

THE ROLE OF SHARED VISION AND ETHICS IN BUILDING AN EFFECTIVE LEARNING ORGANIZATION

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ABSTRACT

With the demise of companies such as Enron and WorldCom it is no surprise that a call for ethical leadership is in high demand. This paper elaborates on the need for establishing ethics within a structured hierarchical culture. First, we will elaborate on organizational culture. Next, the following paragraphs explore the relationship of ethics and its connection with an organization's shared vision. We examine the military, and specifically the United States Army, as an example of a successful, high performing organization because of its emphasis on ethics as a major part within its collaborative environment. We seek to demonstrate that once ethics is part of a shared vision, organizational culture will have accountability that will ensure ethical decision making.

Keywords

Ethics, shared vision, learning organization, military hierarchy

Introduction

"Most definitions of organization consist of at least two components: (a) a source of order which consolidates, unifies, or coalesces diverse elements or fragments and (b) elements or fragments, which are consolidated, unified, or coalesced by a source of order" (Orton & Weick, 1990, p. 216). It is this source of order in which an organized structure is based. A need for security within this structure is obtained by a dependency on bureaucracy (Diamond, 1984). Organizational instabilities creates feelings of anxiety within the organization and a bureaucratic structure offers stability. The human perception of familiarity will always have influence on social norms, because humans feel most secure with what they know and understand. Having an organization with strict guidelines that influence behavior will establish and maintain organizational understanding.

An awareness or understanding of one's social foundations could develop into an intrapersonal security beyond that of what is served by the structured bureaucracy of the organization. Gioia and Poole (1984) state that "organizations present many predictable settings with reasonably predictable actions, events, and behaviors" (p. 454). They reference script processing or a conscience or unconscious decision making systems that will be based on the perceptions of one's surroundings and the information that it provides. These familiar situational patterns begin to develop a sense of security. The managerial decisions begin to form a cultural climate which, over a period of time, will further shape the organizational culture and set a strategic direction for the organization.

Schein (1990) references the dilemma in organizational understanding by stating "we need to find out what is actually going on in organizations before we rush in to tell managers what to do about their culture" (p.110). Organizational culture will be better understood and also influenced through management by an intensive observation of an organization's artifacts, values, and assumptions (Shine, 1990), which directly influences an organization's daily routine. It is the daily routine of individual interactions in the organizational environment that influences and continually shapes an organization's culture. The daily interactions of an organization's leadership with its workers is continually shaping the organizational environment and directs the organization's vision.

Shared vision

Liedtka (2007) emphasizes the importance of authenticity for achieving a "perceived" (p.246) strategic intent. Individuals often confuse what is real with what is being perceived. It is the managerial decision making and the behavioral examples set by those managers that can shape the reality to be consistent with organizational perceptions. Senge (1990 b) states the importance of organizational awareness as an ability to identify an organization's reality. This is required so a vision can be established. A clear understanding of the current reality is needed in order to motivate a group toward a vision or perhaps a change to a more ethical vision.

This ethical shared vision can be achieved by the understanding of the environment or the acute perceptions of one's own awareness as well as those around them. However, "bureaucracy's emphasis on compliance with rules, regulations, and procedures supports active security operations that often thwart effectiveness and encourages resistance to change" (Diamond, 1984, p.208). This resistance to change, within a highly bureaucratic environment prevents an organization from being adaptive, thus it loses its competitive advantage. It is this conflict that is the true challenge in the implementation of successful ethical leadership. Security is found in bureaucracy and an ethical shared vision may require a change of direction from the current environment that is so firmly established in bureaucratic surroundings.

Organizations must strive for organic or participative decision making to avoid the hierarchical control of the more mechanistic structure typical in bureaucratic settings. By "decentralizing" the decision making process, all individuals are part of the organization's strategic vision (Gordon, 2002, p.404). Change and adaptability are closely related in that they both serve the establishments of culture within an organization and are essential attributes for an efficient organization. Buytendijk (2006) states that a common characteristic amongst high performance organizations is the achievement of objectives through shared values, both internal and external to the organization itself. These shared values help bind the organization and create an environment ideal for adaptation.

The learning organization

The learning organization, a successful model for a high performing organization, is defined as "an organization that is continually expanding its capacity to create its future" (Senge, 1990, p. 14). There is no question that our economic society is forever changing and so must an organization to keep its competitive edge. (Hamel & Prahalad, 1989) Senge (1990), states that shared vision, personal mastery, mental models, and

team learning are essential disciplines or competencies that are needed to create an adaptive organization or learning organization. Winstanley and Woodall (2000) reference the "community of purpose" (p. 14) as an equilibrium standard in a learning organization. This purpose is one that is participative and is synonymous with a unified community; this is essentially defined as the shared vision. For establishing stability, or having equilibrium, it must be ethically sound. The unified ethical vision of the organization must be well communicated and understood by all participants of the organization. This understanding and communications comes from the organization's leadership. Naturally, this equilibrium can be disturbed by unethical managers who communicate their own self interest based message to the rest of the organization. Again, this is the challenge with highly structured organizations.

