarts to make something of it all, is what has helped the family to grow and adapt. The high cohesion Line reflects the way the family sticks together. In spite of some moral lapses by some, they have all hung together pretty tightly.



Now, let's look at the Line-Level Graph for the business as a holon. As you can see, the business has different strengths.

Innovation remains high. In fact, the Smith Family Hardware Store probably has survived three generations, and grown in the process, because it has been innovative. That high degree of innovation, matched with a high commitment to values, has really kept the store's reputation solid among its customer base. Something should be said, as well, about the relatively high degree of cohesion; once someone gets a job at the store they pretty much stay for years. This helps with customer relations. While the cohesion score is high, the openness score is only average. Individually, there are a lot of fairly open people working at the store, but the whole business has not been too open. Their marketing has been good. In fact, their marketing has been better than their sales Line. They can attract a lot of customers, but they don't sell them as much as they could. Salesmanship is a skill they could develop among their staff, if everyone were more open. There is something in the lower left Quadrant, in the culture, that gets in the way. When it comes to finances and operations, there is a lot of room for improvement.

This is one of the reasons the alliance with Ace Hardware is so attractive. They have more modern finance and accounting systems that they will require of the Smiths, and while the introduction of new systems (Lower Right Quadrant) will really challenge the Culture, there are individuals within the business that are championing new finance and accounting systems. The purchasing process should be streamlined a great deal with the advantages added by economies of scale. And the marketing advantage through national campaigns will only strengthen their marketing Line. Sales... we are back to sales. A strategic plan is being created by Sally to address that. The leadership Line will go higher the more involved she becomes.



Lines are ways of thinking about the various intelligences held by individuals, families, and businesses.

Lines, as with all 5 parts of the Integral Operating System we use, are a useful tool for thinking about, and working with, different parts of a Family Businesses.

We have identified certain Lines in the Line-Level Graphs above, and you might well add more or substitute when you think about your individual people, your family, or your business. Some lines are common to all, some are unique.

One of the major advantages to creating a Line-Level Graph is that it helps to identify areas where opportunity exists. The Smiths know that they are faced with opportunities in the Lines of Finance and Operations, and they are planning in ways that should increase their capabilities in those areas. At the same time they aren't going to lose ground in the areas where they are well established and strong.

The Integral Operating System that we use as we work with Family Owned Businesses values Quadrants, Levels, **Lines**, States, and Types.

Using “States” when Working with Family Owned Businesses

Right now, as you are reading this, in what “State of Consciousness” are you?

An interesting question, isn't it.

Few people reflect on States of Consciousness because it just isn't common to wonder about such things. We just don't have much history with States of Consciousness, and so we don't have a shared vocabulary for talking together about States of Consciousness.

In all the great spiritual traditions, however, there has always been an awareness of the deeper States of Consciousness that are available through the practice of spiritual disciplines. We also know, of course, of altered states induced through the ingestion of drugs and “mind altering substances.” We know of “flow states” as they have been described by Mihaly Csikszentmihalyi (pronounced Me-hi Cheeks-sent-me-hi). We know of “trance states” that are induced by hypnosis. We know of being “in the zone” while engaged intensely in work or play.

And, we all know of simple wakefulness, of sleep, and of deep sleep. In wakefulness, the State of Consciousness you are now in, your brain waves (think UR) are in a Beta State. As you drift off into sleep your brain slips into an Alpha State. Go into deeper sleep and you are in a Theta State, and then in the deepest sleep your brain waves are in a Delta State. Children and young adults who go into Theta and Delta states don't awaken when smoke detectors go off in the middle of the night, and some wet the bed because they don't awaken when their bladder is full. These states of wakefulness are common to us all.

Consider those who spend years in spiritual practices such as Centering Prayer or some form of Meditation. They have, through time and with discipline, trained their minds (UL) and brains (UR) to go into Theta and Delta states almost at will. There is a state called “the witness” that is awake while dreaming; this is sometimes called “lucid dreaming.” All who have well established spiritual practices, no matter what the religious tradition, at some point of maturity speak of entering into a state of blissful oneness.

Traditionally, those who have worked at such spiritual practices have said that it takes years to get to the point where sudden enlightenment, or what is referred to as *satori* in the Zen tradition, arrives. Today, there are audio-tech programs like *Holosync*, and specific meditation practices like the *Big Mind Process*, which can speed up the time it takes to train the brain to enter into deeper States of Consciousness. In fact, there are many who say that, as a natural part of the evolutionary process, more and more people are accessing deeper states more of the time.

Make a shift now and direct your mind once again to the Smith Family Hardware Store. Here are some stark examples that serve to make the point. Do you believe the Smith family will make better decisions about how to run their business when they are:

- Unable to be open with each other because they are afraid to contradict their father, the founder of the company?

