

INVITED PAPER

Exploring transcendental leadership: a conversation

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This paper documents the Management, Spirituality, and Religion's Plenary Session at the Academy of Management, Philadelphia, 2014, with Jay B. Barney, Judy Wicks, and C. Otto Scharmer. The speakers were asked to discuss their views on Transcendental Leadership in terms of their own spiritual practices and how these practices contribute to a shift from I to We.

Keywords: leadership; transcendence; spirituality; self-other awareness; education

Introduction: Kathryn Pavlovich

Welcome to the 2014 Management Spirituality and Religion (MSR) plenary session at the Academy of Management Meeting in Philadelphia. I am Kathryn Pavlovich from the University of Waikato Management School in New Zealand. As program chair for MSR this year, I have been tasked with the honor of creating the scholarly program from the wonderful work being done in the MSR field, and I also have the privilege of developing and coordinating this MSR plenary session. I would like to take this opportunity to thank everyone for their support and for those of you attending. I would like to especially thank the three panelists who have graciously agreed to share their views and experiences with us today: Jay B. Barney, Judy Wicks, and C. Otto Scharmer.

I think you would agree that we don't need another "type" of leadership being presented to us. But I do believe that there is something unique about transcendental leadership that has particular relevance to our MSR discipline. This is evident in the clip just shown by Nickelback – If Everyone Cared (<https://www.youtube.com/watch?v=-IUSZyjiYuY>). The challenge to make the world a better place has never been more pressing, and it is acknowledged that emerging "wicked" problems, such as ecological sustainability, climate change, social cohesion, and food security, require a more complex skill set than currently prevails (Waddock and Lozano 2013). We are in need of different ways

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of being that are infused with global and socially oriented perspectives that may transcend shareholder value. So what can we do to bring about this shift? I suggest that there are three defining features in this shift from I to We that go beyond conventional theories on leadership.

The first feature is the focus on self-other awareness on the questioning of our own personal thought patterns, belief systems, and how we are in this world (Cunliffe 2011). This aligns with the growing interest in scholarship exploring the role we as individuals have in shaping this world. Hence the questioning and reflection of those existential questions, “Who am I, why am I here, what is my purpose?”, play a significant role in forming and shaping the relationships between the self and the other. As we take that journey of self-examination, we go deeper into ourselves and how we are in the world. I love the studies currently emerging from neurotheology that now give scientific validation that through contemplative practice, we have the ability to cognitively, emotionally, physiologically, and physically change ourselves (Vargo and Silbersweig 2012). For instance, when we engage in contemplative practice, we dampen our amygdala, which is where our anger is held (Lazar *et al.* 2005). This means the pause between our thoughts and our actions becomes expanded, so our actions are more likely to be reflexive and other-focused.

Second, in MSR, we acknowledge that there is something bigger than ourselves. There is a sense of holding our presence in a different way that is beyond our own ego. It involves a sense of otherness, where ego becomes subsumed within a larger context. While we use different words to describe this presence, it embraces a sense of purpose that extends beyond the self and includes the other. Koltko-Rivera (2006) calls this transcendence, the search for something beyond personal benefit, some greater cause or service to others that goes beyond individual ego. Guillory (2000) argues that such a state of consciousness results in a heightened awareness of our moral, social, and ecological responsibilities.

Third, as our self expands, we understand our purpose as seeking to help others in a global shift of consciousness. This change will occur through a deep ontological shift in awareness whereby we understand that there is no other, that we are all part of an interdependent system whereby what happens to someone else affects us in some way. Finlay (2005, p. 2) calls this “a merging-with ... where self-understanding and other-understanding unite in mutual transformation”. Therefore, small actions can have profound impacts. I am inspired by the growth in social business, social enterprise, and truly mutually co-creative shared value partnerships. We are part of that other. Intriguingly, the same neural pathways are activated when we help others and when we have pleasure (Jack *et al.* 2013).

I suggest that these three features are the foundation of transcendental leadership, and it is through these concepts that I believe we have the ability to co-create a new world if we engage with the other in different ways. So I would like to introduce our outstanding panelists who will give their views on

this topic. Time does not allow me to describe the depth of their accomplishments, so I will highlight only a few.

