



**Wake Up Eager Workforce Podcast, Episode 78
People Are Not Rational Actors: Axiology and the 3 Stages of Capitalism
-- Produced By Suzie Price**

Transcript

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Suzie Price: [00:00:00] Professor, Author, Speaker, Consultant and Editor Cliff Hurst, Ph.D. is back. This is my second interview with Cliff. Today Cliff is going to challenge us to consider an advanced stage of capitalism beyond where we tend to go today. We're going to examine our unconscious thought patterns, things that may be driving our leadership and our organizational behavior we're not even aware of, and we're going to talk about the importance of helping people really come alive and finding their purpose. We're talking about people first. What does that look like? What difference would it make? And Cliff is a wonderful thinker. He's very philosophical and at the same time very practical and very caring. And he is an expert on Axiology and Hartman. And you're going to learn all about both of those things and everything I just talked about during our conversation today. And I know you're going to enjoy it. Can't wait to share it with you, Michael, hit it.

Intro: [00:01:01] Welcome to the Wake Up Eager Workforce Podcast, a show designed for leaders, trainers and consultants who are responsible for employee selection and professional development. Each episode is packed full with insider tips, best practices, expert interviews and inspiration. Please welcome the host who is helping leaders, trainers and consultants everywhere, Suzie Price.

Suzie: [00:01:27] This is Suzie, and I'm here representing Priceless Professional Development, my company. And I'm so glad you're listening to the Wake Up Eager Workforce podcast. It's been a little while since we've had a new episode, it's called a busy and quick year, it is hard to believe it's June 2021. Here at the podcast it feels so good to just be talking and sharing and doing. I've got another episode I'm going to record tomorrow. So we're back in the seat again. We cover everything related to helping organizations and individuals be the best so they can be, helping you build high commitment, low drama, that's why we call it the Wake Up Eager Workforce, if you have high commitment, low drama, people bringing the best, you know, their strengths and their goodness and understanding what their blind spots are and being in the right seats that's a Wake Up Eager Workforce, right? Wake Up Eager Workforce is what we're all about. And we cover the life cycle of an employee through the work we do, everything from, "I've got to get them onboard," from hiring to onboarding, to coaching, to development, to team building and the tools and the resources that we have, and everything we cover here on the podcast is related to all those episodes, all those topics. One of the key things that we do is train and certify internal and external consultants in our certification process. You can check that out, it's self-paced and it's 6 weeks. You can become a Certified Professional DISC Analyst, Certified Professional Motivators Analysts and a TriMetrix Expert Analyst. Here is Anthony Blakely, he's a former pro-basketball player and the CEO of Bounce, it's an organization that he is committed to helping empower black men take control of their lives and their families and in their communities and know who they are, bring the best of who they are to their world. And so here's a little bit about certification he just completed.



Anthony Blakley: [00:03:24] Hi. My name is Anthony Blakley, I'm a Life Coach and Fitness Trainer. Today, I have pivotal information that will change the course of your life, if you're willing to apply it. I've just completed the Professional Motivators Certification at Priceless Professional Development. Let me share a short, but personal story on how I got here. I was a Sophomore in high school and I asked the question, "Why do we do the things we do and why do we treat each other this way?" Those whys led me to study in the field of psychology, in search of how the mind works. In the early years, my focus was on developmental psychology, studying how people grow and develop and adapt at different stages of their life. And throughout my last 35 years, in my studying and researching, there have been new topics, methods and events that have created new insight in why we do the things that we do. So I'm excited to say that through Priceless Professional Development, my why has been answered. Now, I can effectively interpret motivators reports to my coaching and training sessions. And once you understand what gives energy and naturally drives and interests you, it will change the course of your life with little room for error. The certification process was convenient and the coaching support was 5-star rating. This is Anthony Blakely. We are looking forward to seeing you at Priceless Professional Development.

Suzie: [00:04:57] So Anthony completed the Certified Professional Motivators Analyst and is now working on a Certified Professional DISC Analyst program. And for more information about that, go to pricelessprofessional.com/certification.

Suzie: [00:05:12] So our directory for the Wake Up Eager Workforce podcast is at wakeupeagerworkforce.com, wake-up-eager-workforce.com. I know I talk fast sometimes when I say that, people say, "What? What did you say?" But anyway, that's our podcast. That's our directory. We've got all the episodes broken into categories. So it's easy to find on a topic that you're looking for. They're pretty in-depth. We have transcripts for all of our podcasts and we try to not have fluff, so we actually have meaningful takeaways. You're either going to be educated or informed or have takeaways. So check all that out at wakeupeagerworkforce.com.

Suzie: [00:05:52] You can leave us a review at pricelessprofessional.com/review. That is really helpful, it helps people find the podcast. You can also subscribe you can subscribe on Apple podcast. You can subscribe using our app. We actually have an app for Apple and iTunes, or iOS, so feel free to do that. Any kind of feedback you have, feel free to reach out to me and leave me a message. You could also record a message, and if you go to wakeupeagerworkforce.com, you'll see a little microphone and then I could use your message on a future podcast. If there's something that you found helpful or a question you have, we could use that. So go to wakeupeagerworkforce.com, look for the little purple microphone and you could record right there.

Suzie: [00:06:37] You could shoot me a note. Just love to hear from you if something here is helpful to you. Or if you have any ideas or suggestions, you can find me at pricelessprofessional.com/suzie. And again, go to wakeupeagerworkforce.com for our directory, as well as leaving me a message there. You just click on it on your computer and you speak, it's really easy, ok?

Suzie: [00:06:58] So our topic today, and our episode is Episode 78, the title is People Are Not Rational Actors: Axiology and the 3 Stages of Capitalism. So 3 main points we're going to talk about, unconscious thought patterns, as I mentioned in the opening, and how those thought



patterns without being aware of them could be limiting our personal, professional success and satisfaction. Going to talk about 3 stages of capitalism. Did you know there were 3 stages? And out of that conversation, I found that very interesting. And there'll be more information about that coming from some of the work that Cliff is publishing, Robert Hartman's work. And if you don't know who Robert Hartman is, you'll learn more about him. I'm very involved in the Hartman Institute now, and so is Cliff and many other great people. We're going to also talk about Axiology, that's the 3rd science in the TriMetrix assessment. It's something that is often referred to as Axiology, could be referred to as Acumen. It's in my car analogy, it is what's under the hood, but it is how we think and make decisions.

Suzie: [00:08:03] So, that's interesting. I think you'll find that interesting. And we talk about some key resources, got a lot of links to some really great books that Cliff mentions. And then there's one question that can help you always put people first. And so I think you'll like hearing that question and I encourage you to apply it.

Suzie: [00:08:23] So, a little bit about Cliff, I mentioned that he's a Professor, an Author, a Speaker, a Consultant and Editor. He is on the Hartman Institute board. He has been the VP of research. And he also edits a journal of Formal Axiology, which has amazing papers and insight, rich, thoughtful insight by really smart people about Axiology and value science and the Hartman Value Profile. He's got 30 years of experience in business and management, 24 years running a management consulting practice, is currently an Adjunct Faculty Member at Field and Graduate University, and was for 8 years the Faculty of Westminster College. And so he also has a neat, a bunch of neat hobbies, outdoors type hobbies. And, but he's taken up something, he's really, does a really good job, I had the opportunity to see some a lot of his spoon's, but he's taken up wooden spoon carving. That takes some focus right there to make these beautiful spoons. So anyway, you're going to love Cliff and I think you're gonna love this episode. Let's go to it now.

