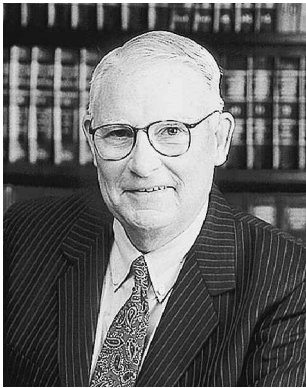


# An Epoch Change in Our Paradigms

*Bill O'Brien*



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To Mr. Roy Anderson:

You exaggerate my achievement and capacities. Nevertheless, I enjoy it. I deeply appreciate your letter of June 2. Your thoughts provide me with a helpful context in my search for the meaning of this event in my life and where I should head from here.

I fully concur with your statement, “Nothing happens by accident—and everything happens for a purpose.” God gives each of us life. He gives us a mission (to serve) on this earth. For many (certainly for me), that mission centers on family, serving society, and following “the way” He prescribed. When we complete our mission, we are called back and judged. A good effort is rewarded with an afterlife with God. It is really not that complex.

What cancer (or facing mortality) does is cause us to nourish our interior life and examine our external mission. At least, that is what it has done for me. It was you who once told me that differences in people’s interior lives are far greater than their external differences. I’ve mulled over that insight many times.

Let me take a side trip. I was leaving my office to go home on the second day after I returned from my surgery. Halfway down the center staircase, Kathy Kane stopped me. Kathy has been with Hanover for somewhat under 15 years and has been put in charge of a number of critical assignments. She always does an outstanding job. She said to me, “Bill, I want you to think of the positive part of having cancer. I had cancer 10 years ago (which I knew). There have been a lot of positive benefits to it. I am a much more aware person because of the experience. I see more. I appreciate more. I am a different person.” It was a very inspiring talk that Kathy gave me. It reinforced feelings in me that I was searching for ideas and words to express.

I, of course, have devoted considerable thought to my mission in life. I know I received a strong message. I sense it is more renewal to a higher level than dramatic change.

My professional contributions have been limited to:

- Understanding and articulating the destructive consequences of hierarchical corporate governance.
- Developing and practicing governing ideas that engage the commitment of our people and produce better service for customers and stronger financial results for owners.
- Establishing a learning environment that distinguishes the mechanical, linear, and convergent from the natural, philosophical, and divergent. Through this process, learning has become a living force in the company.

The next steps in my mission focus on:

- Articulating leadership practices that better fit our governing ideas, that is, leading in a mature, vision-driven, value-guided organization versus a power- or politics-driven one.
- Better shaping our structure to fit our philosophy, that is, keeping only the minimally needed hierarchy.

As you know, at the essence of what we are doing at Hanover is wedding individual fulfillment with societal service and economic success. Put differently, we want to design a company with the enabling conditions so people can use their jobs to reach the fourth and fifth steps on Maslow's ladder (his hierarchy of needs).

I believe the governing ideas and practices of Hanover Insurance Companies have wider application than to one company or industry. Many friends such as yourself have encouraged me in this view and suggested activities to introduce the philosophy to a larger audience.

My innate appetite for philosophy and business has been leveraged by two fortunate conditions. First has been access to some unusual people, such as Jack Adam (my predecessor at Hanover), John Beckett, Peter Senge, Charles Hampden-Turner, Chris Argyris, yourself, and others who are original thinkers. Many have been authors: E.F. Schumacher, M. Scott Peck, John Gardner, Teilhard de Chardin, Douglas McGregor, and Willis Harmon, to name a few.

The second condition is the fortunate circumstance to head a company to which I apply my learning. I appreciate the value of this unique arrangement more as I meet with my colleagues from academia or even those who are one rung from the top of some of the world's most renowned companies. It would be frustrating for me to think through issues and not have a vehicle through which I apply what I learn. I believe you and my friends from the academic community will identify with that observation.

In rebuttal, you might be inclined to say, "If you spread your wings, so to speak, you would get the satisfaction of seeing your ideas and experience helping more people and having a larger handprint on the world." But if I were to follow that path, I would no longer be a practicing thinker who sells his ideas. And there is nothing wrong with the latter. It is just not me right now. My uniqueness is that I am one of the few spokespersons for vision-driven, value-guided institutional governance who actually does what he talks about. While admittedly my audiences outside Hanover are limited, they see and appreciate the connection between thinking and doing. It is the source of my authenticity.