Jay B. Barney (Eccles School of Business, University of Utah) has been instrumental in forming and shaping the strategy discipline. The key question of “how do some organizations outperform others?” was articulated in his 1991 paper (with over 35,000 citations) on firm resources and sustainable competitive advantage (Barney 1991). More recently, he has helped craft the core entrepreneurship puzzle of opportunity recognition through discovery and creation approaches. Jay has also touched on the theme of poverty alleviation and entrepreneurship in a recent paper on opportunity creation (Alvarez and Barney 2014). Jay is one of the outstanding strategy scholars of our time, his work has had a powerful influence on me, and we are honored that he joins us.

Judy Wicks, founder of the White Dog Cafe. Judy is well known in Philadelphia and beyond, for her work on sustainable and local food production. She has inspired a whole social movement involving local living economies. She has received many awards for her work and has written a book, “Good Morning, Beautiful Business” (Wicks 2013). While always being interested in nature, Judy had a profound experience when she lived with an Eskimo village for a year after she graduated from college. That experience allowed her to understand and participate in a different culture based on collectivist values and sharing. That was instrumental to shaping her values from I to We. I am sure she will share her inspiring story.

C. Otto Scharmer (MIT Sloan, Boston), renowned for his work on U Theory, synthesized in his books on U Theory, Presencing and Leading from an Emerging Future. I find Otto’s matrix of social evolution to be inspirational, where he has brought 50 years of social development into one framework. He talks about the ecological divide, the social divide, and the spiritual divide. His work focuses on different ways of being present with each other to create a shift from ego-awareness to eco-awareness. Through integrating these divides in a shift from I to We, we can engage in a deeper meaning and purpose that extends beyond ourselves.

I think you will agree that these speakers are all outstanding people, in different ways. In discussing transcendental leadership, they have been asked to talk on two themes: to explain their own spiritual practice and to describe how they bring these practices into the shift from I to We. Thank you.

Jay B. Barney

Two years ago, I was at a conference in Snowbird, Utah, and I had a serious ski accident. It was a collision, we were both in control but that didn’t make a difference. I ended up breaking nine ribs – I didn’t know there were nine ribs, turns out there are 12 in case you are interested – three of them are too small to break, so I broke every one that I could. I broke all of them in multiple places, I broke my collar bone and I punctured a lung, all very exciting. I was

skiing with Jim Walsh, some of you may know Jim from Michigan, he's a good friend of mine and he said he thought he saw Jay Barney die. So I was lying in the snow and I could barely breathe because my ribs were broken and they had collapsed my lung. Because it was a conference, many of my colleagues were there, they kind of surrounded and rallied around me until the ski patrol came.

The moment came when I had to get transferred from the snow to a toboggan, so that I could get down the mountain because clearly I needed to go to hospital. So the problem arises "how do you get someone from the snow and move them onto the toboggan" for the trip down the mountain? I experienced something that was a powerful moment for me, a powerful moment because there were a couple of professional ski patrol people there at the time; most of the people who lifted me up were strangers. Now, I am not a little guy, you probably noticed that, and they put me on a toboggan. And that began my process of recovery ... and here I am. And I still ski.

I would like to use that [how do you get someone from the snow to the toboggan] as a metaphor for my own experience in this field, in particular some things that I have been doing in the last 10–15 years. I don't talk about these things, this is very unusual, I don't write about them. I made a decision to start thinking and working in the field of poverty alleviation, and I made a decision that I would try not to write anything at all. I am already a senior professor with enough citations ... so what was the big deal. That was not the point, the point was about trying to do something meaningful in a different way. And so, when we started, I didn't know anything about poverty alleviation, I knew nothing. I knew that there was a huge problem, but I have traveled all over the world and stayed in five-star hotels so I have only seen poverty from a distance, which meant I didn't know anything about it. So I said I would teach a class because that's something that I know I can do. I got some information and taught a class; got 15 students together and we went to a small village in Bolivia, Viacue. If you have gone to some of the small villages in South America, you will know that the women weave: it is a social experience. They get together and weave those hats with the big floppy ears, you know the sort of things they do. So, we thought maybe we could do something interesting in that village. I was at Ohio State University at the time, so we helped them design scarves, great scarves with big scarlet O's. They made 2000 of them for us and we sold them in Columbus, Ohio. So the women went from making almost nothing – about \$2 a day, but that is kind of an exaggeration because it is \$2 in potatoes, almost nothing – to \$12 a day weaving for us.