Suzie: [00:09:32] Cliff, thank you so much for being here.

Cliff Hurst: [00:09:34] You're welcome, Suzie, it's good to be with you again.

Suzie: [00:09:36] And we're going to jump right into our topic here. You talk about, and this program today is entitled, "People Aren't Rational Actors," so I kind of want to start there because I'm sure people that are listening are wondering, "Ok, what are we talking about here?" So, why do you say this? Are we not rational?

Cliff: [00:09:53] Well, not only will I say we aren't, but I will say we ought not to be. It's a good thing we're not. We're richer, than that. But before I dig into that too much, we need to back up a little bit.

Suzie: [00:10:04] Ok.

Cliff: [00:10:05] And kind of frame that conclusion a little more broadly, if you don't mind?

Suzie: [00:10:11] Perfect.

Cliff: [00:10:12] So what I find is that business leaders, the rest of us, are often unaware of the unconsciously held thought patterns that guide our decisions, our judgments and the way we view reality. Some people call those paradigms or mindsets. They're referred to by Leon Pomeroy as unconsciously held evaluative thought patterns. I like the way the philosopher Gadamer refers to them as cognitive horizons. That is, we don't see beyond where we can see and everyone has these cognitive horizons. It's my belief, in my experience, that business leaders tend to run their organizations according to unconsciously held paradigms. And it's important, I think, that we look at what those are and analyze it and say, "Do they service? Do they serve us well or should we reconsider?"

Cliff: [00:11:09] So in my experience, business organizations are influenced to a degree they don't even realize by the theories of economics, especially in economic theory called Maximum Utilization Theory or Maximum Utility. Basically that says that people as decision makers will always do the things that maximize their own gain. And that's why price demand elasticity and so forth came back, so if I make a decision or I'm running a company, I'm always going to do the thing that will make the best gain for me.

Suzie: [00:11:46] For the individual or for the company?

Cliff: [00:11:48] Well, if you're an individual, you do it for you. If you're a consumer, if you're a company leader, you would say I'll do it for the company.

Suzie: [00:11:54] Ok.

Cliff: [00:11:55] And that's almost an unrecognized, unspoken paradigm. But I want to say that is a paradigm, it's a point of view that we ought to look at and investigate and question, "How fully does that apply? How fully should it apply it?"

Suzie: [00:12:08] So it would seem kind of natural that the president of an organization would say, "Ok, I'm going to make a decision best for the company."

Cliff: [00:12:15] It would seem that way. I'm going to question that.

Suzie: [00:12:18] Ok, awesome.

Cliff: [00:12:19] And usually the, "For the company," means in terms of return on investment or return to shareholders or maximizing profit and so forth. So usually that's turned into a monetary gain.

Suzie: [00:12:32] Yeah. So the default is not always workers who are really satisfied in their work, the default usually is the other, which is, return on investment.

Cliff: [00:12:42] That's right, that's right. And we're going to I'm going to talk about Robert Hartman's proposed 3rd stage of capitalism and talk about Stage 1, 2 and 3. But I don't want to go there yet.

Suzie: [00:12:53] Ok.

Cliff: [00:12:54] And because I just got a question, I need to get to this rational actor thing. So if we unknowingly buy into the Theory of Maximum Utilization, we also kind of buy into the theory, and I believe businesses tend to think that they are rational, is called Rational Actor Theory, and that is someone who makes good decisions, will use reason to maximize their own utility or the utility of the organization. But Rational Actor Theory was based on the assumption that we have perfect knowledge of the situations we're facing, and researcher Herbert Simon said, "Well, that's not really true. We're always making decisions in the fog. We don't always know everything that we could know to logically maximize our value." Therefore, they developed a theory called Bounded Rationality that in other words, we try, but we've got limitations on it. And then a whole nother stream of theories came up called Heuristics and Biases. That said, given that we don't have perfect knowledge, we do the best we can, we take mental shortcuts, that's sort of what heuristic is, it's a rule of thumb, it's a mental shortcut based on what's happened in the past. So they say that we're not really rational, but we ought to be, we try to be. In rationality, bear in mind is defined as maximizing my own gain. That's what's called Neoliberalism. And that is such a deeply embedded construct we often don't pause to think about it, Suzie, I'm just thinking about you and your listeners may want to take a minute and pause and say, "Did we consciously buy into that? Or are we just kind of swimming in the sea where that's normal?"

Suzie: [00:14:35] Is make the assumption that the business is there to make money and to get a return on investment and that those are the criteria.

Cliff: [00:14:43] That's right. And you've probably heard of Milton Friedman, that famous Nobel Prize winning economist, who in 1970 he wrote an Op Ed in The New York Times and he said, "The sole purpose of the business is to maximize profits and anyone who thinks otherwise is preaching pure and unadulterated socialism," and he got a lot of cheers and hurrahs. And I would say that's now 50 years old, but a lot of people have subconsciously just assumed that's the case. We call damage to the environment or externalities. We do things that are not necessarily good for the world, the planet or the people who work for us, if that's our only driving force and if we define that as rational, we define ourselves as RATs. That's what I refer to Rational Actor Theory as RATs. It assumes that people will always seek the shortest route to the most cheese.

Cliff: [00:15:38] And I want to say, and Steve Byrum I think is my guru in this, he would say, "No, we are more valuable than rats. We make value judgments based on more complex things than just what best suits us." And I believe we ought to be consciously aware of that. And I think Hartman helps us to see that in a different light. And that excites me. It enriches me. It fulfills me in a way that just chasing money alone wouldn't do.

Suzie: [00:16:06] You're saying people aren't rational actors, so we can't, as business owners, act like the only motive we have is to make money, because if we do, we're missing the people part?

Cliff: [00:16:19] Yes. And why should a business exist solely to make a profit? Why shouldn't the business also exist to do something good in the world? Whether that's to benefit its customers or its employees or improve the standard of living or others? We're multifaceted. I'm not saying don't make profit, I'm saying don't use that as the only judge of why we do what we do.



Suzie: [00:16:43] And it's interesting how polarizing this topic can be because, and you hit on it when you talked about the socialism versus utilitarianism, where is your quote? It was either/or and it's like, well, there's really a continuum, it doesn't have to be either/or, you just said shared it.

Cliff: [00:16:59] Just this morning, The New York Times had an article about Amazon and they've been in the press a lot lately, you know, and they had that drive to unionize their fulfillment center in Alabama. It did not go through. Amazon pays twice the minimum wage of Alabama. But this morning in The New York Times, they say that they're publishing a new investigation of life inside an Amazon warehouse. And they title this article, *Our Nature as Humans*. And I'll quote The New York Times, "In his drive to create the world's most efficient company, Jeff Bezos discovered what he thought was another inefficiency worth eliminating, hourly employees who spent years working for the same company." And it's pretty clear from the press, and I've never worked inside Amazon, so I don't have insider knowledge of this, but there is an ethos or a mindset there, that labor costs are to be reduced as much as possible to maximize shareholder return. And the people who are proposing unionizing said, they didn't complain about the wages, they really complain about working hard, they complained about not having respect for them as individuals, even the point of having time to go to the bathroom.