Personal mastery

The socialization of human capital in an organization needs to have an ethical standard in order for the organization to have continued adaptability and a successful strategic intent. To control the daily routines, a manager must possess a clear understanding of his or her decision making process. To be successful, this process must contain a strong ethical basis. Senge (1990) describes personal mastery as an essential discipline in the structure of the learning organization. Personal mastery is a detailed study of the intrapersonal skills of oneself. The concept to better oneself, ethically, will directly impact the entire society of which we interact. The ability to learn and understand ethical norms is critical to the learning organizations. "Organizations learn only through individuals who learn" (Senge, 1990, p. 139). One's continued ambitions, commitments, compassions, and intuition will no doubt shape the decision making process of an organization for the better. Knowledge of oneself is complex and a leader must "find a balance between expressing their personalities and managing those people they aspire to lead or at least influence" (Goffee & Jones, 2005, p.88). The leader, as they make decisions and influence those in the organization, must have an intrapersonal ethical standard.

Mental models

Mental models, another discipline that one will observe in a successful learning organization, could simply be defined as the intuitive understanding and interactions of an organization in its environment. These are the successful interpersonal interactions that will aid an organization in its decision making process. Senge (1990), states "the learning organization of the future will make key decisions based on the shared understandings of interrelationships and pattern change" (Senge, 1990, p. 204). All managers possess a set of assumptions about their current working environments. The successful manager must be willing to inquire about their presumed environment and make corrective shifts in thinking for continued success. Relying on enhanced personal mastery will ensure authenticity with the organization's reality and keep actions consistent to set social norms that are easily identified as ethical. Research conducted by Armstrong and Foley (2003) concluded that: learning from surrounding environments, identifying, meeting and applying the developmental needs of employees, and applying learning in the workplace will have beneficial outcomes to an organization. A learning organization will facilitate an environment of adaptability gained from the understanding

of an environment filled with personal relations and human interactivity. Management has a great influence that clearly needs to communicate a shared vision of ethical norms.

Ethical decision making

Robert Gordon, a CEO of Dairy Farmers of Australia cited in Guttman (2007) stated:

It is a horizontal organization in which everyone operates by a clearly defined set of decision making protocols; where people understand what they are accountable for and then own the results. It means moving to an action-and results- driven workforce – not one that waits for instructions or trips over functional boundaries. (p.12)

"In today's changing environment, organizations that encourage individual ability and hold employees accountable for achieving goals are more likely to succeed" (Gordon, 2002, p. 409). Accountability is a key feature and is strongly rooted in ethical discussion. It is ethical decision making that plays a crucial role in an organization's strategic intent. Wriston (2007) cites both a collaborative environment and accountability as key components in a high performing organization. The participative environment "reinforces" (p.11) accountability. The team environment restricts a self serving vision and establishes the shared vision. If the environment is participative and the accountability is ethical, the shared vision will be communicated via the ethical standard set forth by management.

Adaptability

Organizational renewal or transformation is the process an organization is continually going through to adapt to its ever changing environment. "The renewing or transformational manager is constantly fighting atrophy and proactively building for the future" (Brown, Harvey, 2006, p.39). Spiritual leadership is the key to bringing an organization to an understanding of a shared strategic vision so important in the transformational and adaptability of an organization. Fry, Vitucci, and Cedill (2005) state "spiritual leadership theory as a model of organizational/professional development that fosters systematic organizational transformation from the bureaucratic to the learning organizational paradigm that seems to be required for organizations to be successful in today's chaotic, global, Internet age environment" (p. 859). Spiritual leadership is a key factor for motivating one's self and others "through a calling of membership"(p. 836). People on all levels of the organization must be empowered and have a sense of membership or belonging. Moving away from the traditional top- down management style associated with many functional organizations is the key for developing the high performance learning organization.

Collaboration

The success of the learning organization is for the bureaucratic structure to give way to collaboration and a goal oriented unity, particularly in decision making. A need for personal responsibility is increased as organizational decisions become less hierarchal and more participative. Hernandez (2007) states the importance of the manager's commitment to uphold a "broader commitment to societal and universal moral norms" (p.122). Those moral norms can be substantiated by members working within an

organization. Supported by a participative environment team members are more likely to act ethically if their leader is perceived as having a foundation in ethical behavior (White, Lean, 2008).