I am going to tell you a story about one woman and then I am going to get to the metaphor. We were there for a second year and we were working with them to help increase the quality of the scarves. There were all sorts of complications, this is not an easy thing and poverty is a complicated problem. It's really hard. So, this one woman, who had the unlikely Bolivian name of Daisy, shows up on a Wednesday night. Now you have to understand that the village

where we were working is about 15 miles from where we were staying and there are no buses or anything. So someone knocks on our door and here is Daisy and she says, "Hey I've made this scarf. Will you guys buy it from me – at the wholesale price of \$25?" Well, it wasn't the best scarf, but she had walked 15 miles so we said, "Yes". And then she said, "If I make another one will you buy it from me as well?", and we said, "Yes, absolutely". So we made arrangements to give her a ride back to her village so she didn't have to walk all the way back. The next day, not thinking it would happen, we hear another knock on the door and there is Daisy. And this time she is carrying a blanket on her back. So she comes in and she has knitted two scarves. She must not have got any sleep because it takes about 12 hours to knit one of these scarves. She comes in and she takes the blanket off, and she is carrying what looks to be her two-year-old son on her back. So she has carried the baby the entire 15 miles for the opportunity to sell us those two scarves.

The thing that is hard ... what I found very, very difficult, with respect to addressing questions of poverty around the world, is that it is a really big complicated problem. It is just so complicated, so many variables, so many things, so many challenges. And I asked myself the question, what can I do that may have the most influence in this setting? I would like to think ... I have seen these wonderful examples of people doing amazing things, I would like to think that we can start a peace movement and win the Nobel prize, and those things are really cool. But my experience is that poverty is a battle, it is one on one, and it is a very tough battle. But, there is actually a group of people who we have a remarkable ability to influence if we choose to, and that is our students. When I sell the class to my students, I really try to emphasize to them that the odds of us making a difference in these people's lives is very small, but the odds of these people making a difference in our lives is fairly large. One time, I had a guy in my class and for some reason he just didn't listen. He had such a strong sense of what he was going to do, "My goal is to go to Bolivia for a week and to have a measurable impact on these people and then leave". Seriously! As we create these learning environments, we have to find ways to help our students understand that any benefit we generate in the field is a happy accident. It's a secondary benefit. This is really about figuring out who we are, what we stand for, and that the learning here is internal.

And so to complete the metaphor and the circle, the thing that I find interesting is that we go to Bolivia and Peru, Ethiopia and Nepal and other places where I have done this work, and what we discover is that we think we are going to change "them", but it's "them" who help change us. They change who we are. And I think that we, as academics and scholars, as long as we define our job narrowly as I have done for much of my career, writing papers to get published – I am not saying that is a bad thing, it is fine and good. But as long as we define it that narrowly, the opportunities for actually changing the world by changing who we are, are pretty limited. If, on the other hand, we can begin to integrate the more caring spiritual religious aspects of our lives with the things that we do, perhaps we end up discovering the greatest

surprise or not such a surprise for some of us, that as we try to help others, we ourselves are transformed. When you have that sense of concern and love for someone else, good things happen. This is what makes this transformation possible. And I guess that is the message I want to convey.

Judy Wicks

Kathryn mentioned that when I was young, I spent a year in a remote Eskimo village and what a significant experience that was for me. They had very different approach to life than what I was raised with. In the Eskimo culture, there was no such thing as accumulating more than you need. An example of this was one morning I heard a knock on my door and opened it to find an Eskimo woman, who beckoned me to follow her, saying “seal party, seal party”. The tradition is that after a man catches his first seal of the season, after a long hard winter, the wife invites everyone to her home. Anything that the family has accumulated that is no longer needed for survival is redistributed, whether it is furs, outriggers, buttons, candy ... whatever. So there was no sense of competition. If you admired something an Eskimo was wearing, they would take it off and give it to you. You had to be very careful with compliments! This was a big lesson to me: to see a culture that had lasted thousands of years based on cooperation and sharing as opposed to competition and hoarding as my society is.