Suzie: [00:18:06] Wow.

Cliff: [00:18:07] That's a pretty easy fix if we recognize people are more than units of labor.

Suzie: [00:18:11] Yes. Yes. Would you say that Amazon is extreme, though? I mean, I think about every company that I work for that, I've worked in as a consultant, profit is there, but not all decisions are based on profit, and not, people generally, I mean, I don't know, just I'm only one consultant, but a lot of companies, I mean, I think about one hospitality company that I worked with, they had to make a profit to stay in business, because they are hospitality, but they did so much development for their employees and there was a lot of care and concern. I mean, Amazon not letting people go to the bathroom, I don't think that that really, is that happening everywhere?

Cliff: [00:18:52] There's a lot of data. And Hartman went into detail that in an unpublished manuscript called *Partnership of Capital and Labor*. As you may know or your listeners may not know, that Robert Hartman was the founder of the Council of Profit Sharing Industries. And he advocated that if you're the Owner of an organization or a business, and you share the profits with the people who generate them, you actually make more profit than if you've kept it all yourself.

Suzie: [00:19:20] Well, and I know personally of private company that has done that.

Cliff: [00:19:23] Yeah, and they're more and more of them.

Suzie: [00:19:25] Yeah. They've gone from 100 employees to thousands of employees, and it's all through giving ownership of the company back to the stakeholders.

Cliff: [00:19:36] So again, this is all unpublished research to this point, but I hope we can bring this into the world soon. Hartman talked about 3 stages of capitalism and this 1st stage was where employees are seen as a unit of labor, a unit of production, and the way to maximize shareholder value is to reduce those labor costs as much as possible, pay as little as you can, work people as hard as you can, so that stockholders will get more benefits. Labor is a cost to be done away with.

Suzie: [00:20:07] So it sounds like Amazon's operating at that stage, or at least a part of it. We don't know the whole story, it isn't black and white, just like it's not utilitarian or socialism. There's a continuum. But there's some of that happening in that article. Yeah.

Cliff: [00:20:23] Yeah. And Hartman, I didn't know this till lately, was also a Marxist Scholar and he studied Marx a lot. But he said it's the Stage 1 capitalism that Marx argued against. He said, but Marx got it wrong. He said Adam Smith got it part right, part wrong. Marx got it part right in part one. But together they don't solve the issue. He said the world was moving at the time and he wrote this in 1958, to what he called Stage 2 Capitalism. And in Stage 2 Capitalism, employees were not valued as units of production, but they were seen more holistically for the roles they contribute to the good. And this is where salaries came into play and benefits and often performance bonuses and so forth to share some of the wealth and some of the recognition. So it was a more nearly holistic view of the person, whereas in Stage 1 Capitalism, people are seen as production, that systemic thinking in our language.

Suzie: [00:21:24] Yes.

Cliff: [00:21:25] In the Stage 2 Capitalism, we're seen extrinsically for the role we contribute, knowing that it's not necessarily, "I move this piece of block from there, to there. I've done this unit labor," but for the whole I bring my mind and my abilities and so forth and I collaborate with others and so forth. That was a Stage 2 capitalism that he felt most of the world was in. And in my experience, most of the world is in today.

Suzie: [00:21:48] Yeah.

Cliff: [00:21:50] We who use assessments like the Hartman Value Profile to evaluate potential candidates for a job, we're saying the job is first, here's what the job needs, who's the best person to fulfill that role for the job, even in its complexity? But Hartman envisioned a 3rd stage of capitalism that, in my experience is not here yet, which seemed pretty radical to many people, but I hear harboring of it, murmurs of it occurring here, he said in a 3rd stage of capitalism, organizations will ask themselves, "What can we do to contribute to the growth and the personal development of each individual here? What if an organization put the individual first? And they found so much resonance and excitement, enthusiasm for doing their work because of that, what difference would that make in the company's profits and longevity and benefit to society?"

Suzie: [00:22:46] Yeah.

Cliff: [00:22:47] That's what he called a 3rd stage of capitalism. As you may know, Suzie, I've been applying for another full time position in higher ed, and higher ed has been rocked by this COVID pandemic completely. But I've been on a number of job interviews and I know what it's like firsthand and recently to say, "Ok, I'm being evaluated not for who I am, but for what I can

do for that organization." And that's a lot better than applying for a factory worker assembly line job, but it's still everything I have to do to present myself into that organization, is how well am I suited to contribute to them? No one has asked me in an interview, "How can we contribute to you, Cliff, as an individual?" If we had reached the 3rd stage of capitalism, that would be a part of it.

Suzie: [00:23:34] So you're not saying eliminate the fit, again is not black and white, not capitalism or socialism. You're not saying eliminate the fit. You're saying...

Cliff: [00:23:43] No, we're adding intrinsic value to the consideration criteria, just like when we say, "I's greater than E's, greater than S," each, the extrinsic world incorporates the systemic. It doesn't replace it. It enfolds it. The intrinsic folds the extrinsic. So it's not like that...

Suzie: [00:24:04] Talk about that so anybody on the call right now who hasn't heard of intrinsic/extrinsic, and so forth, can you kind of give that description? And then the other thing I would say is sometimes I've heard actually, I actually think I heard Steve Byrum say it, Steve Byrum is the Founder of The Judgement Index, and has his own consulting company, which is a Hartman Value Profile tool. He studied with Robert S. Hartman. I heard him say, and maybe it was just an off-handed comment, but he said something about, I'm afraid of or I'm fearful of, I know I'm misquoting it, systemic, a fear of this systemic. And so I want talk about that after you explain systemic, extrinsic, intrinsic.

Cliff: [00:24:40] Ok, so Robert Hartman, who brought you and me together, was a Philosopher who created Value Theory, that theory was called Formal Axiology, and the very basis of that theory is that there are 3 levels of value. He called them systemic, extrinsic and intrinsic. And I jumped into our shorthand of S, E and I. And systemic is a world of the simplest form evaluation. It could be yes/no, on/off, it is or isn't, you know, you are doing working or not. Extrinsic is basically, you could say, the roles people play in their lives. And that's what he called Stage 2 Capitalism, I believe, encompasses that extrinsic valuation of people as employees. But when we reach the intrinsic level of valuation, we recognize the unique individuality of each person without comparing them to roles or production or anything. They are who they are. Humans are unique. So that's the, what he called a Hierarchy of Value, S, E and I, and I is greater than E, E is greater than S.

Suzie: [00:25:51] People are greater than objects, are greater than the black and white or structure.

Cliff: [00:25:58] Yeah, I often think of I, E, S, as people, things and ideas.

Suzie: [00:26:02] Yes.

Cliff: [00:26:03] And Hartman said that people are more important than things or ideas, including ideas about people or things.