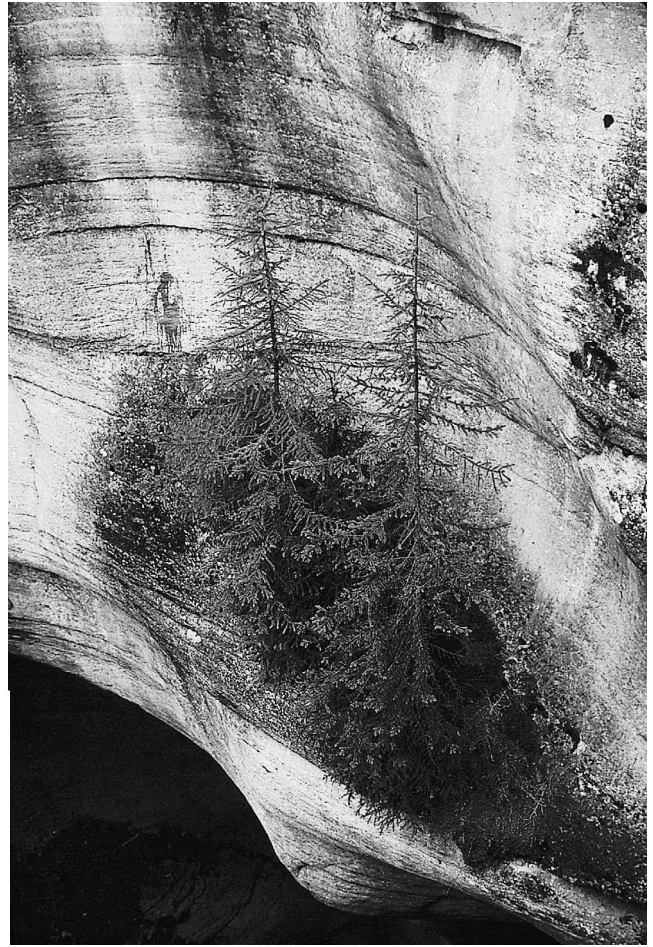
Hanover and its people are special. It is one of the best kept secrets in the business world. I believe I can lead the organization to new levels of capabilities. Further, I believe the people of Hanover can take me to new levels of understanding and learning more effectively than any other situation I can envision. Looked at from another vantage point, I find it unattractive working in surroundings where politics and linear thinking dominate and where it would be necessary to treat conditions we in Hanover overcame many years ago.

Again, let me digress. You and I frequently discussed our shared belief that epoch change is taking place throughout the world. Ordinary change, as we have known it in recent history, has been born out of technological advances or liberating social customs. Epoch transitions are born out of fundamental changes in how people see things.

Today's dominant reality is largely based on the scientific paradigm: theories from Descartes, Newton, Einstein, and succeeding generations of renowned scientists. The scientific paradigm began in the sixteenth century. It followed a paradigm that was based on religion, spirits, and the arts.

Paradigm shifts in dominant emphasis are accompanied by a degree of change that is traumatic to individuals who perceive their world coming apart at the seams. History teaches us that shifts from one technology to another, such as farming to industrial to computer, strain the stress tolerance of many people.

We have not had a major shift in our paradigms for more than four centuries. Are



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we in the beginning phase of such a shift? Would not a serious shift in our fundamental paradigms be accompanied by severe turbulence in society? What might that upcoming change in society's way of seeing the world center on? What are the implications?

We will look back on the decade of the eighties as the initial phase of an epoch change in our paradigms. The dominance of scientific materialism has already begun to wane. For those who hang tenaciously to a single, compartmentalized paradigm, the society shift will be turbulent. But for those who explore harmonizing the spiritual with the scientific, a healthy national interest with global concerns, and the rational with the intuitive, and distinguish the divergent from convergent issues, the next decade will be an exciting chapter in the ascent of mankind.

Holistic thinking and systemic understanding is complementing reductionism and the atomistic view in many quarters: the universities, public-policy think tanks, authors, and Hanover. The genie is out of the bottle.

Science and religion will remove the wall that exists between them. At a deeper level, we will begin to understand the connection between matter and spirit. The scientific method will be extended beyond its current limitation, that is, to validate only that which can be observed, counted, or measured. Both science and religion will point to a higher order to whom man and mankind is responsible.

Unwittingly, the scientific revolution has fostered polarization. A "we versus them" mentality, a government driven by the clash of special interests at the expense of the common good, and large business organizations in which departments put their self-interests ahead of the whole enterprise are so commonplace today that we hardly consider it a disruption of right order. We accept it as normal.

### *Science and religion will remove the wall that exists between them.*

These aberrations in our society are an unintended consequence from three centuries of emphasizing the scientific without the appropriate balance or integration with spiritual consideration and knowledge of the humanities.

Again, epoch change is caused by changes in people's paradigms. Such a change is under way. It has two dimensions. The first is unity, that is, unifying the scientific and spiritual (religious) with the spiritual at the center. Second, I believe the species is reaching a stage in its evolution where the common man will understand paradigms and possess the capacity to examine and change his own and others with some degree of sophistication. The ordinary person will master paradigms instead of becoming prisoners of them.

The era of interest in paradigms will result in new theories of new governance and leadership in corporations, universities, charitable institutions, and government. It will, I believe, be for the betterment of men and mankind, just as democracy abetted freedom and capitalism has raised standards of living.