Social capital truly defines the behavioral interactions within the workplace. Adler and Kwon, (2002) reference many definitions of social capital which have a common likeness to: networking, relationship building, sharing values, and developing trust. This truly becomes the foundation within the organizational culture rich with participation. Employee and management behavior becomes deeply rooted in these ethical norms of trust, accountability, and value sharing. As a leader, one needs to establish a "collective-oriented society" (Ferraro, 2006, p.103) focused on the achievements and success of the organization where individuals are part of a collective whole.

Organizational wholeness, maximizing employee potentials, and creating an internal environment that encourages risk taking and experimentation must be communicated into the organization's culture. It is the values and ethics of the human capital within the organization that will drive this learning and adaptation to occur in a productive and strategically benefiting way rather than an organizationally threatening manner. Management will reward employees for effectively implementing their influenced directives. This results in keeping the momentum for the organizational wholeness intact. "The leadership role includes those symbolic actions concerning ethics and ethical behavior, and in ways in which followers perceive those actions" (Gottlieb & Sanzgiri, 1996, p.1278).

Spector and Lane (2007) point out that a high performance organization needs transparency, accountability, and dialogue. The shared vision of the organization and the communication of intrinsic values that will keep the organization competitive must become a part of the workforce culture. Charismatic leadership, as described by (Northouse, 2004), is very closely related to transformational leadership. A negative characteristic of transformational leadership is a "strong impression that the leader is acting independently of follower or putting himself or herself above the followers' needs" (p.186). The charismatic leader has the ability to focus others on a new strategic intent where accountability through collaboration become the checks and balances for motivating change.

"Cults often use coercive persuasion and establish a shared belief system to indoctrinate and retain their members..." (Spector & Lane, 2007 p.19). Enron may have appeared like a high performance organization however, their organization was lacking accountability. Lay and Skilling did not create an environment for long term success or a "sustainable society" (Spector & Lane, 2007 p. 21). Their own self interest and elitism was hidden by their charisma and ability to get their organization moving forward building on its own success. A lack of participation failed the organization because the moral character of the few could not have been influenced by the many. Also, the strict hierarchal control with no accountability allowed for the socialization process to be stifled, interpersonal and intrapersonal interactions were limited when dealing with organizational developmental issues.

Creating an environment of trust through accountability within a functionally structured organization, like the military, is a true challenge. Accountability will deter a cult like culture and decrease the chances for a demoralizing decline in organizational

performance. "Trust between the leader and follower facilitates a follower's ability to accept responsibility..." (Hernandez, 2007, p. 123).

The U.S. Army culture

Maloney (1981) stated that military culture at times can seem very similar in characteristics to a cult. "The trust soldiers and civilians have for each other and the trust of the American people, all depend on how well a soldier embodies the Army values" (FM 6-22, 2006, p. 4-2). Influencing others by gaining trust through one's interactions, based on firm ethical beliefs, will bind the organization and create collaboration. The military structure ensures that teamwork or a participative environment will decrease the occurrences of self interest biases or cult like interactions. Claudts (1999) concluded that goals and values in an organization need to be both goal and task oriented so all participants can engage in shared values. This would substantiate the axiom that an organization works as a sum of its parts. Garsombke (1988) states "militarism is then, an organizational culture itself, one in which managers collectively take military principles as their own beliefs and make assumptions, goals, and plans for organization based on military concepts, behaviors, myths, and language" (p.47). The misconception of these assumptions are associated with "win lose dichotomy, limited array of solutions, absence of creative/ innovation, authoritarianism, emotional traits: social irresponsible, impulsive, egotistic, treats/fear to control and deter, orientation towards violence and devaluation of human life" (Garsombke, 1988, p.51).

Learning organization leaders strive to "listen, experiment, improve, innovate, and create new leaders" with a participative culture (Fry, Vitucci, et al, 2005, p.840). Fry, Vitucci, et al (2005) referred to the Army of One recruiting campaign which promotes the following: each individual can make a difference, the soldier is strong in mind, body and soul, greatest strength is the united, physical, moral, and metal character of the teamwork in an Army of One organization, and personal growth, opportunity, and pride (p.840). Today's more recent recruiting campaign of Army Strong communicates the very same attributes of the American soldier. Thus, one can conclude that Army culture, as described by its recruiting campaigns, is similar to a learning organization.

Vogelaar (2007) states that for military commanders / leaders under the extreme pressures of the life and death situations are required to be a "thinking commander" (p.27). Leaders need to have the empowerment to make decisions in a changing environment but still have a sense of accountability or "stewardship" (Hernandez, 2007, p.122) from acting on his or her own self interest. Due to this accountability commanders often feel a need to have "in-depth insight" (p.38) and are reluctant to delegate authority. The hierarchical culture of the military also creates boundaries between subordinates and supervisors. When management dictates to lower levels of corporate hierarchy "employees fail to identify with corporate goals or involve themselves deeply in the work of becoming more competitive" (Hamel & Prahalad, 1989, p.160). Trust and empowerment of others in a team environment stimulates learning and adaptability.