Suzie: [00:26:09] Yes.

Cliff: [00:26:10] As you know, Hartman escaped Nazi Germany shortly after Hitler rose to power, and he was, the rest of his life mortified by what happened in Germany then. And he

said the real error of German Nazism is that too many people started taking their ideas about people as more important than the unique people themselves. That really gave rise to this whole theory. But what fascinates me, his talk of Stage 1, 2 and 3 capitalism preceded his articulation of the Theory of Formal Axiology. He was doing this work in the 40s and 50s about a new form of capitalism, and in the manual of The Council of Profit Sharing Industries and in the manuscript *Partnership of Capital Labor*, you don't hear those 3 terms,

Suzie: [00:26:59] The ideas of it right there..

Cliff: [00:27:00] But the ideas are forming. They're coming together. Yeah. And that excites me to see how this man's thought evolved and developed over time. But then he got so focused on the theory once he articulated it and the assessment tool that measures people's judgments according to the theory, that he really got away from some of the practical application, like how should we conceive of the nature of a business.

Suzie: [00:27:24] Yeah.

Cliff: [00:27:25] And the highest value a business can bring to the world, or of government, or of sovereignty, or use of military power and the other things I've written about in *Revolution Against War*.

Suzie: [00:27:36] Interesting. So for just a minute, I want, because this has been on my mind since the conference when I heard the offhanded comment, I'm afraid of systemic, or something to that effect. I don't remember exactly how he said it, but it was a disdain for the systemic. And then I was actually on the phone with another Founder and I said something about how important the structure or systemic piece has been for the Institute, the software that we have now manages the Association, and that structure has helped us be successful. And the first answer from this person was, "No, it's the people." And my thought, in my head, which I'm not going to argue with someone who has 40 million years of experience ahead of me, that I'm thinking to myself, "Well, if you don't have the structure, you know, if you don't have the profit, is how where I'm going with it. If you don't have the profit, then you don't have the people." And I know they go together. I think that's where the rub comes, is like it's not saying that systemic doesn't matter, because we need that piece of the puzzle, there are 3 dimensions in thought, to make really good decisions, but the highest dimension is to put people first. So what are your thoughts on any of that ramble I just gave you?

Cliff: [00:28:43] Well, first of all, I studied Steve a lot and I think the world of Steve, I'm surprised to hear him say I fear the systemic, because the presentation I recall him giving, he said, for executives especially, we have to have highly developed systemic thought processes. A leader has to define what Peter Drucker called, The Concept of the Business, and a leader is thinking, "Where do we need to be systemically 10 years in the future for this to be a thriving organization?" So in my experience, Steve...

Suzie: [00:29:14] That must have been offhand comment, but it stuck in my mind.

Cliff: [00:29:16] What gets wrong is if we put it ahead of practical application, there are many dreamers who don't know how to get the work done.



Suzie: [00:29:27] Yeah.

Cliff: [00:29:27] And we put them both ahead of people, the individuals.

Suzie: [00:29:31] Yeah. Yeah, that's great. Yeah. So it's we need all 3 dimensions in our life as humans and how we think and make decisions. And then in a business they're a piece of it because, in that order, what's so cool is this, and we can apply to our own life, and it applies to a huge operation of any sort, or any business.

Cliff: [00:29:49] Yes. And we need the wherewithal to ask ourselves if the intrinsic is richer than the extrinsic, is richer than systemic. And I'm faced with the decision to make, "How am I going to run my company? Am I consciously aware of all 3 elements?"

Suzie: [00:30:05] Yes.

Cliff: [00:30:06] And can I, or am I just absorbing enough messages from the world around me that I don't even think about it? I believe that happens a lot.

Suzie: [00:30:15] Yeah. And I think when people say that learning Axiology and learning about Hartman, I think that's the piece that has changed our lives. Is this, you're conscious about when you're making decisions, when you understand the dimensions, when you're making decisions, where you're landing?

Cliff: [00:30:32] Yeah. And the tool, most of us approach Axiology through the profile, through the assessment instrument according to its various names and in 1:1 coaching, that is a great eye opener for people, if someone's never taken that instrument, they'll go, "Wow, how did you know that about me or how can I learn that about myself?" What I now most interested in is how do we apply that...

Suzie: [00:30:56] Business

Cliff: [00:30:57] To business and to government as well, or to religious institutions and to the way we vote and to the professions we choose in our lives and so forth. To me, if we just use the instrument to put the right peg in the right hole, we're stopping far short of value that say Hartman, say we could give. But if we, through the tool, we can help people in leadership positions especially, realize the theoretical underpinnings that this reveals to us, then we can apply it to all sorts of situations more wisely, not more rationally, more wisely, because wisdom, wisdom supersedes pure rationality in this context. And in my view...

Suzie: [00:31:47] And you know, around that same time, I was remembering back in my HR early days, and OD days, the Hershberg Theory where they talk about motivation and dissatisfiers, and dissatisfiers are the systemic items, the motivators are the things like recognition and responsibility, and that type of thing. So that's kind of a, if we're talking about individuals and we talk about corporations and how they work, that's, it sounds like Stage 1, Stage 2, doesn't it?

Cliff: [00:32:19] Yeah. And what if we could approach Stage 3? What if we could do things that move us in the direction of Stage 3, where people really come alive or who, I mean, ask



yourself, "What's the first thing on your employee's minds at 7:00 Monday morning when the alarm goes off." Is it, "Oh, boy, it's Monday. I can't wait to get back to work?" Or is it, "Ugh, it is another Monday? I can't wait for Hump Day, or Friday."

Suzie: [00:32:41] The first one should be normal. That should be the norm. But it isn't.

Cliff: [00:32:45] Yeah.

Suzie: [00:32:47] It's probably better than it used to be, but it still isn't the norm.

Cliff: [00:32:52] That's right. And I just keep thinking, "What if it were?"

Suzie: [00:32:55] Yeah. What if it were. What other thoughts do you have about that? So the leaders try to say, "Ok, I'm going to either run my department, maybe they don't run the whole organization, or they have a small team, or they're a religious leader or on committees or they're in the government, how could they influence this? And what are some actions they could take? One you just said is, think about what would make this person satisfied here.

Cliff: [00:33:21] You know, I think a lot about the ritual of annual or semiannual performance reviews, and the leader sits down with the person who says, you know, "Here's what you could do better to help the organization." What if, as a part of that conversation, we asked, "What can we as an organization to do to help you fulfill your purpose in life?"

Suzie: [00:33:39] Yeah.

Cliff: [00:33:40] Hartman asked that very question.

Suzie: [00:33:41] Yes, he did.

Cliff: [00:33:42] When he was consulting with Nationwide Insurance he urged executives to ask themselves 4 questions, now I wasn't prepared for this, so I may not get it right. But I think the questions were, one, why do you work for this organization? Two, what is your purpose in life? Three, what can you do to help this organization fulfill its mission? And what can you do to help this organization, help you fulfill your purpose in life? So to put the individual aspiration and life purpose into leadership discussions and leadership development programs, I think would be key. Now, Hartman isn't the only one who is talking about that, Douglas MacGregor did. Hertzberg did. More recently, there's a book called *The Deliberately Developmental Organizations* by Robert Keegan and Lisa Lahey. *The Deliberately Developmental Organization* is a book of case studies of companies who do deliberately try to put the development of each individual at the core of their purpose and mission. And it makes pretty interesting reading.