- Recovering on a Monday morning after drinking too much at a family gathering the night before?
- Each able to converse openly about their own individual opinions in an atmosphere of grace?
- Gathered together to discuss a topic, after having spent some time separately and alone reflecting upon the decision from a deep State of centered Consciousness?
- Making the decision considering only of their own separate self-interests?
- Making the decision conscious of their own self-interests, as well as the interests of the family as a whole?
- Making the decision conscious of their own self-interests, the families, and those of their customers, suppliers, and the community within which they live and work?
- Conscious of how their decision will impact the “Integrated Bottom Line” of People, Profits, Planet, and Principles?
- Committed to short-term gains, or long-term sustainability?
- Reflecting consciously on the implicit values that are reflected in the choices before them?
- In a hurry to just make a decision in order to avoid stress and conflict between certain people within the family, or the work place?

You get the idea. The “State of Consciousness” that is shared by members of the Smith family is very important when it comes to being together in a healthy way, and working together in a profitable way.

Inherent in the concept of “States of Consciousness” are seven truths that we hold to be self-evident:

1. States do arise on a continuum from surface-to-deep.
2. The mind/brain system can be trained to give rise to deeper states of consciousness.
3. Better decisions come from groups of highly conscious people who have, or are in deeper states of consciousness.
4. When a group of people are willing and able to join around deeper states, there is more openness, honor, and collaboration among them.
5. Deeper states can integrate greater complexity.
6. Putting time into cultivating deeper states of consciousness is more efficient, even in the short-term, and always in the long-term.
7. Prosperity is directly linked to the depth and breadth of consciousness.

The Smith Family Hardware Store is facing a critical decision; Ace Hardware has approached them with a potential acquisition and merger. Let’s suppose that the Smiths are people that have learned to value a decision making process that is “thoughtful and reflective in nature.” The representatives from Ace have come to the family with a proposal. There are papers that are exchanged and conversations that have taken place among all in the family. At the father-founder’s suggestion, everyone is given a week to consider the situation, and to ponder the following questions:

1. How would a sale impact you as a person in each of the 4 Quadrants?
2. How would a sale impact our family in each of the 4 Quadrants?
3. How would a sale impact our business in each of the 4 Quadrants?
4. How would a sale impact our customers in each of the 4 Quadrants?

5. How would a sale impact all the other stakeholders in each of the 4 Quadrants?
6. Have your answers, your reflections, come from a surface consciousness, or a deeper consciousness?

Each member of the family is given some time and some space to do some very deep and serious reflection on these 6 questions. In fact, the consensus is that an extra week is needed. Then, one person asks for a third week. At the end of 21 days the family meets, sits quietly for a bit of time, and then engages in a facilitated discussion around the 6 critical questions they have been pondering. A few hours into the conversation, a consensus seems to have emerged. More silence is invoked. The question is called, and the conclusion is clear, as is the rationale.

Consider another scenario.

The Smith Family makes a decision by deference to the wishes of the oldest son, the father-founder's senior male child, even though four children are stockholders and only two work in the hardware store. Father and son listened to the presentation from the people at Ace, and then went to the local pub down the street for some beers and after a few hours, son said he wouldn't do it. In fact, he would quite if his father signed the papers.

Two different examples. It takes time and energy to cultivate the ability to function as did the Smith family in the first scenario. However, it is self-evident that the time it takes on the front-end to be able to function in such a manner is incredibly more efficient when it comes to making critical decisions that everyone has to live with, especially if it is a decision that has implications for generations to come.

State of Consciousness.

We value the ability to enter into, and to utilize, deeper States of Consciousness, both for the family and for the business.

The Integral Operating System that we use as we work with Family Owned Businesses values Quadrants, Levels, Lines, **States**, and Types.

Using “Types” when Working with Family Owned Businesses

It is common for human beings to categorize by “Types.” Everybody does it all the time without even giving it much thought. We believe that Family Businesses work better when Type-Talk is clear and conscious, and as much as possible, accurate.

Let's think about Types for a moment.

There are Types of cars, and types of restaurants. There are Types of people – males and females, gays and straights, older and younger, religious and non-religious, educated and un-educated, successful and not-so-successful. There are many, many different typologies used to categorize people. Some Type-Talk is wonderfully helpful, and some is inherently biased if not blatantly prejudiced.

We would like to offer two examples of how we use Types to work with Family Owned Businesses, keeping in mind the fact that family businesses are their own Type of business within the larger field of businesses.

When it comes to **individuals**, we use four very common assessment tools to measure the Type of person we are working with.

- The Strengthsfinder, published by the Gallup Organization, helps us to understand each person's top 5 Strengths from a list of 34, and how a person can play to their strengths.
- We use the Myers-Briggs Types to appreciate which of the 16 Types someone is based on the degree to which they are Introverted or Extroverted, Sensing or Intuiting, Thinking or Feeling, Judging or Perceiving.
- Then, we use the DiSC to understand the degree to which someone is Dominant, Influencing, Steady, or Conscientious in their basic behavior.
- And, we use the 16pf to measure 16 different personality traits and how they are manifested in the work environment.

Each of these Assessment Tools, which we routinely use to evaluate new-hires and people for placement and promotion, helps us to appreciate the unique Type of person with whom we are working.