I later moved to Philadelphia and I bought a house that was owned by Helena Blavatsky who founded the Theosophical Society. I was told that she was asked “what religion are you?” and she said she belonged to all religions. I have taken that philosophy and embraced the golden rule in every religion, “do unto others as you would have them do unto you”. So all my life I have tried to do that. My spiritual beliefs are simply this, that all life is interconnected, that the universal spirit resides in all people, all animals, all life, and that what we do to others comes back to us because we are all connected. In my own daily practice, I do a couple of little things. Whenever I feel myself judging someone, I try to change that judgment into love. For example, I get frustrated and am at my worst when I travel – why are they so slow, why don’t they hurry up – I have all these negative thoughts. So I do a little experiment and try to shift my thoughts to think “I bet she is a wonderful mother”. And I found that having those positive thoughts also changed me. Another practice that I have relates to when I go too fast – which hardens me as I can’t feel what is going on, I become unaware. So, one of my practices is to slow down. Walking, meditating, breathing, and just silence helps me to do that and when I am silent, the most amazing things happen to me. I have had some wonderful experiences with bugs and insects when I am really quiet with nature – I have been kissed on the mouth by a caterpillar, it climbed all the way up my leg, my arms, around my chin, and gave me a little kiss right there. I have many great love stories with bugs.

I actually do believe that like indigenous people, the rest of humankind is gradually accepting that we are all interconnected, that we are not separate, that our survival depends on cooperation and partnership, rather than domination and competition. I feel we will reach a tipping point that will really change the world when the vast majority develop this spiritual understanding. So, for me, this applies to my own work as an entrepreneur. I believe the purpose of business is to serve. So the mission of my former business, the White Dog Café in Philadelphia, was to serve fully – our customers, our employees, our community, and nature. Business is really about relationships ... who we buy from, who we sell to, and who we work with ... and money is simply a tool. Our decisions should be love-based, rather than fear-based.

I tried to help my customers and staff feel their sense of connectedness, to get in touch with their hearts not just their head. Often, we make decisions from the head, all about efficiency, not about nurturing. When I first became a manager back in the 70s, I realized that I wanted to manage my employees in the same way that I managed my own life, which was to allow myself to do as much as possible within the confines of self-discipline as a balance of freedom and structure. Thomas Barry explained that this type of balance is what makes the Earth work – through exploding forces pushing out that are combined at the point of balance with the force of gravity pushing in, so the Earth can neither explode nor implode. And where that point of tension is on the Earth's crust is the point of greatest creativity – where life on Earth exists. So that is what I tried to do in my workplace, my life, the way I raised my own children, to strive for that edge between freedom and constraint because that is where creativity flourishes.

My relationship with my employees was also about paying a living wage. When I first heard of this, I had a knee-jerk reaction. It might be good for some companies but how could a restaurant pay a living wage to dishwashers as an entry-level wage? But one day I was in the kitchen and the three dishwashers happened to look at me. A light went off in my head and I thought of course I want to pay someone who works for me enough money to pay their rent, to buy their food and clothes and so on, of course I want to pay a living wage.

The White Dog also did events for customers. If immigration was in the news, I would have recent immigrants come in and tell their story. If same-sex marriage was in the news, I would have a gay or lesbian couple come in and tell their stories. We had an “Eating with the Enemy” program, an international sister restaurant project, where I took my employees and my customers to countries that the US Government was at odds with. Nicaragua, Vietnam, Cuba, Soviet Union, Palestine ... and so we ate with the Sandanists, the Zapitistas, the Viet Cong, the Palestinians, the Soviets, and so on to show our interconnectedness. And we had events to remember the work of Martin Luther King, we had a Happy Birthday Gandhi breakfast, a native American thanksgiving dinner, a white lotus day in memory of Madame Blavatsky. And then we did the usual community service things. We went to New Orleans

after Katrina, we brought 30 of our customers and our staff down there to help redo the houses after the hurricane.

I found out about the horrors of factory farming animals, in particular how mother pigs were kept in cages where they can't even turn around or move their entire lives. They are artificially inseminated, and the whole process is repeated over and over again. So, they are treated like pieces of machinery in a factory. I was appalled by this as I believe they are sentient beings with the same capacity of emotion as all of us mammals – to have joy, to have grief. So I went into the kitchen and took all the pork off the menu knowing that we cannot be part of this cruelty. We went about finding pasture-raised pigs, then cows, and of course I already knew about the chickens. So I finally came to the point where I looked at my menu and I thought we have a humane menu, no other restaurant is doing this, this is going to be our market niche, this is our competitive advantage.