Suzie: [00:34:53] What did you get out of that book? I know I am hitting you off the top, but did you see where people out performed, or are they measuring things or were they just the people say their lives changed?

Cliff: [00:35:04] The question asked most often is, "What can we do next with your career to help develop you?" And they put people in stretch positions and give lots of feedback, not as performance review, but as coaching feedback to move into those new roles and expanded



skills. If I worked for you, Suzie, and I'm nervous about public speaking, then you say, "Ok, Cliff, we're going to put you in a role that requires public speaking and we're going to coach you till you can work through that. And we want to develop you, because if you get over your fear of public speaking, then you'll be a more valuable person. You'll have higher esteem for yourself and you'll contribute more to the company."

Suzie: [00:35:43] Yeah, I think that is not all Stage 3, but I do see that more and more. And I mean, we wouldn't be in business, I wouldn't be in business if that one happened, because nobody would hire me to help people know who they are and wake up eager, that's my theme. This is the Wake Up Eager Workforce podcast, it is out there, it's happening. But what are the biggest impediments? Is the biggest impediment this unconscious bias to...

Cliff: [00:36:10] Yes, I think so, yeah. I think we've bought into a worldview of what businesses should be and is defined by, without even knowing that we bought into it.

Suzie: [00:36:19] Yeah. There we go.

Cliff: [00:36:21] I gave a presentation once and I invite you to put a link to it if you want, I don't know if you can, the title of which was, *To Know That We Do Not Know*.

Suzie: [00:36:30] Ok, we'll put a link to it.

Cliff: [00:36:32] Ok, and I've been teaching one thing or another all my life, But only about the past 9 years as a Professor, have I really started questioning, so I'm always fascinated by how people learn, what keeps people from learning.

Suzie: [00:36:44] Yes. Yes.

Cliff: [00:36:46] And I believe the biggest obstacle is that we don't know that we don't know.

Suzie: [00:36:50] Yes. Yes.

Cliff: [00:36:53] And it's hard to figure out where is my cognitive horizon? What are the limits of my paradigms in my worldview?

Suzie: [00:37:00] Yeah.

Cliff: [00:37:01] Because it's very threatening to bump into those. But if you can have a safe process for doing that and exploring beyond your own cognitive horizons, you can get to somewhere different. So I think what keeps us back from Stage 3 capitalism is this unwillingness to recognize the limiting horizon of Stage 1 and Stage 2 taken for granted assumptions by many, many people.

Suzie: [00:37:23] I think sometimes it provokes it's a belief that if I do too much, they'll get taken advantage of, this all of that stuff, if I do too much.

Cliff: [00:37:33] You might, you will. There are organizations to say, "Ok, we'll suck everything we can out of you because the organization comes first." That's 2nd stage thinking. But if there



were a 3rd stage that says, "Suzie, the more you contribute, the more we want you to find fulfillment in what you do," that would be a different way of leading.

Suzie: [00:37:53] Yeah. And it's interesting, as a consultant, like I'm constantly driving my own learning and you forget that people don't always have the options to do that with, in business. That's a limit. Interesting.

Cliff: [00:38:07] I mean, all you have to do is read Frederick Taylor for an insight, you know, *The Principles of Scientific Management* for insight into Stage 1 capitalism. And, you know, Steve Byrum wrote a really excellent book called *From the Neck Up*, in which he compares and contrasts Frederick Taylor's Scientific Management with Robert Hartman's vision of a people first organization. And Byrum there says, "This don't do away with the efficiencies gained from automation and assembly line and so forth, but let's build upon them with something richer, they're not the end, they are a beginning."

Suzie: [00:38:44] Yes, interesting.

Cliff: [00:38:45] But so much of a business venture is still based on Frederick Taylor from 140 years ago. We need to question that.

Suzie: [00:38:53] Is it possible to do too much of Stage 3? To lose sight, I don't know. I mean, I don't know, I know this one company when COVID hit, they were impacted. Prior to that, they were more like, they were using all 3 stages, more like the people piece, you're putting people first and then I think they pull back from all of that, of course, because they were impacted so heavily, then there was some question in their minds about, we put people first and we're still alive, but barely.

Cliff: [00:39:25] Well, I can't answer that, but I can't help but ask it over and over again.

Suzie: [00:39:30] Yeah.

Cliff: [00:39:31] And one of the quandaries I face as an Editor and VP of Research at the Institute, is this manuscript Hartman wrote called *Partnership of Capital Labor* has never been published in English. It was published in German in 1958. But I only can read the English version of the manuscript. There's a lot of wisdom in there. And in that, Hartman used case studies of what he thought were exemplary organizations. The two he relied on most were, first of all, Lincoln Electric Manufacturing Company, which is still around today. They were well known for profit sharing and open book management and lots of this kind of Stage 3 style of leadership. The other one he used most often was Sears, who declared bankruptcy 2 years ago, some would say, because their burden of excessive retirement benefits took them down because they were heralded in 1950s as being the number one retailer in the world. And they were very generous in their retirement plans, that was how they did ownership, was into a retirement plan with stock. So somewhere they went wrong. Now, I think they missed the market, they missed Wal-Mart, they missed Amazon, I don't know.

Suzie: [00:40:49] But it seems like it from the outside looking in.

Cliff: [00:40:52] Yeah, but what if people there were complacent?

Suzie: [00:40:55] Yeah.

Cliff: [00:40:55] Because they were doing so well, they failed to see the limits of their own horizons, so, I don't know how to treat Sears in that manuscript. And I don't know enough about Sears' rise and fall to authoritatively say, "Here's what they did well, here's what they did poorly." We could take the best and not do the worst and learn from Sears. But they were such a role model in 1958, and today I don't know many business professors or theorist who would hold Sears up as a role model of a modern, adaptive, flexible organization.

Suzie: [00:41:28] It would be interesting to see companies, you know, Ron Price's son, has a company where he paid everybody the same salary. His son was on TIME magazine cover, cant think of the name of the company, I'll have to look it up. But are you familiar with that?

Cliff: [00:41:45] No.

Suzie: [00:41:46] He was doing Stage 1 capitalism, so he gave everybody the same salary and then a higher salary at all levels and has done a lot of different things. So well, something like that would be interesting to replace, because times change and business models change. And so you'd have to look at who today is doing something that looks and feels more like all 3 stages with the people first stage as dominant, you know how they're doing. And I wish I could think of the name of his company, but that would be interesting.

Cliff: [00:42:20] I think we need to experiment with new models of organization that do tap into the individual and their uniqueness, both for their own sake and for the development of the organization. And this is still pioneering work. It's not all been figured out yet.

Suzie: [00:42:37] So when is that book going to be available? The one that you're editing now? Because people listening might be interested in reading it.

