

CREATING EXTRAORDINARY ORGANIZATIONS

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I am writing this letter for those pioneers who want to move beyond the ordinary to the Extraordinary in creating business organizations.

Please feel free to pass this letter on to anyone you think would like to join this journey to Extraordinary.

Sent only to recipients who have personally opted to receive it. To change your sign-up information, please follow the instructions at the end of this letter.

I invite you to join the phone conference on March 9. See Announcements below for details.

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EXTRAORDINARY ORGANIZATION CORE BELIEF ABOUT – EQUALITY

Welcome to Letter 2-4 of Creating Extraordinary Organizations. In this letter, I am going to discuss the third core EO belief — there is equality of rights among all the members of an Extraordinary Organization. Let me start with my basis for this belief.

The Basis for a Belief in Equality

One could say the belief in equality arises from the last one – no hierarchy. It is certainly consistent with “no one has a right to control another.” However, the equality belief has a different origin. Jefferson made possibly the best-known statement of this in the Declaration of Independence:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness

The United Nations also affirmed this equality in its *Universal Declaration of Human Rights* that it adopted on December 10, 1948. A lengthy and detailed proclamation [thirty articles], its preamble and first article set its tone:

Whereas recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world,

Whereas the peoples of the United Nations have in the Charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women and have determined to promote social progress and better standards of life in larger freedom,

Article 1: All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

In our country, we have fought long and hard for equal rights. The Bill of Rights assures a number of protections equally available to all. Since then there have been amendments that ensure equality such as no slavery, black suffrage, and women's suffrage.

We have continued the drive for equality. The equal rights movement is an example. The long history of labor versus business is another. The latter brings us to the question of today's business organizations.

In every organization two classes exist – management and the others no matter what you call them – “employees”, “workers”, or “associates”. There is no doubt these two classes are not equal.

They are not equal in rights within the business. They are not equal in the minds of anyone involved. They are not equal in decision-making. Business organizations are not democracies in a country based on democracy.

What is Equality?

What do I mean by equal? People are certainly unequal in some ways beyond our control. Some are taller, some shorter. Some are more intelligent. Some have greater strength or other capabilities. Given this, what do I mean when I hold a belief in equality?

Jefferson and the UN talk about inherent rights – life, liberty, the pursuit of happiness, and dignity. These all have one thing in common. We can control them. We can control the **opportunity** for an individual to receive and attain equal rights when we are dealing with conditions we can control.

We can also control equality of opportunity to change controllable differences. For instance, we can provide equal participation in allocating scarce resources. The most obvious of these in a business are money and status in the form of pay and titles. It is clear that those with the top titles do not provide equal pay or ownership.

On the other hand, people do not contribute equally. Therefore, what does equality call for? In relation to pay, we usually cannot control the total amount paid to members as a whole. Given that do we really want or can we really have equal pay for each person? In my work with people who are setting their own salary, no one has ever suggested equal pay. However, these situations do give each person an equal say in how they divvy up the “pot.”

What does this belief call for in the broader question of who has the right to make decisions? Clearly, not everyone has the same capability to make certain decisions. People will acknowledge this. When this is true, people will let those with more information or expertise make those decisions. However, as with pay, everyone has an equal right to participate in deciding who makes the decisions.

Difficulties from Inequality

What is wrong with inequality and classes? Managers and executives often talk about the “employees” as if they are a different caste and managers are not employees [they are]. They believe they need to control, teach, and “motivate” them. This sets up an “us versus them”, superior/subordinate, parent/child atmosphere. No one will deny that this causes problems whenever it occurs.

In any situation where someone feels unequal, s/he will generally act below his or her full capability. Furthermore, inequality in the right to make decisions reduces the knowledge and experience brought to bear on them. Conditions such as these lead to less effective member actions and therefore reduced results.

Benefits from Equality

The benefits of equality are both psychological and physical. In an equality-based system, people can more easily fulfill Maslow's hierarchy of needs.

- Having an equal say in distributing scarce resources gives them a better chance to meet their physiological needs.
- By having equal say in their experience, they feel safer.
- They have a better chance to meet their belongingness needs when they feel equal to others.
- The chance for self-esteem from both self and others is much greater in an environment of equality.
- As for self-actualization, it is very difficult to achieve unless one has an equal chance at the means for doing so.

Equality also pays off for the business as a whole. When they are equal, people feel more powerful and accepted. If this is so and they are meeting their own needs, members will contribute all they have.

If we give everyone an equal chance to participate in such activities as decision-making, it will mean more applied expertise and knowledge. This in turn leads to better results.

Reducing us versus them conflicts reduces lost energy and enables effective individual and combined efforts. Any organization without superior/subordinate, parent/child relationships will produce better results.

Example of an Equality-based Organization

Sudbury Valley School is an example of a system built on equality. Members govern through a school meeting in which every student and every staff member has a single vote. There is total equality in saying how the school will run. Everyone has an equal chance to argue his or her case before the school meeting. Everyone also has an equal chance to create his or her own opportunities and success. Under these conditions, the school has operated extremely well since 1968 with tremendous benefits to both students and staff.

Conclusion

Equality assures access to certain basic rights. It fosters involvement and positive feelings about self and others. These in turn lead to better results. We have countless examples over many years of how inequality creates serious problems. These have hurt individuals, businesses, and even whole societies. One cannot have an Extraordinary Organization unless its members participate equally in all situations they can control individually or together.

ANNOUNCEMENTS, INFORMATION, AND COMMENTS

Phone Conference - On Tuesday, March 9 at 10:00 am PST, I will host a one- hour phone conference on the core EO beliefs. Your only expense will be your telephone charges to "attend." If you want to participate, click on [Participate](#) to send me an email. I will send you an invitation with the phone number and access code. I hope you will join me.

New E-letter Look and HTML - I guess by now you have noticed that you are receiving this letter in HTML and that it has a new look. It also has two new features:

1. Forward Email - If you know of someone you think would enjoy receiving this e-letter, you can forward it to him or her. Just click on the Forward email link at the bottom of this letter. You will receive a form on which you can add a personal note and the name and address of the recipient.
2. Options to receive notifications - You can now sign up to be notified of future phone conversations as well as EO events. Click on the Update your profile link at the bottom of this letter, and you will be given a form to indicate your choices.

On Line Interview - To hear a recording of my VoiceAmerica.com interview on "Creating Extraordinary Organizations" just click on [Listen](#).

E-Letter Archive - If you would like to read PDF versions of published CEO E-Letters click on [CEO Archives](#).

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UNTIL NEXT TIME

Equality may seem hard to define. However, members of an organization will be able to define it in their particular organization. The important thing is to assure that all members have equal rights and opportunities related to those circumstances they can control. Unless this is true, no organization can be Extraordinary. In the next letter, I will look at the next core belief, which requires equality as a prerequisite, freedom.

Be Well and,
Be Extraordinary!
Don Yates
Extraordinary Organizations

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