And then I had this big moment of realization, when I realized that if I really cared about those pigs, the environment being polluted, the workers in these slaughter houses and factory farms, and the consumers eating this meat full of hormones and antibiotics, then rather than keeping this as our competitive advantage, we needed to give this information to our competitors. That's when the Eskimo philosophy came home to me. I printed the list of our suppliers and their products to give to my competitors and I set up the White Dog Community Enterprises and gave 20% of my profits to the non-profit. I asked the farmer delivering our pork if he would like to deliver to more restaurants and he said that yes he did. I asked what was stopping him and he said he needed \$30,000 for a refrigerated truck. So I loaned him the money and began to build a local food system. I realized at that point that there is no such thing as one sustainable business, no matter how good our ethics, our recycling, our local buying practices are. We can only be part of a sustainable system and we have to cooperate to build it. I believe that is what we all have to understand if we are to change our society over time. The key to social change lies in our hearts – we need to feel the cruelty that underlies our economy, and that every transaction has a consequence. To have transformative change, we need to open our hearts and minds to understand that everything we love is at risk in the way we currently connect economically. We have to cooperate together to build a just and sustainable economic system. We need to understand our communities and humankind's place in the web of life. Only then can we have transformative change.

C. Otto Scharmer

A pivotal moment for me was doing an interview with the late CEO of Hanover Insurance, Bill O'Brien. It was part of a larger research program on transformational change when I was interviewing entrepreneurs who had created profound innovations and I was interested in their practice of awareness. Bill summed up his thoughts, "That the success of an intervention depends on

the interior condition of the intervener”. Let me repeat that, the success of what I do as a leader depends on the *inner place* from where I operate. When I heard this, I instantly realized that we know very little about that inner place. We know about what leaders do, and how they do it, the processes they use, but the inner place from which they operate, we know little about that.

The more I learned about this inner dimension of leadership, the more I realized that it had to do with tuning three instruments of knowing: the Open Mind, the Open Heart, and the Open Will (see Figure 1).

To tune these instruments of inner knowing, I have found two sets of practices very helpful: horizontal practices for connecting and vertical practices for grounding.

Let’s start with the horizontal practices for connecting. The first one is about accessing the *open mind*. The focus is on suspending old habits of thought in order to see with fresh eyes. It may sound more trivial than it is because in most cases when we listen to another person, we are really listening to our inner commentary. So this practice is about switching off and suspending that inner chattering and to start really listening to what is actually going on.

The second practice is about accessing the power of the *open heart*. The focus is on redirecting our attention from looking at a situation through one’s own point of view, to looking at a situation through the eyes of another, through the eyes of another person or stakeholder in the system. Like Jay’s story about the woman walking 15 miles with her scarves. It is a kind of

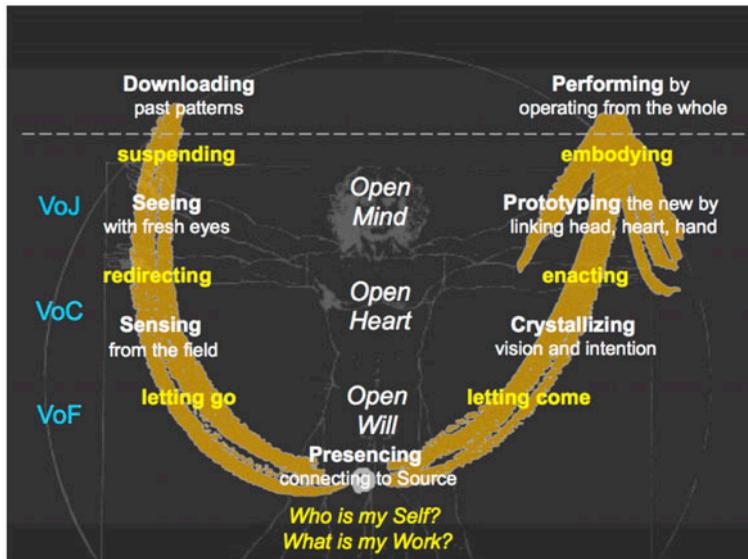


Figure 1. Three instruments of knowing.
 Source: Scharmer and Kaufer (2013). Reproduced with permission.

empathy that is not only about noticing something interesting outside, but something that turns your heart into an organ of perception that allows you to tune into the felt experience of others.

The third practice is about *open will*. Here the focus is on the capacity to let go and let come. That, of course, is hard for many leaders, letting go of old identities, letting go of rigid definitions of us vs. them, letting go of maybe outdated intentions that need a little update every now and then. I once interviewed a very successful high-tech executive and I asked him how, time and again, she was ahead of the curve. Her answer was that “I facilitate the opening process”. I thought that was an interesting way to think about leadership – both as an individual and as a team: facilitating the opening process.