Cliff: [00:42:44] Yes, I have changed my mind on priorities. I've also discovered Hartman wrote other essays and theories about his theory of economics and free enterprise and ethics and economics and so forth. And I believe rather than trying to update a 1958 book, we should publish a book of collected writings of his, including excerpts from that book, such as we did in the *Revolution Against War*, but selected writings by Robert Hartman on the nature of business, something like that. I'm working in that direction now. And whether the intact manuscript called a *Partnership With Capital Labor* comes into print, I don't even know. Maybe it's too far in the past. Maybe it's done. Maybe it needs to be available widely enough that others can critique it and write about it, to his laudatory treatment of Sears would be a nice historical research project for hungry academic interest.

Suzie: [00:43:46] That would be interesting.

Cliff: [00:43:46] But I would like to think we'll have this book of selected writings on free enterprise and ethics within a year.

Suzie: [00:43:55] Within a year, that's awesome. So I was going to go back to this, I was looking at some of my other notes about people aren't rational actors, that idea. And I was

thinking about, so you can't help but, I mean, we always do still I mean, it's hard to describe in organizations that we tend to personalize things and say, ok, so, for example, my husband tends to be way more rational than I am. So I am not irrational, but I tend to do more things on intuition. So I'd be more, follow my instincts and then let the facts catch up with me, you know. And so in regard to that, would you say how that would play out in an organization is people who are more rational or that want to lean more towards the utilitarian thought as they're making decisions in the business and people who are a little bit more intuition oriented or might lean a little bit more toward the people just naturally. And somehow we both work together within an organization to make it successful.

Cliff: [00:44:53] One thing we need to be aware of is that when we define rationality as maximum utility, we're narrowly defining. So you can be rational, you can be a rational Axiologist that include the intuitive and the emotional and so forth.

Suzie: [00:45:08] So it's all about utility?

Cliff: [00:45:09] Without clearly stating it, it is, we take it for granted. So the first thing is we ought not to take for granted what we mean by rationality tends to be say, "Well, I'm rational, so therefore I'm not emotive."

Suzie: [00:45:21] But you do find people who are higher utilitarian, and that just tend to be very objective in their decision making right?

Cliff: [00:45:31] No, they tend to be utilitarian decision.

Suzie: [00:45:33] Oh, that's true.

Cliff: [00:45:34] You can be objective with a broader view of what makes the world go round. Formal Axiology

Suzie: [00:45:40] Yes.

Cliff: [00:45:40] And be different than maximum utilization. You don't have to be a rat. So this is complicated. I wish I had a clear and easy way to distill it. I'll probably be rich and famous by the time I do that, but I don't know that I will. But it's worth peeling the cover off of our minds and looking inside to see what's driving our decisions, our thoughts and our actions. Is that the best way to live? I'll reveal this for the first time in public and you can edit it out if you want to. I'm so impressed by Hartman's thoughts about this. I have reached out to a number of consultants who are working with organizations not just with the instrument, but to really help change the culture and the leadership and the organization, according to what they know of Hartman's approach to business. And I envision writing a book of modern case studies of companies who are waiting in this arena right now to run their organizations differently. And I'm excited about that project, was the Hartman Institute, that I got to know the consultants well enough who were willing to introduce me to their clients with whom they were deeply.

Suzie: [00:46:49] So if our listeners are, know of a company, maybe they're running a company or they're a consultant within a company, helping a company, and they are leaning towards the Stage 1, those would be people you'd like to talk to.



Cliff: [00:47:04] Yeah, especially if they're doing it deliberately. Condos and apartments, values and approach. Ok, that's my hope. I'm still looking for to identify the right clients. I've got a handful, I don't know how many I'll need on the early stages of this.

Suzie: [00:47:20] Some of the takeaways in regard to leaders is to, you know, if they're listening, they think, "How do I use this now?" How do I understand how to, one, I think the awareness is the biggest key, piece, is what you've said, the awareness. When you think about that awareness...

Cliff: [00:47:36] The awareness of the limitations of what normal habitual thought patterns are based on.

Suzie: [00:47:40] Right? Yes. And then talking to people personally about what can I do to help you fulfill your purpose here, while you're here? I mean, those can be 2, that's 2 huge steps right there.

Cliff: [00:47:54] Yeah. That one question, I think would be very, very powerful. I've never been asked it, to have a performance review of my career.

Suzie: [00:48:01] You haven't? Yeah, that's interesting. Yeah.

Cliff: [00:48:03] My wife, who was a CEO, did ask it.

Suzie: [00:48:06] She did ask?

Cliff: [00:48:07] Of her employees.

Suzie: [00:48:08] And what impact did that have?

Cliff: [00:48:09] Well, I remember one who was the head of maintenance in a nursing home, and my wife was CEO of Maine's largest nursing home when I met her, He was ok, but not great. She didn't sense a real drive for him to keep the maintenance and the building going long. She said, "What would your dream be?" He said, "I'd like to be a long haul distance truck driver." She paid to have him get his CDL license.

Suzie: [00:48:37] Oh, wow.

Cliff: [00:48:37] And she welcomed him to go on because she wanted him to do what really felt him and she was able to hire a new maintenance person who really wanted to be a maintenance person. That's rare.

Suzie: [00:48:49] Yeah, that's beautiful, though. You know, that's how your legacy in the world is helping people be more of who they really are and who they really want to be.

Cliff: [00:48:59] Yeah. And if there's room in your organization for that, that's terrific. And if not to provide a way out with blessings would be kind of neat.



Suzie: [00:49:08] There's so much power in being seen, you know, there's so much power in that. And oftentimes if we're doing Stage 1 or Stage 2, if we stay in a systemic or extrinsic, you're not really seeing the person.

Cliff: [00:49:20] No.

Suzie: [00:49:21] I think just seeing and caring could be great, like major, awesome start, you know?

Cliff: [00:49:27] Yeah, I think being seen for who you are, not just a role, that's all out of Hartman.

Suzie: [00:49:34] Yeah. That's beautiful. Everybody resonates with the I and once I understand it, even if they don't understand all Axiology, when you say I before E before S, and they know what it means, people over tasks, over ideas, people like, your heart opens. That's who we are. That's wonderful. Talk a little bit about you. We're going to move into you a little bit in regard to why you are very devoted to Hartman, and people here may, many listeners will know who Robert Hartman is, because I've talked about it a lot in different podcast interview. I've interviewed Steve Byrum and a bunch of other Hartman students. But how did you find Hartman? And you've really, are making this your legacy, one of your legacies, anyway. You give freely of your time and your talents. You've brought so many of us to the institute. I'm here because you and your background.

Cliff: [00:50:24] I didn't know that.

Speaker5: [00:50:26] Yes, yes, yes. And I got involved to do a lot of the things I was doing a couple summers ago because I could hear your passion and knew all the work that you were doing and that it needed to be represented. And I know there's a lot of other people like that. But how did this come about for you? Because it seems like, as we're talking about purpose, it seems like this is maybe a big part of your purpose.

Cliff: [00:50:50] Oh, it is. Yeah. And it's grown on me. There's a wonderful book called *Callings: How to Find Your Authentic Life*.

Suzie: [00:50:56] I've read that.