Ethical standards, continued learned

It is essential that the military culture's non participative, highly authoritative misunderstandings give way to the realistic organic culture that is the accurate reality.

The organizational recruitment process must entail an ethical evaluation to determine if an individual is exhibiting ethical behavior and has the potential to understand and synthesize ethics as part of the socialization process. Training is also an essential part for ethics integration especially in larger organizations where socialization is spread over a large population. Ethical policy as a formal control is necessary (Grojean, Resick, Dickson, Smith, 2004). The Army values of: loyalty, duty, respect, selfless service, honor, integrity, and personal courage are first introduced to new soldiers during their basic combat training and from then on they are expected to live them every day in everything they do "whether they're on the job or off"

(http://www.goarmy.com/life/living_the_army_values.jsp). Ethical training will continue for the soldier's duration in the military and emphasis will be placed on these values as a structure for all decision making in the Army.

Education and continued learning is an essential objective in keeping a military organization ethical about its decision making. There is no question that in a combat environment there will be operational decision making that contains "gray areas" (p.16). VanVactor (2007) defines this gray area as operations that "are inherently complex, often very dangerous, and usually exceptionally fluid and dynamic" (p.133). VanVactor (2007) illustrates that the military risk management program has instilled a continued learning process by its evaluation and improvements process. The military is a learning organization continually adapting to its environment with a heightened sense for ethical standards ensuring accountability.

The Army, as a learning organization, harnesses the experience of its people and organizations to improve the way it operates. Based on their experiences, learning organizations adopt new techniques and procedures that get the job done more efficiently or effectively. Likewise, they discard techniques and procedures that have outlived their purpose. (FM 6-22, 2006, p. 8-3)

This can be further defined as a value system as part of the continued learning process directly affecting the decision making process.

Leader development is the deliberate, continuous, sequential, and progressive process, grounded in Army values that grow soldiers and civilians into competent and confident leaders capable of decisive action. Leader development is achieved through lifelong synthesis of the knowledge, skills, and experiences gained through institutional training and education, organizational training, operational experience, and self-development. Commanders and other organizational leaders play the key role in leader development that ideally produces competent, confident, and agile leaders who act with boldness and initiative in dynamic and complex situations. (AR-600-100, 2007, p. 4)

Liedtka (2007) states managers must "manage the rules of engagement in the strategic conversation, rather than controlling the content of the strategies themselves" (p.243). Liedtka (2007) places an emphasis that intrapersonal awareness or the "authentic self" (p.239) is more about actions. The example set by leaders has moral implications and can easily transcend into a participative environment.

Military culture can have an impact on today's corporate environment. As participation and collaboration on bottom up management becomes realized it is "assumed to increase morale and job satisfaction" (Cludst, 1999, p.160). The feeling of belonging can have an impact on the efficiency of the organization. This will only be in a

positive nature if the ethical norms that are being set by management of the organization are sound and in keeping with organizational goals. A shared vision will emerge as part of the organization's culture. The competitive advantage found in the shared vision will keep the organization agile and relevant as well as continued training on ethical values that communicate the organization's objectives.

Conclusion

In the complex environment of a high performing organization individual responsibilities are increased and a calling for ethical behavior is required. A competitive advantage needs to be communicated through the organization's shared vision. The manager must understand their awareness as well as the reality that exists in the organization to engage the employee's sense of belonging. The shared vision, which reflects participation from the entire organization, is an essential part of a high performing learning organization. Ethical decision making, if effectively communicated, can easily be accepted into the social norms of the organization.

The Army illustrates an excellent example of a learning organization requiring ethical behavior. The military, because of its strict hierarchical and functional nature, can easily develop many characteristics of a cult like culture. Due to the life and death situations and the rapidly changing environments of combat, it is essential that spiritual leadership is part of the charismatic attributes of the organization's human capital.

The necessary adaptability of decisions made by battlefield military commanders is similar to the changing environmental demands of managers working in our changing global economy. Participative environments are part of the high performing characteristics. For an organization to be truly high performing, ethical standards must be part of the cultural norms. Accountability and trust will deter any self interest and will further communicate an ethically based shared vision. Organizational involvement for all participants, both managerial and employee will flatten the hierarchical control and reduce self interest from influencing organizational goals. A participative culture allows for a sense of membership, continuity and commitment from its members, and acts as a guiding collation for a shared vision that will directly impact the strategic intent of the organization. To summarize ethical values and its impact on a participative shared vision the Army's leadership field manual (2006) states:

The Army values firmly bind all Army members into a fellowship dedicated to serve the Nation and the Army. They apply to everyone, in every situation, anywhere in the Army. The trust soldiers and civilians have for each other and the trust of the American people, all depend on how well a soldier embodies the Army values (FM 6-22, 2006, p.4-2).

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