These are horizontal or relational practices that I have found really helpful: suspending, redirecting, and letting go – open mind, open heart, open will. But then the challenge is that when we get pressured, distressed, or defensive, then we often revert to the old habits. So what other practices can strengthen our capacity to really be more grounded and rooted in who I really am and who I want to become? Here are three vertical or grounding principles and practices that I have found to be equally helpful.

The first one is about *intentional stillness* or, to use another term, *mindfulness*. Over the last 2–3 years here at the Academy, we have seen mindfulness moving from an obscure small group towards now being almost mainstream. Mindfulness is even on the cover of *Time* and so forth so look at the attention it is getting. Some people do 60 min every day, others (like me) do 15–20 min a day. The good news is that it’s not the amount of time taken, but the practice of connecting with what is most essential, while disconnecting from anything that isn’t. But what practice you do is a very individual question, and I am aware as an educator that I try to always make sure that I offer a variety of options so that people can make their own choices, given the various traditions and cultures they are connected with. But the point is, are you doing something?

The second practice concerns *deep listening*-based coaching practices, which are small circles of people who meet regularly to listen to each other with one’s mind and heart wide open. You have five to seven people who meet two or three times a year. You apply everyone’s open mind, open heart, and unconditional love by listening to the deeper journey of each member in that circle regularly. That process can move mountains because it strengthens your capacity to connect more with who you really are and who you could become tomorrow. The deep listening circle work constitutes an important, mostly unseen but powerful, growing movement across sectors and cultures.

The third principle and practice concerns a deeper connection with our creative and entrepreneurial journey: *do what you love and love what you do*. Of course, you have the millennial generation in your classroom as I have and what I am noticing is that 10 years back, we used to have a few of those outliers, those tempered radicals ... people who are here to change the world and then the rest would aspire to go into consulting or Wall Street. Today it is reversed. Most people, one way or another, are trying to find something

meaningful and to create their own thing. This aspiration is very powerful today. Often I feel that our generation hasn't done a good job nurturing this deeper aspiration that is so clearly emerging in the next generation. So *do what you love, love what you do* is close to becoming mainstream for the millennial generation. For us, we would have a good career and often tended to delay making a positive social impact until retirement; but they want it now, to be part of the story, something that my real self can associate with and can feel good about.

So those are three grounding or vertical practices: intentional stillness; deep listening circles; and do what you love, love what you do. What I try to do in my work is to provide learning environments for that to happen. What is interesting today is that it is not only fringe people interested in this, it is really resonating in major global companies, the UN institutions, the World Bank, the Chinese Government, major state-owned enterprises – a lot of places that you would never have thought of. My biggest learning is that this need, this aspiration, this possibility that we are facing is so much bigger than we think it is. The boundaries that may have existed 5, 10, 20 years ago are no longer in this current moment of global shift.

So, let me close with a question of how do you bring that into your world? I have already given some examples of that. But, as Jay said, the biggest leverage is in the classroom. We need a new generation of learning environments. The concept of social fields is absolutely essential in all of this because we are talking here about a shift in awareness, a shift in consciousness, as an intervention point of social systems. We need to understand the *acupuncture points of social fields* to touch upon to trigger such a shift from ego to ego. I have 20 years of experience with this and I can't do justice to this now, but if I was to kick off a conversation, I would ask for key learnings on how to trigger and activate the social fields as the main medium for creating learning environments around. This process is not linear, but it is more of a holistic design with a menu that involves co-initiating, co-sensing, co-inspiring, co-creating, co-evolving (for a full discussion, see Scharmer and Kaufer 2013).

For example, we need to ask how to co-initiate the social field to bring diverse groups of actors together that need each other in order to shape the system. This is the opposite of what we often do, dealing with just one industry, one stakeholder group, or something, you really want to bring together the whole. My experience with global classrooms is that we have the most success when we have live sessions using mindfulness, and that people are incredibly inspired by joining the presence of the global field. That is a hugely underleveraged acupuncture point because if we convene fields in real time, where we bring together, for example, taking your students to Peru, it is already connected, but our awareness is limited. So having that experience, walking in the shoes of what is happening on the other side of our economic problem, that is a huge leverage point.