Cliff: [00:50:57] The diversity and ambition in *The Calling* is, ambition may be something you want, but a calling won't let go of you, it grabs you, and it just keeps following you. You can try to run away from it then, you know, you've got a calling. Well, I was a consultant using a variety of assessment tools, TTI specifically, in the workplace for hiring and selection and coaching of people when that organization adopted a version of the Hartman Value Profile. I remember clearly seeing this big audience where Dave Mefford and Jay Niblick gave this introduction to this new instrument.

Suzie: [00:51:31] I think I was probably at that same year thing, 2005 or 2004.

Cliff: [00:51:33] I thought it was 2003, but it was a while back and I thought, "Holy cow," and bless his soul, Dave Mefford was a major contributor to the development of a Formal Axiology.

He also had a gift for making something really, really complex, even more complex. And he was so deeply loved and they just went way over my head. But I said, "Ok, I'll give it a try." So I started using the instrument as an Executive Coach. And I found it amazingly that it would cut to the layers of defenses, You know, when you're a coach with someone, especially if their boss assigned you to be the coach, there's this defense, "Well, what's the real agenda here? What do you want it for?" It can take weeks or months just to break through that, it's like people put on a mask of defensiveness. And yet with the Hartman Value Profile, it's like, it all just peeled away and we got very real, very quickly, which I appreciated. And yet people ask, "Well, this is amazing, Cliff, where did it come from?" And the best answer I had was, "Well it is some psychology, some philosophy, you know, trust me, it's good." And we'd move on and I didn't like that answer and my clients didn't like the answer.

Cliff: [00:52:43] So I thought, I need to learn more about this. I read the Structure of Value and about gagged, it's hard to weigh through, and the only book published at the time, it actually, with my wife's urging, I entered a PhD program largely to learn enough philosophy and psychology to better grasp this instrument. But then I got to exploring the theory behind the instrument more than the instrument itself. And for 5 years of the doctoral program, I did a very, very deep dive into Hartman's work. Rem Edwards became an external reader on my dissertation and he's been my mentor since.

Suzie: [00:53:24] Tell everybody who Rem Edwards is.

Cliff: [00:53:25] Rem Edwards is the Professor Emeritus of Philosophy at the University of Tennessee. He was a Junior Colleague of Hartman's for the last 4 years, I guess of Hartman's life, and was one of the Founders of the Institute that you and I are a part of, that you're now the President of. He served as President of the Institute. He established our Journal of Formal Axiology and was the Editor for the first 10 years. I'm now the editor of that. And he has kind of pass the baton on to me. Rem has written 30 or 40 books. He is without a doubt the leading scholar of the Theory of Formal Axiology alive today, and I owe a great deal of indebtedness to him. So I got on the board of the institute and was asked to be VP of Research and in 2000, time is flying, 2017 I believe I got a small research grant to take 2 undergraduate students with me to the Hartman archives at the University of Tennessee. And I'd been there once before. Several other people had been there, but we did a 10 day deep dive into the archives and captured electronically as much as we could there. And it was just an awesome eye-opening experience. This man was so prolific and actually such a good writer, that to think that the only book published in his lifetime is the one that's hardest to read, The Structure of Value, made me think the world needs to know about Hartman and his work more. So we began a very steady and I'm sorry, but painfully slow process, of polishing these and turning them into publication. As you know, we published Hartman's Five Lectures on Formal Axiology, which some people told me is still a pretty deep read, but since they were delivered as lectures, at least they were comprehensible to the ear, which I find it easier to read.

Suzie: [00:55:15] Yeah.

Cliff: [00:55:16] So, it's a small paperback. Then I became so engrossed in Hartman's wartime experiences and his philosophizing about the causes and consequences of war, that I felt we really need to bring into print his collective writings on war and peace. And we decided to call that *The Revolution Against War*, after one of his titles in there. You've probably seen that book,

if not read it yet. I believe the world needs that insight. I'm not, I'm in my Undergraduate in International Relations, but I'm not a Doctoral level, not at all into that. And frankly, it's not been well received in the marketplace yet. I think people don't want to think about nuclear war and how to prevent it. We just would prefer to think that all is fine. I think we need to read that book. It's certainly relevant to today and I wish we could find a way to have a greater audience for it.

Cliff: [00:56:10] Based on that experience, we thought, you know what, Hartman stuff is still pretty dense. It's still pretty hard to read. In conversation, and input from a few others, we decided to come out with a quote book and we called *Wit and Wisdom*. And I didn't know this until I looked up in the dictionary, but the definition of wit is the compact expression of wisdom. And I think that's what this book tries to capture is Hartman's wisdom, in short, little witty sayings, so it's just a book full of little quotations that give you a hint of the scope and the breadth of Hartman's wisdom. And we wrote some introductory chapters. I hope it flows in a sequence. The people who are brand new to this could read it and get a glimpse of the breadth and depth of it. So that's become our best seller so far.

Suzie: [00:56:57] That's awesome. It's a beautiful book too. And Remember with *The Revolution Against War*, so Catherine Blakemore is not familiar with Hartman other than through helping and working with Cliff on the layout design. And so she's read the whole book.

Cliff: [00:57:13] She was a student of mine as an Undergrad, so she took the profile 4 or 5 years ago.

Suzie: [00:57:17] That's right.

Cliff: [00:57:18] We've talked about it since. Yeah. It's grown on her.

Suzie: [00:57:21] Yes, she is, you have kind of that magic with it. So I mean, you actually embody or help make human all this work that Hartman did. But she was saying with the book *Revolution Against War*, how optimistic he is, you know, in the book, you know, I haven't read it yet, the book, just because I am juggling too many things, but I want to read it. And then she read it to her father on a road trip.

Cliff: [00:57:45] I know, she said she read it out loud.

Suzie: [00:57:47] Read it out loud. So they were in a car and she read it to him and her father looked over at her and said, "Man, he's an optimistic son of a gun," or something like that, you know? So it's interesting, you know, how it's actually a book on optimism, even though it's about nuclear war. And something about his writings, and not any kind of philosopher or PhD student, but it is optimistic. I mean, you feel the vibe of it and you know the truth in it. So I just wanted to kind of say that.

Cliff: [00:58:17] The writings in that book were from his heart and they were from his own lived experience. I mean, he opens it by saying, "My first memories are of war, my father, I was 4 years old when my father went off to World War I and he came back with a hole in his helmet." And then he had to escape Germany in '33, he immigrated to the U.S. '43, he had to escape Sweden in '37 or so when the Nazis threatened there. So he immigrated twice under the threat



of war and was sought after for his council by the chairman of the U.S. House Foreign Relations Committee. How he got known to him I don't know.

Suzie: [00:58:55] How Hartman did is amazing when he was so new and it was a short period of time.

Cliff: [00:59:00] Yeah.

Suzie: [00:59:01] Yeah. His book did not get published because he died prematurely, or then he wasn't known to be ill, it happened very quick, I believe, right? Wasn't he in his early 60's or something?

Cliff: [00:59:11] He was 63 when he died.

Suzie: [00:59:12] Yeah. Yeah. So interesting.