Further, I don't believe the remedies to our ailing systems will emerge from the top, from reformers, from master planners, from generalists or special-interest advocates. Our American system of little people, guided by the changing paradigms, will make a breakthrough here and there that eventually will comprise an epoch change.

Today, there is an imbalance of theoreticians in relation to practitioners of these advanced experiments. My calling as I interpret it is to continue to combine practice and theory. My conceptualization of issues depends on the learning (and frustration) from my practice.

Roy, as I said at the beginning, your letter not only raised my spirits but served as a context for me to think through issues that are quite pertinent in my life at this time. Thanks for taking the time to let me have your support and wisdom.

William J. O'Brien

### **Afterword**

*Before sending this article to press, Reflections asked Bill O'Brien to reflect on his observations during the 13 years since he wrote his letter to Roy Anderson.*

**Reflections:** Not long after you wrote this letter, you left Hanover Insurance. What you came to understand from those who remained was that the subsequent leadership ignored many of the previous values you had introduced. In fact, they took the "Blue Books," in

which the values of Hanover were articulated, out of circulation. What are your reflections on this decision by the subsequent leadership?

**O'Brien:** Leadership is always about a tension between principle and power. It can never be an “either/or.” It is always a mixture of the two. In the decade of the nineties, we find two visible examples of the assertion of principles by those in power in the world political arena.

One was Gorbachev and his principle of *perestroika*, which was to free the people of the Soviet Union from the oppression of communism. He thought he could do this and remain communistic. He could, with his personal power, have wreaked havoc on the world. Instead, he chose to focus on *perestroika*.

The other example was de Klerk. Certainly, in the beginning, he could have oppressed Mandela and the African National Congress, but instead he stuck to his principles about ending apartheid in the face of much skepticism. In corporations, leaders are motivated by an obsession with keeping control and power, but there is a higher order than power, which is principle.

Governance, whether involving a nation or corporation, that is driven by leadership's appetite for power and control oppresses by stifling initiative. Governance with noble aspirations in service of the common good that seeks to help all its people—not just an elite few—in pursuit of their highest destiny is uplifting. Thus, there are some battles in life where it is more important to be on the right side than it is to win.

**Reflections:** How has the environment for values-based leadership changed in the 13 years since you wrote this letter?

**O'Brien:** When I wrote this letter, I felt that we were in the midst of an epoch change, which I characterized as a change in the paradigms in which people believed. I compared epoch change with normal changes, those happening because of technology and liberalizing social policies. I think we are still in a period of epoch change.

One observation I made then was the need for unity between science and religion. I see a lot of evidence in the past ten years that this movement is underway. When you look at the *New York Times* bestseller list, something like 40% of the books are in some way religious. M. Scott Peck's *The Road Less Traveled* was on the list for 13 consecutive years.<sup>1</sup> These kinds of things fall in the “boiled frog” category, so gradual that we barely notice them.

*Fortune* magazine had a cover story on “God & Business.”<sup>2</sup> Ten years ago, that never would have happened. In fact, roughly 10 years ago, *Fortune* sent a reporter to a conference held by the Organizational Learning Center [now the Society for Organizational Learning] at MIT. He was on the verge of writing it up as a “New Age gathering” until he talked with a number of us and saw it for what it was.

In another related article, Jim Collins wrote about Level 5 Leadership.<sup>3</sup> He describes a guy from Kimberly Clark, a spiritual guy, humble with a sense of stewardship about the future, who characterizes the spiritual dimension of leadership. Fifteen years ago, someone with those qualities would have been seen as flaky, not tough, and would have been weeded out.

Looking on down the road, I believe we have to grow leaders who are skilled at both the technical side and the spiritual side. Collins talks about leaders who have integrated business and technical proficiency with spiritual formation. I think these dimensions have to be integrated in a single person. You don't hire a human resources person to bring in the spiritual dimension.

I see the CEO as an orchestra leader who brings people in. There are a lot of people who talk about the spiritual side, but when they actually lead the music, they just beat the drums for profits, for the numbers, too strongly. When you're leading an organization, you have to bring in the human, strategy, and customer sides. When you blow any one of these horns all day long, that's what people presume you want.

In rereading my letter, I think that the central direction I pointed to is still accurate. There is a lot of evidence that science and religion are coming together. The reality of the world is that we need both faith and reason to know the truth. There are certain things

we can't know by faith and other things we can't know by reason. There's no such thing as a Christian approach to chemistry. In the same way, you can't get at the questions of "Who am I? Where am I going? Is there life after I die?" or at issues such as raising children or being married by reason. Those things require a window of faith. Together, faith and reason get at the full truth of the world.

## Notes

1. Peck, M.S. *The Road Less Traveled* (New York: Simon & Schuster, 1997).
2. July 9, 2001.
3. Collins, J. "Level 5 Leadership: The Triumph of Humility and Fierce Resolve." *Harvard Business Review* 79 (January-February 2001): 42-48.

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