In designing these learning environments, you have to move out to the periphery, like Judy, in order to connect with the experience of the most

marginalized stakeholders in our systems. That connection triggers the shift. Then the deeper contemplative practices, the learning environments, have a lot to do with really creating deeper spaces of reflection that I am sure many of you already have a lot of experience with, linking the intelligence of head, heart, and hand. That is where the entrepreneurial gene comes from but in a way that is linked to the do what you love, love what you do principle, and not just by utility or other kinds of motivation. We need to organize new types of learning environments, move the classroom into the real world, as we heard in multiple examples. And we need to engage our students in these activities and then offer these deeper methods, tools, and practices to really make sense of a bigger picture, including who I am today and what story of the future I want to be part of. And then you need to stage new learning environments where you can fail early to learn quickly. The prototyping is really going to be about safe learning environments that most people still don't have in their organization, where you can move into a higher form of intelligence.

Closing comments

This concluding section integrates the above conversations with transcendental leadership, with four clear contributions.

The first contribution towards transcendental leadership is the shift in *awareness surrounding self-other*. Transcendental awareness requires self-questioning in order to see a world that one mutually co-constructs and participates in. This awareness involves practices that enhance the questioning of existing beliefs, assumptions, and values, and acceptance of the responsibility each of us has in creating this world. Jay's journey of taking young people into poverty triggered this awareness in many students through their exposure to a world without materialism. When we see poverty, something happens in our heart space that opens the connection between the self and the other. Although we are unable to fully explain what this shift in awareness does to us, we know it has a system effect, in that we are connecting to something greater and beyond ourselves (Pavlovich and Krahnke 2012). Through experiencing empathy, we are more able to stand in another's shoes, suspending our judgments and criticisms. Trout (2009) argues that empathy helps shift from ego to eco-awareness, not through the dissolution of boundaries between us, but through the bridging of boundaries to enhance shared meanings and understandings. This could be why one-on-one impacts can be life-changing, and also why we cannot be absolved from taking personal responsibility, no matter how small it is. Hence, through self-awareness, we develop a meta-awareness of self, to not only alter our responses and impulses through self-regulation, but more importantly, to raise our level of other-focused consciousness through self-transcendence.

The second contribution relates to the *seeing of things in new ways*. Judy's story provides insight whereby she has inspired a whole movement beyond her immediate organizational and regional borders. As Otto noted, this is not a

local story, but a global one, where she has been instrumental in changing a social field. This example demonstrates the process of creation of opportunities (Alvarez and Barney 2007), as Judy was able to see a possibility not recognized by others; a way of seeing the world that Scharmer and Kaufer (2013) note is essential to move outside of mainstream paradigm. Judy could sense a different reality, partly due to her earlier experiences as a child with nature, and then in the collectivist Eskimo culture. This shift was not discovered through reading or being told by someone else. It was a dormant awareness that was already there but needed to be activated by entrepreneurial action.

Third, *system-level change* is created. Judy created her local living system as a source of competitive advantage in the White Dog Café, but she realized that this approach would not create a system shift. She could have continued and built an empire such as Apple, Google or Facebook, but she chose not to. Rather, she demonstrated transcendental leadership, in that she connected to an ecosystem by engaging with competitors to organize themselves in a cooperative way. This approach changed the competitive model into a cooperative ecosystem, which had a far greater impact than self-interest. This is an excellent example of opportunity creation and eco-awareness: the solution already exists, but someone has to see it, sense it, and create it (Alvarez and Barney 2007, Scharmer and Kaufer 2013). This movement from ego to eco was essential for system change.

Finally, all three speakers noted *the power of education* in creating a system shift in very practical ways: as an educator, Jay triggered a shift in awareness in his students through exposing them to the reality of poverty. Otto discussed his impact through organizational leadership programs, with 60% of his time helping CEOs connect deeply through mapping of their inner territories. Judy educated on eco-awareness through a variety of events at her café, with her competitors, and with stakeholders through her Business Alliance for Local Living Economies. As educators, we are therefore in a privileged position, where we can create new learning environments that expose students to situations, events, and processes that will trigger new forms of thinking required in the emerging post-capitalist world. We have the possibility to raise the aspirations of young people in their search for a new transcendental world.

To conclude, I hope that you agree that we need leaders who are transcendental if we are to move from a competitive self-interested ego world based on inequity to a collaborative and co-existing eco world based on principles of ethics and justice. I thank the speakers for their openness and insight into this changing world, and I thank you, the audience, who are an important part of this ongoing conversation for transcendental change.

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