Cliff: [00:59:15] So I'm excited. We're working next on a handful of things. One will be the Aetiological Study of Personality, which is an interesting addition to Axiology. But it was by Hartman, his manuscript, *The Individual in Management*, was written for some of his consulting clients. We want to bring that out as an e-book, may incorporate that in a bigger book about business. And I want to incorporate several of his unknown writings about business, in free enterprise and economics and ethics, the employee benefits and profit sharing enter into a book next. Though, there's much there and we're still dealing with planning another trip back to the archives to see if we can go deeper. We have enough information that I hope we could write a book of his writings on spirituality and religion as well, because Axiology bumps into the spiritual dimension of life as well. We business consultants don't tend to go there with our clients, but it's a part of life to be considered and more.

Suzie: [01:00:21] Well, here is, you've been listening, to our listeners, you've just been listening to someone who is on purpose. And if you are feeling all buzzy and vibey, that's what it feels like when you observe someone who's on purpose. So, Cliff, just thank you for all that you do and all that you're creating and making this live for all of us and becoming an expert in Hartman. And just your commitment to this work and for reminding us that people are first and showing us that there's another way, we don't have to have unconscious bias and how we think.

Cliff: [01:00:56] Thank you, Suzie, that will keep me going when this slogging gets tough. I appreciate it.

Suzie: [01:01:01] You're an amazing so you're just such a good person and you're smart and you're kind, and you live these principles. And that's what's so beautiful about Rem and all the other leaders who studied with Hartman, and even Hartman they talk about how brilliant he was, but you hear even more how kind he was. So he was brilliant and he wrote hundreds of thousands of pages, but you know what he believed to put people first and I think he did his best to try to do that just based on all these years later, that's what the people who know him remember.

Cliff: [01:01:32] Yeah. My favorite quote from *Wit and Wisdom* is, when he said, "The intrinsic is simply what that which makes dogs want to lick you."



Suzie: [01:01:44] That's wisdom in a short nugget.

Cliff: [01:01:45] That's what they call cowboy wisdom.

Suzie: [01:01:46] Yes, when dogs want to lick you, that means you're being loving and you're your whole self.

Cliff: [01:01:50] So, if you're afraid to read Hartman because it's too erudite, he said that too.

Suzie: [01:01:57] Yes, he did. Well, I also want to close with some parting advice to our listeners. A lot of the folks who are listening are leaders or are consultants, and what do you want them to remember from this discussion about Hartman, about intrinsic, extrinsic, systemic, about people aren't rational actors. What you want them to remember and consider doing differently?

Cliff: [01:02:20] A saying we're not rational doesn't mean we're less than rational, it means we're more than rational we are valuing subjects, and that's a richer way to live than just being rational. So be proud to be not a rational actor, strive to grow to be aware of the limits of your own cognitive horizons. And there's some techniques and practices you can do to always bump into them and it can be scary, but that's where growth comes from. And I urge you to experiment with those things and experiment with your own organizations and say, "What could we do to become a Stage 3 capitalism type of company?" And if you get there first, tell me what it's like and what you went through, lessons learned and pitfalls to avoid.

Suzie: [01:03:09] Yes, yes. I would say also maybe you were about to say it, but, today, tomorrow, next week, go ask someone you work with, "What can I do to help you fulfill your purpose in your life?"

Cliff: [01:03:26] Yeah. Thank you.

Suzie: [01:03:27] Take that risk, ask that and see what happens, and go with it and watch it be your experiment of one. Thank you, Cliff. You're awesome.

Cliff: [01:03:35] Thank you, Suzie.

Suzie: [01:03:37] So what did you think? What do you think about this approach about Stage 3 capitalism? Where people would on Sunday night say, "Oh, I can't wait to go to work tomorrow?" Yes, we want that to be the norm. That's always been a strong passion of my own personally, to find my purpose in my work, to follow what interests me and to gauge my life upon what's going to help me wake up eager, and to equate happiness as much as the salary. I definitely like to make money, but I love happiness even more. So I guess that would be my intrinsic over the extrinsic over systemic. Life does change when you do find something closer to your purpose. And so the quote that we touched on during the conversation is in the show notes, which is people are asking this anyway, they may not be verbalizing it, but they are thinking, all of us are. I think there's somewhere in there within us, you know, what am I here for? This is a Hartman quote, Robert Hartman quote, "What am I here for in this world? Why do I work for this organization? What can this organization do to help me fulfill my meaning in the



world? How can I help this organization, help me fulfill my meaning in the world?" So think about that, most people are thinking that and, you know, there's a sign on their head, it's not just what's in it for me, but it's do I matter? Do I matter here? Do I matter to you? All of that ties together to say we each have an innate knowledge or insight that we have something valuable to bring to the world. And that's something that's so exciting.

Suzie: [01:05:31] These assessments and being an assessment expert like I am, isn't about selling an assessment, it's about helping people see their uniqueness, helping them see their value and helping them answer some of these questions. And what if we promoted that? What if you today asked someone, you know, "What is it that would help you fulfill your purpose? How can I help you do that?" And it's easy to get caught up in the doing. I mean, here I am involved in the Hartman Institute and I'm trying to help it move forward and running these board meetings. And sometimes I find myself, and I'm pretty intrinsically oriented, but I find myself thinking, "Ok, we got to get more stuff done." And I slip into the extrinsic, because we got to, you know, make this thing go. And sometimes, I think I need to step back and think about and remind myself within this institute, it's a volunteer thing and I know, and even in your work, you know, what is it that is our purpose? Who is this person in front of me? How do I understand them better? How do I understand what's important to them? How do I help them fulfill their meaning in the world? Just everything takes on a different complexion when you're thinking about these things.

Suzie: [01:06:46] And Hartman's work and what Cliff is sharing about Stage 3 capitalism is interesting. It's not, it's either utilitarianism or it's socialism, it's all of that matters. You have to have a vision. We have to have things to do. And we really need the people. We need the people to feel heard and met. And so be interesting be to find a balance with a leaning towards the people. Maybe there's a new way to frame that, that we're not on one side or the other, we're in all of it together. Seeing people for who they are, who they can be is a huge legacy and a huge difference maker from the person who's helping us do that, to the person who receives that insight. So, just a ramble about what I think is important and what the work that Cliff is doing and just so glad that you're here and that you tuned in.

Suzie: [01:07:42] The way to find the show notes, again, we have, it is transcribed so you can read comments and then we also have time slots, so it's pricelessprofessional.com/capitalism, C-A-P-I-T-A-L-I-S-M, all lowercase, pricelessprofessional.com/capitalism. Get the directory, go check it out.

Suzie: [01:08:06] Leave me a comment with a microphone, you go to wakeupeagerworkforce.com, hit that purple microphone and you can leave me a message right away. I'll get it. We could just, tell me something, tell me what you got from this episode or questions or suggestions. And you could also reach out to me by going to pricelessprofessional.com/suzie. S-U-Z-I-E. We'll see you on the next episode. Thanks for tuning in and take care.

Outro: [01:08:31] This episode of the Wakeup Eager Workforce Podcast was brought to you by Priceless Professional Development. Thank you for tuning in. If you enjoyed today's show, head over to pricelessprofessional.com to gain access to more professional development resources.