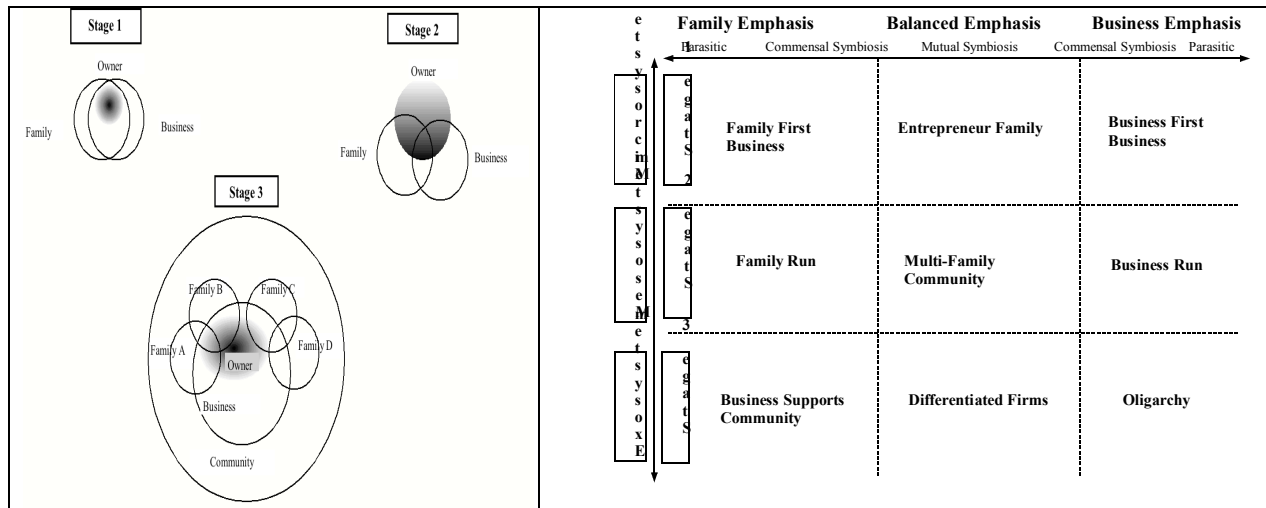
When it comes to **families** we look at their culture and their SOPs, and we use specific measuring tools to do so. For example, we ask:

- How sociable is this family, from low to high?
- How task-oriented is this family, from low to high?
- How emotionally enmeshed is this family, from low to high?
- How rigid is this family, from low to high?

There are a number of criteria that are commonly used to differentiate one Type of family from the next, and you are aware of some of them rather commonly. Is this a religious family with strong membership in a faith community, or is this a family with more independence among its members and a greater commitment to uniqueness of thought and expression? There are just so many different Types of families.

When it comes to thinking about **family businesses** we begin with two models that help us measurably. The first helps us to assess the Character of the Corporation using the same Myers-Briggs Types that we apply to individuals. The holon that is the family business has its own Type, and we can measure it using a simple survey.

Another way of getting at Types of family businesses is to look at them by generation, and by direction and degree of differentiation.



Take a look at the illustration above. Stage 1 businesses, in this model, refer to businesses where family, business, and ownership are fairly centralized. In Stage 2, ownership has been significantly separated out from the family and the business. In Stage 3, typical of the third generation “cousin consortium,” multiple families are involved, ownership is mixed, and the business is shared. These 3 simple Stages reflect what sometimes happens over generations. The Type of family business often changes from one generation to the next.

On the right you will see a depiction of where the “emphasis” is placed – toward the family, or toward the business, or somewhere balanced between the two. Each generation, depending upon their emphasis, is a different Type of business.

The Smith Family Hardware Store is a 2nd generation Business Run enterprise that is determined to thrive in spite of the presence of a big-box store 12 miles away. They are engaged in discussions with Ace Hardware, however, and they are anticipating the 3rd generation to permanently and fully enter the business within 5 years. Will they become an oligarchy, where a few family members rule the business on behalf of all the stockholders? An excellent question, and one that can be framed, asked, and answered better through the objective application of Type-Talk.

There are a number of models that we use to get at Types, and each has its own inherent value.

The Integral Operating System that we use as we work with Family Owned Businesses values Quadrants, Levels, Lines, States, and **Types**.



This white paper has been written as a brief introduction to how we at Atwood + use the Integral Operating System (IOS) to work with Family Owned Businesses. IOS was first developed, as we noted, by Ken Wilber. Since its inception, IOS has evolved significantly and is now being used by a growing number of people around the world. Our work, using an Integral approach and the IOS with Family Businesses, is unique.

There is a website that you can visit, www.integralinstitute.com. Here is how they describe their vision.

What's "Integral"? It simply means more balanced, comprehensive, interconnected, and whole. By using an Integral approach—whether it's in business, personal development, art, education, or spirituality (or any of dozens of other fields)—we can include more aspects of reality, and more of our humanity, in order to become more fully awake and effective in anything we do.

As you click around, we think you'll see that "Integral" is not only a "theory of everything," but involves new ways of working, loving, creating, playing, and interacting in a complex and evolving world—it's a worldview for the 21st Century.

You can see why Integral appeals to us; the best solutions come from an integral approach.

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